

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

TRULY®

TRULY INTERNATIONAL HOLDINGS LIMITED

信利國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00732)

**LITIGATION
IN RELATION TO A DISCLOSABLE TRANSACTION
REGARDING THE INVESTMENT IN LESHU ZHIXIN**

On 29 August 2017, the Company received the acknowledgement dated 28 August 2017 from the relevant court in the PRC in respect of the civil complaint filed by Truly Electronics in relation to a discloseable transaction regarding the investment in Leshu Zhixin.

Reference is made to the announcement (the “**Announcement**”) of Truly International Holdings Limited (the “**Company**”) dated 14 February 2017 in relation to discloseable transaction regarding investment in Leshu Zhixin (the “**Transaction**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless otherwise specified.

On 29 August 2017, the Company received the acknowledgement dated 28 August 2017 from the relevant court in the PRC in respect of the civil complaint filed by Truly Electronics in relation to a dispute relating to the Transaction.

Background of the civil complaint

On 14 February 2017, Truly Electronics, an indirect wholly owned subsidiary of the Company, has entered into the Investment Agreement with, among others, Leshu Zhixin, pursuant to which Truly Electronics conditionally agreed to acquire in aggregate 2.3438% equity interest in Leshu Zhixin immediately upon completion of the Investment at a consideration of RMB720 million. Pursuant to the Investment Agreement, the consideration for the Investment shall be payable by Truly Electronics in three equal instalments before 30 April 2017. On 2 March 2017, the Group has paid the first instalment of the consideration in the amount of RMB240 million.

As the Company’s management considers that a condition of the Investment Agreement has been breached by Leshu Zhixin and/or Leshu Holding, Truly Electronics suspended the payment of the remaining two instalments of the consideration in the amount of RMB480 million and terminated the Investment Agreement on 1 July 2017.

Status of the civil complaint

In August 2017, Truly Electronics (as plaintiff) has filed a civil complaint against Leshi Zhixin and Leshi Holding (as defendants) to seek rectification of the breach by Leshi Zhixin and Leshi Holding and refund of the first instalment of RMB240 million paid by Truly Electronics. The relevant court in the PRC has acknowledged the acceptance of the civil complaint filed by Truly Electronics on 28 August 2017, but the civil complaint has not yet been heard by the court.

Further announcement will be made by the Company as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Truly International Holdings Limited
Lam Wai Wah
Chairman

Hong Kong, 29 August 2017

As at the date of this announcements, the Board comprises Mr. Lam Wai Wah, Mr. Wong Pong Chun, James and Mr. Cheung Tat Sang as executive directors, Mr. Li Jian Hua as a non-executive director and Mr. Chung Kam Kwong, Mr. Ip Cho Ting, Spencer and Mr. Heung Kai Sing as independent non-executive directors.