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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 2021**

UNAUDITED RESULTS

The unaudited revenue and profit attributable to owners of the Company and its subsidiaries for the three months period from 1 January 2021 to 31 March 2021 (the “Period”) were approximately HK\$5,326 million and HK\$263 million which were about 13.6% and 176.2% more than the corresponding period in 2020 (approximately HK\$4,689 million and HK\$95 million) respectively. The unaudited gross profit margin of approximately 11.4% for the Period was more than the corresponding period of approximately 9.2% in 2020 while unaudited net profit margin attributable to owners of the Company was increased from 2.0% for the corresponding period in 2020 to 4.9% during the Period.

FINANCIAL HIGHLIGHTS

For the three months period from 1 January 2021 to 31 March 2021:

	2021 Unaudited HK\$'000	2020 Unaudited HK\$'000	Change
Revenue	5,326,233	4,689,323	+13.6%
Gross profit	607,532	429,077	+41.6%
Profit for the period attributable to owners of the Company	262,744	95,119	+176.2%
Basic Earnings per share	7.99 HK cent	2.89 HK cent	+176.5%

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 2021 to 31 March 2021 (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 three months ended 31 March 2021

	Unaudited For the period from 1.1.2021 to 31.3.2021 HK\$'000	Unaudited For the period from 1.1.2020 to 31.3.2020 HK\$'000
Revenue (Note 2)	5,326,233	4,689,323
Cost of sales	(4,718,701)	(4,260,246)
Gross profit (Note 3)	607,532	429,077
Other income, gains and losses (Note 4)	35,688	(10,350)
(Loss) Gain from changes in fair value of financial assets at fair value through profit or loss	(1,485)	625
Administrative, distribution and selling expenses	(230,571)	(180,770)
Finance costs	(85,318)	(96,025)
Share of results of associates	15,762	9,271
Profit before tax	341,608	151,828
Income tax expense	(61,721)	(24,092)
Profit for the period	279,887	127,736
Other comprehensive expense for the period		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	(25,898)	(181,851)
Share of exchange differences arising on translation of associates	(759)	(28,265)
Other comprehensive expense for the period	(26,657)	(210,116)
Total comprehensive income (expense) for the period	253,230	(82,380)

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

(continued)

For the three months ended 31 March 2021

	Unaudited For the period from 1.1.2021 to 31.3.2021 HK\$'000	Unaudited For the period from 1.1.2020 to 31.3.2020 HK\$'000
Profit for the period attributable to:		
Owners of the Company (Note 5)	262,744	95,119
Non-controlling interests	17,143	32,617
	279,887	127,736
Total comprehensive income (expense) for the period attributable to:		
Owners of the Company	243,714	(96,877)
Non-controlling interests	9,516	14,497
	253,230	(82,380)
Basic earnings per share (Note 6)	7.99 HK cent	2.89 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 18 May 2021, are the same as those used in the annual financial statements for the year ended 31 December 2020.
2. Unaudited consolidated revenue for the three months ended 31 March 2021 was approximately HK\$5,326 million which was about 13.6% more than the same period in last year (2020: approximately HK\$4,689 million).
3. Gross profit margin for the Period was approximately 11.4% (approximately 9.2% for the same period in 2020).
4. The net gain of approximately HK\$36 million from other income, gains and losses in the Period was recorded (same period in 2020: approximately HK\$10 million net loss) mainly because net foreign exchange gain of approximately HK\$22 million was recorded (same period in 2020: approximately HK\$48 million net foreign exchange loss).
5. Net profit margin attributable to owners of the Company for the Period was approximately 4.9% (Net profit margin attributable to owners of the Company for the same period in 2020 was approximately 2.0%).

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\$262,744,000 (same period in 2020: unaudited profit attributable to owners of the Company of HK\$95,119,000) and on the weighted average number of 3,289,229,398 ordinary shares in issue during the Period (same period in 2020: 3,289,229,398 shares).

DIVIDEND

The Board does not recommend the payment of the interim dividend for the three months ended 31 March 2021 (2020: Nil).

As the unaudited results for the three months ended 31 March 2021 may not reflect the final results for the full year ended 31 December 2021 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 2021

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.