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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 2020**

UNAUDITED RESULTS

The unaudited revenue and profit attributable to owners of the Company and its subsidiaries for the nine months period from 1 January 2020 to 30 September 2020 (the “Period”) were approximately HK\$16,133 million and HK\$408 million which were about 0.7% and 141.7% more than the corresponding period in 2019 (approximately HK\$16,020 million and HK\$169 million) respectively. The unaudited gross profit margin of approximately 8.8% for the Period was less than the corresponding period of approximately 9.3% in 2019 while unaudited net profit margin attributable to owners of the Company was increased from 1.1% for the corresponding period in 2019 to 2.5% during the Period.

FINANCIAL HIGHLIGHTS

For the nine months period from 1 January 2020 to 30 September 2020:

	2020 Unaudited HK\$'000	2019 Unaudited HK\$'000	Change
Revenue	16,133,447	16,020,286	+0.7%
Gross profit	1,421,960	1,488,775	-4.5%
Profit for the period attributable to owners of the Company	408,375	168,987	+141.7%
Basic Earnings per share	12.42 HK cent	5.14 HK cent	+141.7%

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 2020 to 30 September 2020 (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 2020

	Unaudited For the period from 1.1.2020 to 30.9.2020 HK\$'000	Unaudited For the period from 1.1.2019 to 30.9.2019 HK\$'000
Revenue (Note 2)	16,133,447	16,020,286
Cost of sales	(14,711,487)	(14,531,511)
Gross profit (Note 3)	1,421,960	1,488,775
Other income, gains and losses (Note 4)	9,722	(139,916)
Loss from changes in fair value of financial assets at fair value through profit or loss	(2,080)	(4,533)
Administrative, distribution and selling expenses	(552,078)	(544,570)
Finance costs	(298,859)	(304,825)
Share of results of associates	(6,058)	(170,555)
Profit before tax	572,607	324,376
Income tax expense	(97,794)	(74,586)
Profit for the period	474,813	249,790
Other comprehensive income (expense) for the period		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	293,241	(216,568)
Share of exchange differences arising on translation of associates	15,321	(39,762)
Other comprehensive income (expense) for the period	308,562	(256,330)
Total comprehensive income (expense) for the period	783,375	(6,540)

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

(continued)

For the nine months ended 30 September 2020

	Unaudited For the period from 1.1.2020 to 30.9.2020 HK\$'000	Unaudited For the period from 1.1.2019 to 30.9.2019 HK\$'000
Profit for the period attributable to:		
Owners of the Company (Note 5)	408,375	168,987
Non-controlling interests	66,438	80,803
	474,813	249,790
Total comprehensive income (expense) for the period attributable to:		
Owners of the Company	698,793	(62,202)
Non-controlling interests	84,582	55,662
	783,375	(6,540)
Basic earnings per share (Note 6)	12.42 HK cent	5.14 HK cent

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, which was reviewed by the Audit Committee and approved by the Board on 20 November 2020, are the same as those used in the annual financial statements for the year ended 31 December 2019.
2. Unaudited consolidated revenue for the nine months ended 30 September 2020 was approximately HK\$16,133 million which was about 0.7% more than the same period in last year (2019: approximately HK\$16,020 million).
3. Gross profit margin for the Period was approximately 8.8% (approximately 9.3% for the same period in 2019).
4. The net gain of approximately HK\$10 million from other income, gains and losses in the Period was recorded (same period in 2019: approximately HK\$140 million net loss) mainly because net foreign exchange loss have been decreased in aggregate of approximately HK\$88 million.
5. Net profit margin attributable to owners of the Company for the Period was approximately 2.5% (Net profit margin attributable to owners of the Company for the same period in 2019 was approximately 1.1%).
6. 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\$408,375,000 (same period in 2019: unaudited profit attributable to owners of the Company of HK\$168,987,000) and on the weighted average number of 3,289,229,398 ordinary shares in issue during the Period (same period in 2019: 3,289,229,398 shares).

DIVIDEND

The Board does not recommend the payment of the interim dividend for the nine months ended 30 September 2020 (2019: Nil).

As the unaudited results for the nine months ended 30 September 2020 may not reflect the final results for the full year ended 31 December 2020 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, 20 November 2020

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