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# **TRULY<sup>®</sup>**

## **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 2019**

#### **UNAUDITED RESULTS**

The unaudited revenue and profit attributable to owners of the Company and its subsidiaries for the nine months period from 1 January 2019 to 30 September 2019 (the “Period”) were approximately HK\$16,020 million and HK\$169 million which were about 12.0% and 949.9% more than the corresponding period in 2018 (approximately HK\$14,305 million and HK\$16 million) respectively. The unaudited gross profit margin of approximately 9.3% for the Period was less than the corresponding period of approximately 10.1% in 2018 while unaudited net profit margin attributable to owners of the Company was increased from 0.1% for the corresponding period in 2018 to 1.1% during the Period.

#### **FINANCIAL HIGHLIGHTS**

For the nine months period from 1 January 2019 to 30 September 2019:

	<b>2019</b> <b>Unaudited</b> <b>HK\$'000</b>	<b>2018</b> <b>Unaudited</b> <b>HK\$'000</b>	<b>Change</b>
Revenue	<b>16,020,286</b>	14,304,508	+12.0%
Gross profit	<b>1,488,775</b>	1,437,796	+3.5%
Profit for the period attributable to owners of the Company	<b>168,987</b>	16,096	+949.9%
Basic Earnings per share	<b>5.14 HK cent</b>	0.52 HK cent	+888.5%

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 2019 to 30 September 2019 (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 2019

	<b>Unaudited For the period from 1.1.2019 to 30.9.2019 HK\$'000</b>	Unaudited For the period from 1.1.2018 to 30.9.2018 HK\$'000
Revenue (Note 2)	<b>16,020,286</b>	14,304,508
Cost of sales	<b>(14,531,511)</b>	(12,866,712)
Gross profit (Note 3)	<b>1,488,775</b>	1,437,796
Other income, gains and losses (Note 4)	<b>(139,916)</b>	21,871
Loss from changes in fair value of financial assets at fair value through profit or loss	<b>(4,533)</b>	(1,798)
Administrative, distribution and selling expenses	<b>(544,570)</b>	(620,631)
Finance costs	<b>(304,825)</b>	(261,929)
Share of results of associates	<b>(170,555)</b>	(434,330)
Profit before tax	<b>324,376</b>	140,979
Income tax expense	<b>(74,586)</b>	(77,088)
Profit for the period	<b>249,790</b>	63,891
<b>Other comprehensive expense for the period</b>		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	<b>(216,568)</b>	(459,462)
Share of exchange differences arising on translation of associates	<b>(39,762)</b>	(64,548)
Other comprehensive expense for the period	<b>(256,330)</b>	(524,010)
Total comprehensive expense for the period	<b>(6,540)</b>	(460,119)

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

(continued)

For the nine months ended 30 September 2019

	<b>Unaudited For the period from 1.1.2019 to 30.9.2019 HK\$'000</b>	Unaudited For the period from 1.1.2018 to 30.9.2018 HK\$'000
Profit for the period attributable to:		
Owners of the Company (Note 5)	168,987	16,096
Non-controlling interests	<u>80,803</u>	<u>47,795</u>
	<b><u>249,790</u></b>	<b><u>63,891</u></b>
Total comprehensive (expense) income for the period attributable to:		
Owners of the Company	(62,202)	(478,830)
Non-controlling interests	<u>55,662</u>	<u>18,711</u>
	<b><u>(6,540)</u></b>	<b><u>460,119</u></b>
Basic earnings per share (Note 6)	<b><u>5.14 HK cent</u></b>	<b><u>0.52 HK cent</u></b>

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 22 November 2019, are the same as those used in the annual financial statements for the year ended 31 December 2018.
- Unaudited consolidated revenue for the nine months ended 30 September 2019 was approximately HK\$16,020 million which was about 12.0% more than the same period in last year (2018: approximately HK\$14,305 million).
- Gross profit margin for the Period was approximately 9.3% (approximately 10.1% for the same period in 2018).
- The net loss of approximately HK\$140 million from other income, gains and losses in the Period was recorded (same period in 2018: approximately HK\$22 million net gain) mainly because net exchange loss and inventory provision have been increased in aggregate of approximately HK\$138 million.
- Net profit margin attributable to owners of the Company for the Period was approximately 1.1% (Net profit margin attributable to owners of the Company for the same period in 2018 was approximately 0.1%).
- The calculation of the basic earnings per share is based on the unaudited profit for the period attributable to owners of the Company of HK\$168,987,000 (same period in 2018: unaudited profit attributable to owners of the Company of HK\$16,096,000) and on the weighted average number of 3,289,229,398 ordinary shares in issue during the Period (same period in 2018: 3,120,429,398 shares).

## **DIVIDEND**

The Board does not recommend the payment of the interim dividend for the nine months ended 30 September 2019 (2018: Nil).

**As the unaudited results for the nine months ended 30 September 2019 may not reflect the final results for the full year ended 31 December 2019 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, 22 November 2019

*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.*