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TRULY®

TRULY INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00732)

**PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL
PROPOSED SUBDIVISION OF SHARES AND
CHANGE OF BOARD LOT SIZE
PROPOSED BONUS ISSUE OF SHARES
RECORD DATE AND BOOK CLOSURE PERIOD FOR
BONUS ISSUE AND FOR THIRD INTERIM DIVIDEND**

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The current authorised share capital of the Company is HK\$65,000,000 divided into 650,000,000 ordinary shares of HK\$0.10 each, of which 503,269,527 Existing Shares are in issue at the date of this announcement. In order to facilitate the proposed Bonus Issue and to accommodate the future expansion and growth of the Group, the Board proposes to increase the authorised share capital of the Company to HK\$100,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.10 each, by the creation of an additional 350,000,000 ordinary shares of HK\$0.10 each.

PROPOSED SHARE SUBDIVISION

The Board proposes to subdivide each existing issued and unissued share of HK\$0.10 of the Company into five (5) Subdivided Shares of HK\$0.02 each. Upon the Share Subdivision becoming effective, the authorised share capital of the Company will be HK\$65,000,000 divided into 3,250,000,000 Subdivided Shares (or, subject to the Increase in Authorised Share Capital having become effective, HK\$100,000,000 divided into 5,000,000,000 Subdivided Shares), consisting of approximately 2,516,347,635 Subdivided Shares which will be in issue and fully paid or credited as fully paid, and 733,652,365 unissued Subdivided Shares (or, upon the Increase in Authorised Share Capital having become effective, 2,483,652,365 unissued Subdivided Shares), assuming that no further Shares are issued or repurchased prior to the Share Subdivision becoming effective.

BOARD LOT CHANGE

The Shares are currently traded on the Stock Exchange in board lot size of 2,000 Shares each. The Board proposes that, subject to and upon the Share Subdivision becoming effective, the board lot size be changed from 2,000 Existing Shares to 2,000 Subdivided Shares. Based on the theoretical adjusted closing price of the Subdivided Shares with reference to the closing price of HK\$10.28 per Existing Share as at the date of this announcement, the new estimated board lot value would be HK\$4,112 in the new board lot size of 2,000 Subdivided Shares.

PROPOSED BONUS ISSUE

The Board proposes a Bonus Issue to the Shareholders in recognition of their continued support. The Bonus Issue represents the issue by way of bonus to Shareholders of one (1) new Existing Share for every ten (10) Existing Shares held (equivalent to, upon the Share Subdivision becoming effective, one (1) new Subdivided Share for every two (2) Existing Shares held). The Bonus Shares will not rank for the third interim dividend for the three months ended 30 September 2010 but will upon issue rank pari passu in all other respects with all other Shares then in issue. The Bonus Issue is proposed to be made to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date.

RECORD DATE AND TIMETABLE

The date to be fixed for the Record Date and the timetable for the Bonus Issue and Share Subdivision will be announced separately. The timetable to be announced will also include the record date to determine entitlement to the third interim dividend of 8 HK cents per Share (as announced in a separate announcement issued by the Company on the same date of this announcement) and the period for the closure of the register of members of the Company.

CIRCULAR

A circular containing, among other things, details of the proposed Increase in Authorised Share Capital, the Share Subdivision and the Bonus Issue, together with a notice of the EGM and the related proxy form, will be despatched to Shareholders as soon as practicable.

A. PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY

The current authorised share capital of the Company is HK\$65,000,000 divided into 650,000,000 ordinary shares of HK\$0.10 each, of which 503,269,527 Existing Shares are in issue at the date of this announcement. In order to facilitate the proposed Bonus Issue and to accommodate the future expansion and growth of the Group, the Board proposes to increase the authorised share capital of the Company to HK\$100,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.10 each, by the creation of an additional 350,000,000 ordinary shares of HK\$0.10 each.

Immediately after the completion of the Increase in Authorised Share Capital and assuming no new Shares are issued or repurchased from the date of this announcement up to the date of the EGM, the authorised share capital of the Company will be HK\$100,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.10 each, comprising 503,269,527 issued Existing Shares and 496,730,473 unissued Existing Shares.

The Increase in Authorised Share Capital of the Company is conditional upon the approval of the Shareholders by way of an ordinary resolution at the EGM and no Shareholder is required to abstain from voting on such resolution.

B. PROPOSED SHARE SUBDIVISION AND BOARD LOT CHANGE

Proposed Share Subdivision

The Board proposes to subdivide each existing issued and unissued share of HK\$0.10 of the Company into five (5) Subdivided Shares of HK\$0.02 each. Upon the Share Subdivision becoming effective, the authorised share capital of the Company will be HK\$65,000,000 divided into 3,250,000,000 Subdivided Shares (or, subject to the Increase in Authorised Share Capital having become effective, HK\$100,000,000 divided into 5,000,000,000 Subdivided Shares), consisting of approximately 2,516,347,635 Subdivided Shares which will be in issue and fully paid or credited as fully paid, and 733,652,365 unissued Subdivided Shares (or, upon the Increase in Authorised Share Capital having become effective, 2,483,652,365 unissued Subdivided Shares), assuming that no further Shares are issued or repurchased prior to the Share Subdivision becoming effective. All Subdivided Shares in issue will rank *pari passu* with each other in all respects.

Conditions of the Share Subdivision

The Share Subdivision is conditional upon:

- (i) the approval of the Share Subdivision by the Shareholders at the EGM;
- (ii) the Listing Committee granting the listing of, and permission to deal in, the Subdivided Shares; and
- (iii) compliance with the relevant legal procedures and requirements under the Companies Law to effect the Share Subdivision.

Board Lot Change

The Shares are currently traded on the Stock Exchange in board lot size of 2,000 Shares each. The Board proposes that, subject to and upon the Share Subdivision becoming effective, the board lot size be changed from 2,000 Existing Shares to 2,000 Subdivided Shares. Based on the theoretical adjusted closing price of the Subdivided Shares with reference to the closing price of HK\$10.28 per Existing Share as at the date of this announcement, the new estimated board lot value would be HK\$4,112 in the new board lot size of 2,000 Subdivided Shares.

Reasons for the Share Subdivision and Board Lot Change

The proposed Share Subdivision will decrease the nominal value of each Share and increase the total number of Shares in issue. The Share Subdivision is expected to result in downward adjustment to the trading price of each Share. The Board considers that the Share Subdivision and the Board Lot Change will improve the liquidity in the trading of the Shares and therefore will enable the Company to attract more investors and broaden its Shareholders' base.

Save for the expenses to be incurred by the Company in relation to the Share Subdivision, the implementation of the Share Subdivision will not, by itself, alter the underlying assets, business operations, management or the financial position of the Company or the proportionate interest of the Shareholders. The Board considers the Share Subdivision and the Board Lot Change are in the interests of the Company and the Shareholders as a whole, and will not have any material adverse effect on the financial position of the Group.

Arrangements for the matching of odd lots, if any, will be announced separately.

Adjustments to the exercise prices of the Share Options

Implementation of the Share Subdivision will lead to adjustments to the exercise prices and number of the Shares in respect of which outstanding Share Options are exercisable. The Company will inform each of the holders of outstanding Share Options regarding the adjustments to be made pursuant to the respective terms and conditions of the Share Options. Such adjustments will be certified by the auditors of the Company as fair and reasonable.

Save for the Share Options, the Company has no other outstanding share options to subscribe for any Share.

C. PROPOSED BONUS ISSUE

The Board proposes a Bonus Issue to the Shareholders in recognition of their continued support. The Bonus Issue represents the issue by way of bonus to Shareholders of one (1) new Existing Share for every ten (10) Existing Shares held (equivalent to, upon the Share Subdivision becoming effective, one (1) new Subdivided Share for every two (2) Existing Shares held). The Bonus Shares will not rank for the third interim dividend for the three months ended 30 September 2010 but will upon issue rank *pari passu* in all other respects with all other Shares then in issue. The Bonus Issue is proposed to be made to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date. The terms of the Bonus Issue are set out below.

Basis of Bonus Issue

Subject to the conditions as set out under the heading "Conditions of the Bonus Issue" below, the Bonus Issue is proposed to be made by way of bonus on the basis of one (1) new Existing Share for every ten (10) Existing Shares (or, subject to the Share Subdivision becoming effective, one (1) new Subdivided Share for every two (2) Existing Shares) held on the Record Date by the Qualifying Shareholders. The Bonus

Shares will be issued and credited as fully paid at par. Fractional entitlements will not be distributed but will be aggregated, rounded down to the nearest whole number and sold for the benefit of the Company. On the basis of 503,269,527 Existing Shares in issue as at the date of this announcement (which would be equivalent to 2,516,347,635 Subdivided Shares upon the Share Subdivision taking effect), and assuming no further Shares will be issued or purchased before the Record Date, it is anticipated that approximately 50.33 million new Existing Shares (or, subject to the Share Subdivision becoming effective, approximately 251.63 million new Subdivided Shares) will be issued under the Bonus Issue, representing approximately 10% of the issued share capital as at the date of this announcement and the Record Date.

Record Date and Closure of Register of Members

The Bonus Shares will be issued to the Qualifying Shareholders only. Arrangements for the Excepted Shareholders are further elaborated below under the heading “Overseas Shareholders”.

The register of members of the Company will be closed in order to determine the entitlement of the Shareholders under the Bonus Issue. The date to be fixed as the Record Date and the period of closure of the register of members will be announced separately.

The exact total number of Bonus Shares to be issued under the Bonus Issue will not be capable of determination until the Record Date.

Reasons for the proposed Bonus Issue

As a gesture to thank the Shareholders for their loyalty to and support of the Company, the Board has decided to propose the Bonus Issue for Shareholders’ approval. The Directors believe that the Bonus Issue will also increase the Company’s capital base and enhance the liquidity of the Shares in the market and thereby enlarge the Company’s shareholders’ base.

Overseas Shareholders

Enquiries will be made by the Board pursuant to Rule 13.36 of the Listing Rules in regard to the Overseas Shareholders. If, based on the results of such enquiries, the Board is of the view that the exclusion of any Overseas Shareholders is necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant body or stock exchange in that place, the Bonus Shares will not be made to that particular Overseas Shareholder. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Excepted Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Excepted Shareholders, if any, pro rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue by the Shareholders at the EGM;
- (ii) the Listing Committee granting the listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements under the Companies Law to effect the Bonus Issue.

D. APPLICATION TO THE STOCK EXCHANGE

An application will be made to the Stock Exchange for the listing of and permission to deal in the Subdivided Shares arising from the Share Subdivision and the Bonus Shares. No part of the securities of the Company is listed or dealt in, nor is listing or permission to deal in the securities of the Company being proposed to be sought, on any other stock exchange.

E. RECORD DATE AND TIMETABLE

The date to be fixed for the Record Date and the timetable for the Bonus Issue and Share Subdivision will be announced separately. The timetable to be announced will also include the record date to determine entitlement to the third interim dividend of 8 HK cents per Share (as announced in a separate announcement issued by the Company on the same date of this announcement) and the period for the closure of the register of members of the Company.

F. GENERAL

A circular containing, among other things, details of the proposed Increase in Authorised Share Capital, the Share Subdivision and the Bonus Issue, together with a notice of the EGM and the related proxy form, will be despatched to Shareholders as soon as practicable. As no Shareholder has a material interest in the proposed Increase in Authorised Share Capital, the Bonus Issue and the Share Subdivision, no Shareholder will be required to abstain from voting on the relevant resolutions.

G. DEFINITION

“Board”	the board of directors of the Company
“Board Lot Change”	the change of the board lot size from 2,000 Existing Shares to 2,000 Subdivided Shares upon the Share Subdivision becoming effective

“Bonus Issue”	the proposed issue of Bonus Shares on the basis of one (1) new Existing Share for every ten (10) Existing Shares held (or, upon the Share Subdivision become unconditional, one (1) new Subdivided Share for every two (2) Existing Shares held)
“Bonus Shares”	the new Existing Shares or, upon the Share Subdivision becoming effective, the new Subdivided Shares to be issued under the Bonus Issue
“Company”	Truly International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited
“Companies Law”	the Companies Law (2010 Revision), as consolidated, amended and revised from time to time of the Cayman Islands
“Directors”	directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, to approve, among other things (if any), the Increase in Authorised Share Capital, the Share Subdivision and the Bonus Issue
“Excepted Shareholders”	those Overseas Shareholders to whom the Board, after making enquiries pursuant to Rule 13.36 of the Listing Rules, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant body or stock exchange in that place not to extend the Bonus Issue
“Existing Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	the proposed increase in the existing authorised share capital of the Company from HK\$65,000,000 divided into 650,000,000 Existing Shares to HK\$100,000,000 divided into 1,000,000,000 Existing Shares by the creation of an additional 350,000,000 Existing Shares
“Listing Committee”	the listing committee of the Stock Exchange

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholders”	holders of Shares whose addresses as shown on the register of members of the Company on the Record Date are outside Hong Kong
“Qualifying Shareholders”	holders of Shares not being Excepted Shareholders whose names appear on the register of members of the Company on the Record Date
“Record Date”	the date of reference to which entitlements to the Bonus Issue are to be determined
“Registrar”	Tricor Secretaries Limited, Hong Kong branch share registrar and transfer office of the Company at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong
“Share(s)”	share(s) in the capital of the Company
“Shareholders”	holders of Shares
“Share Option(s)”	share option(s) granted by the Company to the directors and/or employees of the Group under the share option scheme of the Company adopted on 22 December 2003
“Share Subdivision”	the proposed subdivision of each issued and unissued Existing Share into five (5) Subdivided Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	share(s) of HK\$0.02 each in the share capital of the Company upon the Share Subdivision becoming effective
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong.

On behalf of the board of
TRULY INTERNATIONAL HOLDINGS LIMITED
Lam Wai Wah, Steven
Chairman

Hong Kong, 30 November 2010

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