



## TRULY INTERNATIONAL HOLDINGS LIMITED

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

(Stock Code: 0732)

### RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2008

#### UNAUDITED RESULTS

The unaudited turnover and net profit of the Company and its subsidiaries for the three month period from 1 January 2008 to 31 March 2008 was approximately HK\$1.37 billion and HK\$148 million which was about 9% more and 21% less than the corresponding period in 2007 (approximately HK\$1.26 billion and HK\$189 million) respectively. The unaudited gross profit margin (17.2%) for the period was less than the corresponding period in 2007 (21.9%) while unaudited net profit margin was decreased from 15.0% for the corresponding period in 2007 to 10.8% during the current period.

The unaudited total net assets of the Group as at 31 March 2008 was increased to HK\$3.21 billion (HK\$3.03 billion as at 31 December 2007) which was mainly attributable to the unaudited profit for the period. The unaudited current ratio as at 31 March 2008 was maintained at 1.7 times (1.2 times as at 31 December 2007). At 31 March 2008, the unaudited outstanding bank and other borrowings, net of bank and cash balances were approximately HK\$1,137 million (HK\$833 million as at 31 December 2007).

#### FINANCIAL HIGHLIGHTS

##### For the three months from 1 January 2008 to 31 March 2008

	<b>2008</b>	2007	Change
	<b>Unaudited</b>	Unaudited	%
	<b>HK\$'000</b>	HK\$'000	
Revenue	<b>1,374,224</b>	1,255,638	+9
Gross profit	<b>235,702</b>	274,370	-14
Profit for the period	<b>148,228</b>	188,553	-21
Basic EPS	<b>HK\$0.31</b>	HK\$0.40	-22

The Board of Directors (the "Board") of Truly International Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") is pleased to announce the Group's first quarter unaudited consolidated results for the period from 1 January 2008 to 31 March 2008 (with comparative figures for the corresponding period in the previous year) and the unaudited condensed consolidated balance sheet at 31 March 2008 (with comparative audited figures as at 31 December 2007) as follows:

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**  
**For the three months ended 31 March 2008**

	<b>Unaudited</b> <b>For the period</b> <b>from 1.1.2008</b> <b>to 31.3.2008</b> <i>HK\$'000</i>	Unaudited For the period from 1.1.2007 to 31.3.2007 <i>HK\$'000</i>
Revenue ( <i>Note 2</i> )	<b>1,374,224</b>	1,255,638
Cost of sales	<b>(1,138,522)</b>	(981,268)
Gross profit ( <i>Note 3</i> )	<b>235,702</b>	274,370
Other income	<b>13,744</b>	6,544
Administrative expenses	<b>(38,892)</b>	(34,644)
Distribution and selling costs	<b>(24,158)</b>	(18,707)
Finance costs	<b>(14,168)</b>	(10,510)
Profit before tax	<b>172,228</b>	217,053
Income tax expense	<b>(24,000)</b>	(28,500)
Profit for the period ( <i>Note 4</i> )	<b>148,228</b>	188,553
Basic earnings per share ( <i>Note 5</i> )	<b>HK\$0.31</b>	HK\$0.40

**CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 31 March 2008**

	<b>Unaudited</b> <b>31.3.2008</b> <b>HK\$'000</b>	Audited 31.12.2007 HK\$'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	<b>3,170,624</b>	3,214,313
Other non-current assets	<b>205,906</b>	193,281
	<b>3,376,530</b>	3,407,594
<b>CURRENT ASSETS</b>		
Inventories (Note 6)	<b>821,658</b>	808,007
Trade and other receivables (Note 7)	<b>914,425</b>	1,131,967
Bank balances and cash (Note 8)	<b>505,445</b>	554,476
	<b>2,241,528</b>	2,494,450
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<b>664,043</b>	1,371,864
Tax liabilities	<b>68,068</b>	76,459
Bank and other borrowings, unsecured (Note 8)	<b>613,210</b>	699,250
	<b>1,345,321</b>	2,147,573
<b>NET CURRENT ASSETS (Note 9)</b>	<b>896,207</b>	346,877
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>4,272,737</b>	3,754,471
<b>NON-CURRENT LIABILITIES</b>		
Bank and other borrowings, unsecured (Note 8)	<b>1,028,991</b>	688,059
Deferred tax liabilities	<b>34,081</b>	34,081
	<b>1,063,072</b>	722,140
	<b>3,209,665</b>	3,032,331
<b>CAPITAL AND RESERVES</b>		
Share capital (Note 10)	<b>47,275</b>	47,274
Share premium and reserves	<b>3,162,390</b>	2,985,057
	<b>3,209,665</b>	3,032,331

Notes:

- The accounting policies and basis used in the preparations of the income statement and balance sheet, which were reviewed by the Audit Committee are the same as those used in the annual financial statements for the year ended 31 December 2007.
- Unaudited consolidated revenue for the three months ended 31 March 2008 was approximately HK\$1.37 billion which was about 9% more than the same period last year (2007: approximately HK\$1.26 billion).
- Gross profit margin for the period was around 17.2% (approximately 21.9% for the same period in 2007).
- Net profit margin for the period was around 10.8% (approximately 15.0% for the same period in 2007).
- The calculation of the basic earnings per share is based on the profit for the period of HK\$148,228,000 (2007: HK\$188,553,000) and on the weighted average number of 472,750,000 ordinary shares in issue during the period (2007: 468,997,000 shares).
- The inventory turnover was around 66 days (55 days for the year ended 31 December 2007).
- The trade debtor turnover was around 57 days (54 days for the year ended 31 December 2007).
- As at 31 March 2008, the outstanding bank and other borrowings, net of bank and cash balances were about HK\$1,137 million (HK\$833 million as at 31 December 2007).
- The current ratio as at 31 March 2008 was maintained at 1.7 times (1.2 times as at 31 December 2007).
- The increase in share capital was due to a total of 10,000 ordinary shares issued as a result of the same number of staff options being exercised during the period.

**As the unaudited balance sheet at 31 March 2008 and the unaudited results for the three months then ended may not reflect the balance sheets at 30 June 2008 and 31 December 2008 and the interim and final results for the six months and the full year then ended respectively, investors and shareholders are advised to exercise extreme caution when dealing in the shares of the Company.**

*As at the date of this announcement, the Board comprises four executive directors, Mr. Lam Wai Wah, Steven, Mr. Wong Pong Chun, James, Mr. Cheung Tat Sang, James and Mr. Li Jian Hua; and three independent non-executive directors, Mr. Chung Kam Kwong, Mr. Ip Cho Ting, Spencer and Mr. Heung Kai Sing.*

By Order of the Board  
**Lam Wai Wah, Steven**  
*Chairman*

Hong Kong, 29 May 2008