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TRULY[®]

TRULY INTERNATIONAL HOLDINGS LIMITED **信利國際有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00732)

RESULTS ANNOUNCEMENT **FOR THE THREE MONTHS ENDED 31 MARCH 2016**

UNAUDITED RESULTS

The unaudited revenue and profit attributable to owners of the Company and its subsidiaries for the three months period from 1 January 2016 to 31 March 2016 was approximately HK\$4,694 million and HK\$223 million which was about 0.5% and 12.9% more than the corresponding period in 2015 (approximately HK\$4,672 million and HK\$198 million) respectively. The unaudited gross profit margin (12.2%) for the period was more than the corresponding period in 2015 (10.6%) while unaudited net profit margin attributable to owners of the Company was increased from 4.2% for the corresponding period in 2015 to 4.8% during the current period.

FINANCIAL HIGHLIGHTS

For the three months period from 1 January 2016 to 31 March 2016:

	2016 Unaudited HK\$'000	2015 Unaudited HK\$'000	Change
Revenue	*4,693,761	4,671,599	+0.5%
Gross profit	*570,535	494,280	+15.4%
Profit for the period attributable to owners of the Company	*222,974	197,530	+12.9%
Basic EPS	*7.7 HK cent	6.8 HK cents	+13.2%
Interim dividend per share	2 HK cents	2 HK cents	-

***FIRST QUARTER RECORD HIGH**

The Board of Directors (the “Board”) of Truly International Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) is pleased to announce the Group’s 2016 first quarter unaudited consolidated results for the period from 1 January 2016 to 31 March 2016 (with comparative figures for the corresponding period in the previous year) and the unaudited condensed consolidated statement of financial position at 31 March 2016 (with comparative audited figures as at 31 December 2015) as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2016

	Unaudited For the period from 1.1.2016 to 31.3.2016 HK\$’000	Unaudited For the period from 1.1.2015 to 31.3.2015 HK\$’000
Revenue (<i>Note 2</i>)	4,693,761	4,671,599
Cost of sales	<u>(4,123,226)</u>	<u>(4,177,319)</u>
Gross profit (<i>Note 3</i>)	570,535	494,280
Other income, gains and losses	(10,295)	14,834
Administrative, distribution and selling expenses	(199,686)	(198,937)
Finance costs	(29,424)	(26,212)
Share of results of associates	<u>(27,416)</u>	<u>(10,548)</u>
Profit before tax	303,714	273,417
Income tax expense	<u>(55,299)</u>	<u>(62,886)</u>
Profit for the period	<u>248,415</u>	<u>210,531</u>
Other comprehensive income for the period		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	45,795	(7,190)
Fair value gain (loss) on available-for-sale investments	7,598	(17,562)
Share of exchange differences arising on translation of associates	<u>2,464</u>	<u>-</u>
	<u>55,857</u>	<u>(24,752)</u>
Total comprehensive income for the period	<u>304,272</u>	<u>185,779</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

(continued)

For the three months ended 31 March 2016

	Unaudited For the period from 1.1.2016 to 31.3.2016 HK\$'000	Unaudited For the period from 1.1.2015 to 31.3.2015 HK\$'000
Profit for the period attributable to:		
Owners of the Company <i>(Note 4)</i>	222,974	197,530
Non-controlling interests	<u>25,441</u>	<u>13,001</u>
	<u>248,415</u>	<u>210,531</u>
Total comprehensive income for the period attributable to:		
Owners of the Company	276,810	173,392
Non-controlling interests	<u>27,462</u>	<u>12,387</u>
	<u>304,272</u>	<u>185,779</u>
Basic earnings per share <i>(Note 5)</i>	<u>7.7 HK cents</u>	<u>6.8 HK cents</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2016

	Unaudited 31.3.2016 HK\$'000	Audited 31.12.2015 HK\$'000
NON-CURRENT ASSETS		
Property, plant and equipment	7,051,427	6,968,996
Interest in associates	1,204,146	1,223,727
Available-for-sale investments (Note 6)	84,246	76,648
Other non-current assets	488,981	234,825
	8,828,800	8,504,196
CURRENT ASSETS		
Inventories (Note 7)	2,049,458	1,775,706
Trade and other receivables (Note 8)	5,316,878	5,004,135
Tax recoverable	58,879	42,153
Other current assets	28,406	11,798
Amount due from an associate	544,433	768,600
Restricted bank deposits, bank balances and cash (Note 9)	1,849,705	2,127,856
	9,847,759	9,730,248
CURRENT LIABILITIES		
Trade and other payables	5,200,994	5,652,125
Tax liabilities	27,984	1,490
Bank and other borrowings, unsecured (Note 9)	3,248,163	2,882,553
Other current liabilities	23,470	42,571
	8,500,611	8,578,739
NET CURRENT ASSETS (Note 10)	1,347,148	1,151,509
TOTAL ASSETS LESS CURRENT LIABILITIES	10,175,948	9,655,705
NON-CURRENT LIABILITIES		
Bank and other borrowings, unsecured (Note 9)	2,213,068	2,000,056
Other non-current liabilities	63,027	60,068
	2,276,095	2,060,124
	7,899,853	7,595,581
CAPITAL AND RESERVES		
Share capital	58,142	58,142
Share premium and reserves	7,304,185	7,027,375
Equity attributable to owners of the company	7,362,327	7,085,517
Non-controlling interests	537,526	510,064
Total equity	7,899,853	7,595,581

Notes:

1. The accounting policies and basis used in the preparations of the unaudited condensed consolidated statement of profit or loss and other comprehensive income and the condensed consolidated statement of financial position respectively, which were reviewed by the Audit Committee, are the same as those used in the annual financial statements for the year ended 31 December 2015.
2. Unaudited consolidated revenue for the three months ended 31 March 2016 was approximately HK\$4,694 million which was about 0.5% more than the same period last year (2015: approximately HK\$4,672 million).
3. Gross profit margin for the period was around 12.2 % (approximately 10.6% for the same period in 2015).
4. Net profit margin attributable to owners of the Company for the period was around 4.8% (approximately 4.2% for the same period in 2015).
5. The calculation of the basic earnings per share is based on the profit for the period attributable to owners of the Company of HK\$222,974,000 (same period in 2015: HK\$197,530,000) and on the weighted average number of 2,907,099,398 ordinary shares in issue during the period (same period in 2015: 2,907,099,398 shares)
6. The investments include equity interests in companies incorporated in Taiwan and in Cayman Islands with their registered shares listed on the Taiwan Stock Exchange and on the Hong Kong Stock Exchange respectively, which are stated at fair value. The fair value of listed equity securities is determined based on quoted market bid price available from the relevant stock exchange. During the three months ended 31 March 2016, fair value gain of approximately HK\$7,598,000 (same period in 2015: fair value loss of approximately HK\$ 17,562,000) has been recognised.
7. The inventory turnover was around 45 days (38 days for the year ended 31 December 2015).
8. The trade debtor turnover was around 88 days (78 days for the year ended 31 December 2015).
9. As at 31 March 2016, the outstanding bank and other borrowings, net of restricted bank deposits, bank balances and cash were about HK\$3,612 million (HK\$2,755 million as at 31 December 2015).
10. The current ratio as at 31 March 2016 was 1.16 (1.13 as at 31 December 2015).

DIVIDEND

The Board has resolved to pay an interim quarterly dividend of 2 HK cents per share for the three months ended 31 March 2016 (2015: 2 HK cents) to shareholders whose names appear on the Register of Members as at the close of business on 8 June 2016. It is expected that the interim dividend payments will be made to shareholders on 8 September 2016.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from 7 June 2016 to 8 June 2016, both dates inclusive, during which period no transfer of shares can be registered. In order to qualify for the interim quarterly dividend, all transfers accompanied by relevant share certificates must be lodged with the Company's Branch Share Registrars, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 6 June 2016.

As the unaudited condensed consolidated statement of financial position at 31 March 2016 and the unaudited results for the three months then ended may not reflect the consolidated statement of financial position at 30 June 2016 and 31 December 2016 and the interim and final results for the six months and the full year then ended respectively, investors and shareholders are advised to exercise extreme caution when dealing in the shares of the Company.

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

Hong Kong, 18 May 2016

As at the date of this announcement, the Board comprises Mr. Lam Wai Wah, Mr. Wong Pong Chun, James and Mr. Cheung Tat Sang as executive directors, Mr. Li Jian Hu 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.