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Top Standard Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8510)

INSIDE INFORMATION:

WINDING UP ORDER AGAINST THE SUBSIDIARY OF THE COMPANY AND POSITIVE PROFIT ALERT

This announcement is made by Top Standard Corporation (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

WINDING UP ORDER AGAINST THE SUBSIDIARY OF THE COMPANY

On 22 March 2023, a winding up order (the “**Order**”) of Leading Win Limited (“**Leading Win**”), a wholly owned subsidiary of the Company, was granted by the High Court of the Hong Kong Special Administrative Region and Leading Win is in compulsory winding up process by its provisional liquidator during the three months ended 31 March 2023.

Leading Win was running a Sichuanese and Cantonese restaurant under the “San Xi Lou” brand which operation was discontinued in the third quarter of 2021. All the assets and liabilities of Leading Win has been de-consolidated (the “**De-consolidated**”) from the Group’s consolidation statement of financial position as at 31 March 2023. It was also expected a gain on de-consolidation would be recognized and intra-group balances due from Leading Win with the Company and its fellow subsidiaries would be written off. Except for the above, to the best knowledge of the Company, the Order of Leading Win has no material impact to the current core business operation and financial position of the Company and its other subsidiaries.

The Company is actively seeking legal advice in relation to the Order of Leading Win and will keep its shareholders and investors informed of any significant development of the Order of Leading Win. The Company will make further announcement(s) as and when appropriate in accordance with the GEM Listing Rules.

POSITIVE PROFIT ALERT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that, based on the unaudited consolidated management accounts prepared for the three months ended 31 March 2023 (the “**Q12023**”) and the preliminary assessment of the latest information currently available to the Board, the Group is expected to record a net profit of not less than approximately HK\$10 million, as compared to a net loss of approximately HK\$936,000 for the three months ended 31 March 2022. The turning

from net loss to net profit was mainly attributed by the net effect from (i) gain on de-consolidation of approximately HK\$26 million; and (ii) written off of balances due from Leading Win with the Company and its fellow subsidiaries amounting to approximately HK\$13 million.

The information contained in this announcement is solely based on the preliminary assessment by the Board upon its review of the unaudited consolidated management accounts of the Group and the latest information currently available to the Board which have not been reviewed by the Company's auditor or audit committee. The financial results of the Group for Q12023 will only be ascertained after all the relevant results and accounting treatments have been finalized. Shareholders and potential investors of the Company are advised to refer to the details of the Company's first quarterly results announcement for Q12023 which will be published on or around 15 May 2023.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company. If the shareholders of the Company have any query about the implications of the Order, they should obtain appropriate professional advice.

By order of the Board of
Top Standard Corporation
Chuk Stanley
Chairman and Executive Director

Hong Kong, 11 May 2023

As at the date of this announcement, the executive Directors are Mr. Chuk Stanley and Mr. Ying Kan Man, and the independent non-executive Directors are Mr. Wong Ching Wan, Mr. Tang Chiu Ming, Jeremy and Mr. Yip Ki Chi, Luke.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange at www.hkexnews.hk for at least seven days from the date of its posting. This announcement will also be published on the website of the Company at www.topstandard.com.hk.