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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 NINE MONTHS ENDED 30 SEPTEMBER 2018**

UNAUDITED RESULTS

The Group's unaudited revenue for the nine months period from 1 January 2018 to 30 September 2018 was approximately HK\$14,305 million which was about 10.8% less than the corresponding period in 2017 (approximately HK\$16,038 million). Profit attributable to owners of the Company was approximately HK\$16 million (2017: loss attributable to owners of the Company approximately HK\$8 million). The unaudited gross profit margin of approximately 10.1% for the period was more than the corresponding period of approximately 9.0% in 2017 while unaudited net profit margin attributable to owners of the Company was recorded approximately 0.1% during the period (2017: net loss margin attributable to owners of the Company approximately 0.1%).

FINANCIAL HIGHLIGHTS

For the nine months period from 1 January 2018 to 30 September 2018:

	2018 Unaudited HK\$'000	2017 Unaudited HK\$'000	Change
Revenue	14,304,508	16,037,795	-10.8%
Gross profit	1,437,796	1,439,199	-0.1%
Profit (Loss) for the period attributable to owners of the Company	16,096	(8,460)	N/A
Basic Earnings (Loss) per share	0.52 HK cent	(0.29) HK cent	N/A

The Board of Directors (the “Board”) of Truly International Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the period from 1 January 2018 to 30 September 2018 (with comparative figures for the corresponding period in the previous year) as follows:

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

For the nine months ended 30 September 2018

	Unaudited For the period from 1.1.2018 to 30.9.2018 HK\$'000	Unaudited For the period from 1.1.2017 to 30.9.2017 HK\$'000
Revenue (<i>Note 2</i>)	14,304,508	16,037,795
Cost of sales	(12,866,712)	(14,598,596)
Gross profit (<i>Note 3</i>)	1,437,796	1,439,199
Other income, gains and losses (<i>Note 4</i>)	21,871	231,487
Credit insurance compensation income - LEMOBILE	-	140,400
One-off full provision for bad and doubtful debt - LEMOBILE	-	(554,069)
	-	(413,669)
Impairment loss on available-for-sale investments	(1,798)	(6,956)
Administrative, distribution and selling expenses	(620,631)	(592,043)
Finance costs	(261,929)	(239,063)
Share of results of associates	(434,330)	(345,748)
Profit before tax	140,979	73,207
Income tax expense	(77,088)	(65,783)
Profit for the period	63,891	7,424
Other comprehensive (expense) income for the period		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	(459,462)	635,859
Share of exchange differences arising on translation of associates	(64,548)	44,426
Other comprehensive (expense) income for the period	(524,010)	680,285
Total comprehensive (expense) income for the period	(460,119)	687,709

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

(continued)

For the nine months ended 30 September 2018

	Unaudited For the period from 1.1.2018 to 30.9.2018 HK\$'000	Unaudited For the period from 1.1.2017 to 30.9.2017 HK\$'000
Profit (loss) for the period attributable to:		
Owners of the Company (<i>Note 5</i>)	16,096	(8,460)
Non-controlling interests	47,795	15,884
	63,891	7,424
Total comprehensive (expense) income for the period attributable to:		
Owners of the Company	(478,830)	645,122
Non-controlling interests	18,711	42,587
	(460,119)	687,709
Basic earnings (loss) per share (<i>Note 6</i>)	0.52 HK cent	(0.29) HK cent

Notes:

- The accounting policies and basis used in the preparations of the unaudited condensed consolidated statement of profit or loss and other comprehensive income, which was reviewed by the Audit Committee and approved by the Board on 23 November 2018, are the same as those used in the annual financial statements for the year ended 31 December 2017.
- Unaudited consolidated revenue for the nine months ended 30 September 2018 was approximately HK\$14,305 million which was about 10.8% less than the same period last year (2017: approximately HK\$16,038 million).
- Gross profit margin for the period was approximately 10.1% (approximately 9.0% for the same period in 2017).
- The Group has recorded approximately HK\$12 million of government grants in the Period (2017: approximately HK\$81 million) and net foreign exchange loss in the period (2017: net foreign exchange gain).
- Net profit margin attributable to owners of the Company for the period was approximately 0.1% (Net loss margin attributable to owners of the Company approximately 0.1% in 2017).
- The calculation of the basic earnings (loss) per share is based on the profit for the period attributable to owners of the Company of HK\$16,096,000 (same period in 2017: loss for the period attributable to owners of the Company HK\$8,460,000) and on the weighted average number of 3,120,429,398 ordinary shares in issue during the period (same period in 2017: 2,913,546,284 shares).

DIVIDEND

The Board does not recommend the payment of the interim dividend for the nine months ended 30 September 2018 (2017: Nil).

As the unaudited results for the nine months ended 30 September 2018 may not reflect the final results for the full year ended 31 December 2018 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, 23 November 2018

As at the date of this announcement, the Board comprises Mr. Lam Wai Wah, Mr. Wong Pong Chun, James, Mr. Ma Wai Tong, Mr. Song Bei Bei, Mr. Dai Cheng Yun and Mr. Cheung Wing Cheung as executive directors and Mr. Chung Kam Kwong, Mr. Ip Cho Ting, Spencer and Mr. Heung Kai Sing as independent non-executive directors.