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## **TRULY INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 00732)**

### **PROFIT WARNING**

The Board wishes to inform Shareholders and potential investors that, based on the information currently available to the Company, it is expected that the consolidated loss attributable to owners of the Company for the 6 months ended 30 June 2017 would be recorded as compared to the consolidated profit attributable to owners of the Company for the 6 months ended 30 June 2016.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by Truly International Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Company, it is expected that the consolidated loss attributable to owners of the Company for the 6 months ended 30 June 2017 would be recorded as compared to the consolidated profit attributable to owners of the Company for the 6 months ended 30 June 2016.

The Board believes that the expected consolidated loss attributable to owners of the Company for the 6 months ended 30 June 2017 was primarily attributable to the following reasons:

1. **SIGNIFICANT INCREASE IN SHARE OF LOSS FROM ASSOCIATES** – the share of loss from associates for the 6 months ended 30 June 2017 by the Group has been significantly increased in amount by around HK\$200 million when compared with same period last year because the major associate, Truly (Huizhou) Smart Display Limited (信利(惠州)智能顯示有限公司), of the Group has started production and begun to provide depreciation since the fourth quarter 2016, the production rate and yield rate in the ramping up period and leading to significant operating losses. The production rate and yield rate has been improving, and the operating loss has begun to narrow; and
2. **ONE-OFF FULL PROVISION FOR BAD AND DOUBTFUL DEBT OF CUSTOMER, LEMOBILE INFORMATION TECHNOLOGY (BEIJING) CO., LTD.\*** (樂視移動智能信息技術(北京)有限公司) - approximately HK\$554 million. According to the credit insurance agreement, the Group has lodged compensation with the amount approximately HK\$140 million to the credit insurance company and expected to receive the compensation within 2017.

The Company is in the process of finalising the consolidated financial results of the Group for the 6 months ended 30 June 2017. The information contained in this announcement represents only a preliminary assessment by the Company of the information currently available to the Company.

The management believes that the above mentioned one-off bad and doubtful debt provision would not affect the Group's daily operation.

*\*For indication only*

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

Hong Kong, 22 August 2017

*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 Hua 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.*