Truly International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 00732

2026 Interim Report

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CORPORATE INFORMATION

EXECUTIVE DIRECTORS
Lam Wai Wah (Chairman)
Wong Pong Chun, James
Cheung Wing Cheung
(resigned on 31 July 2026)

NON-EXECUTIVE DIRECTORS
Song Bei Bei
Lam Po Chun, Jane

INDEPENDENT NON-EXECUTIVE DIRECTORS
Chung Kam Kwong
Heung Kai Sing
Cheung Wai Yin, Wilson

COMPANY SECRETARY
Lau Fan Yu

AUDIT COMMITTEE
Chung Kam Kwong (Chairman)
Heung Kai Sing
Cheung Wai Yin, Wilson

REMUNERATION COMMITTEE
Chung Kam Kwong (Chairman)
Wong Pong Chun, James
Heung Kai Sing
Cheung Wai Yin, Wilson

NOMINATION COMMITTEE
Chung Kam Kwong (Chairman)
Wong Pong Chun, James
Heung Kai Sing
Cheung Wai Yin, Wilson
Lam Po Chun, Jane

AUDITOR
Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors
35/F One Pacific Place
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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE
Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road, Hong Kong

HONG KONG LEGAL ADVISOR
Morgan, Lewis & Bockius
19th Floor
Edinburgh Tower, The Landmark
15 Queen's Road Central
Hong Kong

MAJOR BANKERS
Agricultural Bank of China Limited
Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of Shanghai (Hong Kong) Limited
China Construction Bank Corporation
China Construction Bank (Asia)
Corporation Limited
Chong Hing Bank Limited
CTBC Bank Co., Ltd.
Hang Seng Bank Limited
Industrial and Commercial Bank of
China Limited
Mizuho Bank, Ltd.
OCBC Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited
The Bank of East Asia, Limited
United Overseas Bank Limited

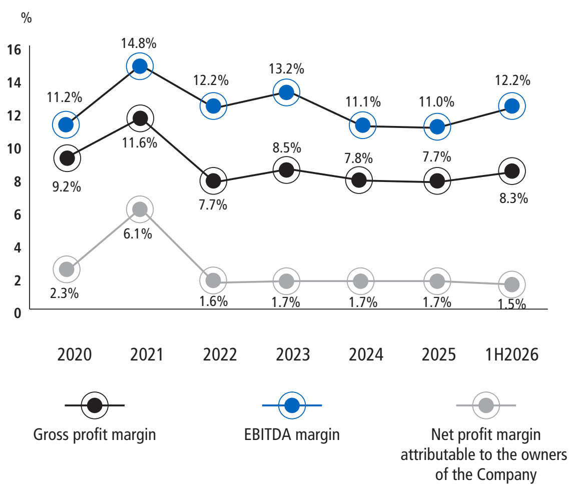
WEBSITE
http://www.truly.com.hk

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		
	2026 Unaudited HK$'000	2025 Unaudited HK$'000	Change
Revenue	**6,960,229**	8,098,185	-14.1%
Gross profit	**577,314**	637,047	-9.4%
Profit for the period attributable to the owners of the Company	**101,646**	140,686	-27.7%
EBITDA (Note)	**850,630**	920,193	-7.6%
Basic earnings per share (HK cents)	**3.48**	4.49	-22.5%
Dividend per share (HK cents) — Interim(s)	**3**	5	-40%

Note: It is arrived at profit before finance costs, income tax expense, depreciation and amortisation.

ANALYSIS OF EBITDA, GROSS AND NET PROFIT MARGINS (%)



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 HK$'000 (Unaudited)	2025 HK$'000 (Unaudited)
REVENUE	3	**6,960,229**	8,098,185
Cost of sales		**(6,382,915)**	(7,461,138)
Gross profit		**577,314**	637,047
Other income		**46,463**	59,526
Other gains and losses		**(53,136)**	(31,085)
Administrative expenses		**(189,954)**	(212,340)
Distribution and selling expenses		**(101,002)**	(127,901)
Finance costs	4	**(159,344)**	(157,953)
Share of results of an associate		**(30,940)**	(8,652)
PROFIT BEFORE TAX		**89,401**	158,642
INCOME TAX EXPENSE	5	**(18,051)**	(41,113)
PROFIT FOR THE PERIOD	6	**71,350**	117,529
OTHER COMPREHENSIVE INCOME			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**391,168**	314,800
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**462,518**	432,329

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 HK$'000 (Unaudited)	 2025 HK$'000 (Unaudited)
Profit (loss) for the Period attributable to:			
Owners of the Company		**101,646**	140,686
Non-controlling interests		**(30,296)**	(23,157)
		71,350	117,529
Total comprehensive income (expense) for the Period attributable to:			
Owners of the Company		**488,139**	453,109
Non-controlling interests		**(25,621)**	(20,780)
		462,518	432,329
EARNINGS PER SHARE	8		
Basic — HK cents		**3.48**	4.49

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	**11,775,609**	11,747,412
Right-of-use assets		**886,084**	811,252
Goodwill		**463,787**	463,787
Interest in an associate		**3,405,618**	2,757,241
Financial assets at fair value through profit or loss		**–**	2,735
Deferred tax assets		**45,381**	44,981
Deposits paid for acquisition of property, plant and equipment		**8,738**	2,458
Rental and other deposits		**19,327**	20,640
		16,604,544	15,850,506
CURRENT ASSETS			
Inventories		**2,582,581**	2,388,763
Trade and other receivables	10	**2,802,311**	2,636,813
Trade and bills receivables at fair value through other comprehensive income	11	**1,943,299**	2,218,783
Financial assets at fair value through profit or loss		**15,708**	–
Amounts due from an associate		**529**	39,139
Cash and cash equivalents		**2,971,025**	2,740,562
		10,315,453	10,024,060

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

At 30 June 2026

	Notes	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
CURRENT LIABILITIES			
Trade and other payables	12	**6,997,435**	7,540,361
Contract liabilities		**387,978**	171,603
Tax payable		**68,431**	89,619
Bank and other borrowings	13	**5,912,586**	5,406,053
Amounts due to an associate		**473,136**	492,582
Lease liabilities		**120,323**	90,393
		13,959,889	13,790,611
NET CURRENT LIABILITIES		**(3,644,436)**	(3,766,551)
TOTAL ASSETS LESS CURRENT LIABILITIES		**12,960,108**	12,083,955
NON-CURRENT LIABILITIES			
Bank and other borrowings	13	**2,308,770**	2,052,212
Other payables		**4,168**	26,265
Lease liabilities		**190,726**	193,377
Deferred tax liabilities		**155,423**	155,563
		2,659,087	2,427,417
NET ASSETS		**10,301,021**	9,656,538
CAPITAL AND RESERVES			
Share capital	14	**58,683**	59,903
Share premium and other reserves		**9,929,846**	9,516,617
Equity attributable to owners of the Company		**9,988,529**	9,576,520
Non-controlling interests		**312,492**	80,018
TOTAL EQUITY		**10,301,021**	9,656,538

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Share capital HK$'000	**Share premium** HK$'000	**Special reserve** HK$'000 (note a)
At 31 December 2024 (audited)	63,222	1,210,563	990
Profit (loss) for the period	–	–	–
Other comprehensive income for the period			
— Exchange differences arising on translation of foreign operations	–	–	–
Other comprehensive income for the period	–	–	–
Total comprehensive income (expense) for the period	–	–	–
Repurchase and cancellation of share	(1,506)	(77,267)	–
Dividend declared	–	–	–
At 30 June 2025 (unaudited)	61,716	1,133,296	990
Profit (loss) for the period	–	–	–
Other comprehensive income for the period			
— Exchange differences arising on translation of foreign operations	–	–	–
Other comprehensive income for the period	–	–	–
Total comprehensive income (expense) for the period	–	–	–
Repurchase and cancellation of share	(1,485)	(84,540)	–
Repurchase of share and not yet cancelled	(328)	(17,334)	–
Dividend declared	–	–	–
Transfer	–	–	–
At 31 December 2025 (audited)	59,903	1,031,422	990
Profit (loss) for the period	–	–	–
Other comprehensive income for the period			
— Exchange differences arising on translation of foreign operations	–	–	–
Other comprehensive income for the period	–	–	–
Total comprehensive income (expense) for the period	–	–	–
Partial disposal of interests of a subsidiary	–	–	–
Repurchase and cancellation of share	(963)	(48,835)	–
Repurchase of share and not yet cancelled	(257)	(11,879)	–
Dividend declared	–	–	–
At 30 June 2026 (unaudited)	58,683	970,708	990

Notes:

(a) The special reserve represents the difference between the nominal value of the shares of the subsidiaries acquired and the nominal value of the Company's shares issued for the acquisitions.

(b) Other reserves comprise: (i) the statutory surplus reserve and the enterprise expansion reserve of the subsidiaries established in the People's Republic of China (the "PRC") other than Hong Kong. According to the Articles of Association of the PRC subsidiaries, a percentage of net profit as reported in the PRC statutory accounts should be transferred to the statutory surplus reserve and the enterprise expansion reserve determined at the discretion of the board of directors of these companies. The statutory surplus reserve can be set off against accumulated loss whilst the enterprise expansion reserve can be used for expansion of production facilities or an increase in registered capital; and (ii) amounts arising from the acquisition of additional equity interests in subsidiaries from non-controlling shareholders of subsidiaries or deemed disposal of equity interests in subsidiaries without losing control. It represents the difference between the consideration paid or received and the adjustment to the non-controlling interests in subsidiaries.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the six months ended 30 June 2026

Capital redemption reserve HK$'000	Exchange reserve HK$'000	Other reserves HK$'000 (note b)	Retained profits HK$'000	Total equity attributable to owners of the Company HK$'000	Non-controlling interests HK$'000	Total HK$'000
867	(855,684)	1,755,744	7,046,610	9,222,312	130,244	9,352,556
–	–	–	140,686	140,686	(23,157)	117,529
–	312,423	–	–	312,423	2,377	314,800
–	312,423	–	–	312,423	2,377	314,800
–	312,423	–	140,686	453,109	(20,780)	432,329
–	–	–	–	(78,773)	–	(78,773)
–	–	–	(157,189)	(157,189)	–	(157,189)
867	(543,261)	1,755,744	7,030,107	9,439,459	109,464	9,548,923
–	–	–	133,492	133,492	(30,208)	103,284
–	259,541	–	–	259,541	762	260,303
–	259,541	–	–	259,541	762	260,303
–	259,541	–	133,492	393,033	(29,446)	363,587
–	–	–	–	(86,025)	–	(86,025)
–	–	–	–	(17,662)	–	(17,662)
–	–	–	(152,285)	(152,285)	–	(152,285)
–	–	8,959	(8,959)	–	–	–
867	(283,720)	1,764,703	7,002,355	9,576,520	80,018	9,656,538
–	–	–	101,646	101,646	(30,296)	71,350
–	386,493	–	–	386,493	4,675	391,168
–	386,493	–	–	386,493	4,675	391,168
–	386,493	–	101,646	488,139	(25,621)	462,518
–	–	133,723	–	133,723	258,095	391,818
–	–	–	–	(49,798)	–	(49,798)
–	–	–	–	(12,136)	–	(12,136)
–	–	–	(147,919)	(147,919)	–	(147,919)
867	102,773	1,898,426	6,956,082	9,988,529	312,492	10,301,021

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	2026 HK$'000 (Unaudited)	2025 HK$'000 (Unaudited)
NET CASH FROM OPERATING ACTIVITIES	**2,671,519**	3,640,111
NET CASH USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(162,887)**	(308,154)
Purchase of financial assets at fair value through profit or loss	**(19,477)**	–
Acquisition of additional interest in an associate	**(579,432)**	–
Deposits paid for acquisition of property, plant and equipment	**(8,738)**	(26,545)
Proceeds on disposal of financial assets at fair value through profit or loss	**–**	32,901
Proceeds from deemed disposal of subsidiary	**388,280**	–
Placement of restricted bank deposits	**(613,116)**	(536,523)
Release of restricted bank deposits	**625,970**	570,521
Other investing cash flows	**8,287**	8,635
	(361,113)	(259,165)
NET CASH USED IN FINANCING ACTIVITIES		
Repayment of bank and other borrowings	**(5,331,854)**	(7,198,222)
Payment on repurchase of shares	**(61,934)**	(78,773)
Repayment of lease liabilities	**(49,560)**	(10,397)
Dividend paid	**(147,919)**	(157,189)
New bank and other borrowings raised	**3,671,177**	4,426,425
Other financing cash flows	**(156,756)**	(152,036)
	(2,076,846)	(3,170,192)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**233,560**	210,754
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**2,321,340**	1,035,140
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	**(5,185)**	(13,492)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	**2,549,715**	1,232,402

Certain comparative figures in condensed consolidated statement of cash flows have been reclassified to conform with current period's presentation.

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (HKAS 34) *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

Information reported to the Board of Directors of the Company, being the chief operating decision makers, for the purpose of resources allocation and assessment of performance focuses on the sales of different types of products. Inter-segment sales are charged at prevailing market rates. Thus the Group is currently organised into two operating segments which are sales of liquid crystal display ("LCD") products and electronic consumer products. The information for each operating segment is as follows:

LCD products	—	manufacture and distribution of LCD and touch panel products
Electronic consumer products	—	manufacture and distribution of electronic consumer products such as compact camera module, fingerprint identification module, personal health care products and electrical devices

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

Six months ended 30 June 2026 (Unaudited)

	LCD products HK$'000	Electronic consumer products HK$'000	Segment total HK$'000	Eliminations HK$'000	Consolidated HK$'000
REVENUE					
External sales	4,937,833	2,022,396	6,960,229	–	6,960,229
Inter-segment sales	–	234,321	234,321	(234,321)	–
	4,937,833	2,256,717	7,194,550	(234,321)	6,960,229
RESULT					
Segment result	351,916	(60,702)	291,214	(7,058)	284,156
Finance costs					(159,344)
Share of result of an associate					(30,940)
Unallocated expenses					(4,471)
Profit before tax					89,401

3. SEGMENT INFORMATION (continued)

Segment revenues and results (continued)

Six months ended 30 June 2025 (Unaudited)

	LCD products HK$'000	Electronic consumer products HK$'000	Segment total HK$'000	Eliminations HK$'000	Consolidated HK$'000
REVENUE					
External sales	5,755,338	2,342,847	8,098,185	–	8,098,185
Inter-segment sales	–	290,099	290,099	(290,099)	–
	5,755,338	2,632,946	8,388,284	(290,099)	8,098,185
RESULT					
Segment result	442,215	(104,012)	338,203	(8,737)	329,466
Finance costs					(157,953)
Share of result of an associate					(8,652)
Unallocated expenses					(4,219)
Profit before tax					158,642

4. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings wholly repayable within five years	**159,344**	157,953

5. INCOME TAX EXPENSE

Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The Directors consider the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong profits tax is calculated at 16.5% of the estimated assessable profit for both periods.

Income tax arising in the PRC and other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Pursuant to the relevant law and regulations in the PRC, PRC subsidiaries qualified as Hi-Tech Enterprise or eligible to enjoy the western region preferential income tax policies are subject to 15% PRC enterprise income tax. The tax rate of the other PRC subsidiaries is 25%.

Pursuant to the PRC Enterprise Income Tax Law and the detailed implementation rules, distribution of the profits earned by the PRC subsidiaries since 1 January 2008 to holding companies incorporated in Hong Kong is subject to PRC withholding tax at the applicable tax rate of 5% to 10%.

6. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026 **HK$'000** **(Unaudited)**	2025 HK$'000 (Unaudited)
Profit for the period has been arrived at after charging:		
Auditor's remuneration	**2,400**	2,400
Cost of inventories recognised as an expense	**5,217,236**	6,181,421
Depreciation and amortisation on:		
Property, plant and equipment	**574,417**	588,062
Right-of-use assets	**27,468**	15,536
Loss on disposal of property, plant and equipment	**23,773**	27,626
Operating lease rental in respect of rented premises	**4,825**	5,061
Staff costs, inclusive of directors' remuneration	**785,722**	844,694
Other taxes	**25,644**	24,087

7. DIVIDENDS

	Six months ended 30 June	
	2026 **HK$'000** **(Unaudited)**	2025 HK$'000 (Unaudited)
Dividend paid:		
2025 final		
— HK$5 cents (2024: HK$5 cents) per ordinary share	**147,919**	157,189
Dividend proposed:		
2026 interim proposed for the period		
— HK$3 cents (2025: HK$5 cents) per ordinary share	**87,676**	152,285

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

Earnings

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Earnings for the purposes of basic and diluted earnings per share attributable to the owners of the Company	**101,646**	140,686

Number of shares

	2026	2025
	'000	'000
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**2,924,803**	3,131,259

No diluted earnings per share is presented as there was no significant potential ordinary shares outstanding at the end of 30 June 2026 and 2025, respectively.

The weighted average number of shares for the purpose of basic earnings per share has been adjusted for the shares repurchased during the interim period.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the period, the Group acquired certain property, plant and equipment amounting to HK$165,345,000 (six months ended 30 June 2025: HK$312,053,000).

During the period, the Group disposed of certain property, plant and equipment with an aggregate carrying amount of HK$25,145,000 (six months ended 30 June 2025: HK$29,498,000) for a cash consideration of HK$1,372,000 (six months ended 30 June 2025: HK$1,872,000), resulting in loss on disposal of HK$23,773,000 (six months ended 30 June 2025: HK$27,626,000).

10. TRADE AND OTHER RECEIVABLES

	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
Trade receivables	**2,688,329**	2,452,139
Less: Allowance for credit losses	**(24,865)**	(24,468)
	2,663,464	2,427,671
Other receivables, deposits and prepayments	**158,174**	229,782
Total trade and other receivables	**2,821,638**	2,657,453
Less: Rental deposits shown under non-current assets	**(19,327)**	(20,640)
Amounts shown under current assets	**2,802,311**	2,636,813

The following is an ageing analysis of trade receivables presented based on the invoice date at the end of the reporting period, net of the allowance for credit losses, at the reporting date:

	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
Within 60 days	**1,828,506**	1,503,630
61 to 90 days	**490,049**	599,185
More than 90 days	**344,909**	324,856
	2,663,464	2,427,671

11. TRADE RECEIVABLES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
Trade receivables	**528,274**	531,476
Bills receivables	**1,415,025**	1,687,307
	1,943,299	2,218,783

The following is an ageing analysis of trade and bills receivables at fair value through other comprehensive income presented based on the invoice date at the end of the reporting period:

	30 June 2026			31 December 2025		
	Trade receivables HK$'000 (Unaudited)	Bills receivables HK$'000 (Unaudited)	Total HK$'000 (Unaudited)	Trade receivables HK$'000 (Audited)	Bills receivables HK$'000 (Audited)	Total HK$'000 (Audited)
Within 60 days	**415,349**	**919,639**	**1,334,988**	424,080	1,174,660	1,598,740
61–90 days	**36,700**	**151,941**	**188,641**	107,182	104,424	211,606
More than 90 days	**76,225**	**343,445**	**419,670**	214	408,223	408,437
	528,274	**1,415,025**	**1,943,299**	531,476	1,687,307	2,218,783

12. TRADE AND OTHER PAYABLES

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	30 June 2026			31 December 2025		
	Trade payables HK$'000 (Unaudited)	Bills payables HK$'000 (Unaudited)	Total HK$'000 (Unaudited)	Trade payables HK$'000 (Audited)	Bills payables HK$'000 (Audited)	Total HK$'000 (Audited)
Within 60 days	**2,515,567**	**608,888**	**3,124,455**	2,827,460	604,214	3,431,674
61 to 90 days	**513,049**	**173,010**	**686,059**	468,483	51,729	520,212
More than 90 days	**934,186**	**1,080,803**	**2,014,989**	1,100,500	1,141,589	2,242,089
	3,962,802	**1,862,701**	**5,825,503**	4,396,443	1,797,532	6,193,975

13. BANK AND OTHER BORROWINGS

	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
Secured:		
Other loan	**69,055**	75,424
Unsecured:		
Bank loans	**7,367,470**	6,363,056
Trust receipt loans	**752,686**	979,087
Other loans	**32,145**	40,698
	8,221,356	7,458,265

During the current interim period, the Group obtained new bank borrowings amounting to approximately HK$3,671,177,000 (six months ended 30 June 2025: approximately HK$4,426,425,000). The proceeds are used to repay bank borrowings, finance the daily operation and acquisition of property, plant and equipment.

13. BANK AND OTHER BORROWINGS (continued)

As at 30 June 2026, the Group's bank borrowings included fixed-rate borrowings of approximately HK$2,053,959,000 (31 December 2025: approximately HK$1,480,850,000) which carry effective rates ranged from 2.30% to 4.60% per annum (31 December 2025: 2.30% to 4.60%) (which are also equal to contracted interest rates). The remaining Group's borrowings are variable-rate borrowings which carry interest at Hong Kong Interbank Offered Rate ("HIBOR"), London Interbank Offer Rate ("LIBOR") or Benchmark Loan Rate issued by the National Interbank Funding Center ("Benchmark Loan Rate") plus certain basis points. Interest is mainly repriced every month and the range of effective interest rates is at 0.54% to 6.70% (31 December 2025: 0.90% to 6.70%) per annum.

14. SHARE CAPITAL

	Number of ordinary shares	Share capital HK$'000
Ordinary shares of HK$0.02 each		
Authorised:		
Balance at 1 January 2025, 31 December 2025 and 30 June 2026	5,000,000,000	100,000
Issued and fully paid:		
Balance at 1 January 2025	3,161,105,398	63,222
Share repurchased in 2025 and cancelled	(149,550,000)	(2,991)
Share repurchased in 2025 and not yet cancelled	(16,414,000)	(328)
Balance at 31 December 2025	2,995,141,398	59,903
Share repurchased in January to June 2026 and cancelled	(48,120,000)	(963)
Share repurchased in January to June 2026 and not yet cancelled	(12,850,000)	(257)
Balance at 30 June 2026	2,934,171,398	58,683

15. CAPITAL COMMITMENTS

	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of acquisition of property, plant and equipment	**342,763**	251,735

16. RELATED PARTY TRANSACTIONS

(i) During the period, the Group entered into the following transactions with associate.

Associate	**Nature of transaction**	**Six months ended 30 June 2026 HK$'000 (Unaudited)**	2025 HK$'000 (Unaudited)
Truly (Renshou) High-end Display Technology Limited * 信利(仁壽)高端顯示科技有限公司 ("Truly Renshou")	Sales	**67,290**	39,150
	Purchase	**396,930**	242,617
	Utility expenses	**9,444**	8,162
	Expenses related to short-term lease	**4,549**	3,315

16. RELATED PARTY TRANSACTIONS (continued)

(ii) The remuneration of directors and other members of key management during the period was as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Short-term benefits	**10,328**	9,261
Post-employment benefits	**36**	42
	10,364	9,303

The remuneration of directors and key executives are determined by the remuneration committee having regard to the performance of individuals and market trends.

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets/ financial liabilities	Fair value as at 30 June 2026 (Unaudited)	Fair value as at 31 December 2025 (Audited)	Fair value hierarchy	Valuation techniques and key inputs
Financial assets at FVTPL — listed equity shares	**Assets — HK$15,708,000**	Assets — HK$2,735,000	Level 1	Quoted bid prices in an active market
Trade receivable at FVTOCI	**Assets — HK$1,943,299,000**	Assets — HK$2,218,783,000	Level 2	Discounted cashflow method The Key input is market interest rate.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

18. CONTINGENT LIABILITIES

We had no material contingent liabilities as at 30 June 2026.

19. PLEDGE OF ASSETS

At 30 June 2026, the Group had no assets pledged.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is one of the largest manufacturers of smartphone component parts in China and worldwide top-level automotive display suppliers. The Group is principally engaged in the manufacture and sale of (i) liquid crystal display products, including touch panel products and (ii) electronic consumer products, including compact camera module, fingerprint identification modules, personal health care products and electrical devices.

BUSINESS REVIEW

During the first half of 2026, the global economy remained challenging due to the global economic environment and geopolitical landscape remains uncertain. The competition in smartphone market remained fierce in the first half of 2026.

The Group's revenue of HK$6.96 billion for the six months ended 30 June 2026 (the "Period") was approximately 14.1% lower than that for the same period in 2025, with revenue down the smartphone related products business decreased by approximately 36.6% year-on-year, while revenue down the non-smartphone related products business, including vehicle-mounted, industrial, medical and Internet of Things related products, recording a slight increase of approximately 2.1% year-on-year. The Group's gross profit margin for the Period increased to approximately 8.3%, representing an increase of approximately 0.4% when compared to the corresponding period in 2025.

FINANCIAL REVIEW

Revenue

The Group's revenue for the Period was approximately HK$6,960 million, representing a decrease of approximately 14.1% or approximately HK$1,138 million when compared with the corresponding period of 2025. The decrease in revenue was mainly attributable to the decrease in smartphone related sales in the People's Republic of China ("PRC") for the Period when compared to the corresponding period of 2025.

Gross Profit and Margin

The Group's gross profit for the Period was approximately HK$577 million and the gross profit margin was approximately 8.3%, which were approximately 9.4% lower than and 0.4% higher than those for the corresponding period of 2025 respectively. The increase in gross profit margin was mainly due to the decrease of revenue from smartphone related products, which have lower gross profit margin.

Other Income

The Group's other income for the Period was approximately HK$46.5 million, representing a decrease of approximately 21.9% or approximately HK$13.1 million when compared with the corresponding period of 2025. Other income decreased mainly because the government subsidies of approximately HK$3.7 million were received in the Period, compared with approximately HK$24.5 million in the corresponding period of 2025.

Other Gains and Losses

The Group's other gains and losses for the Period was approximately HK$53.1 million net other losses (2025: approximately HK$31.1 million). The increase in net other losses in the Period was mainly because the net foreign exchange loss of approximately HK$22.3 million were recorded in the Period while a net foreign exchange loss of approximately HK$5.3 million were recorded in the corresponding period of 2025.

Administrative Expenses

The Group's administrative expenses for the Period decreased by approximately 10.5% or approximately HK$22.4 million to approximately HK$190 million when compared to the corresponding period of 2025. The decrease in administrative expenses in the Period was mainly due to the decrease of salary and allowance and insurance expenses.

Distribution and Selling Expenses

The Group's distribution and selling expenses for the Period decreased by approximately 21.0% or approximately HK$26.9 million to approximately HK$101 million when compared to the corresponding period of 2025. The decrease in distribution and selling expenses in the Period was mainly due to the decrease of sales commission and transportation costs during the Period.

Profit for the Period Attributable to Owners of the Company

The profit for the Period attributable to owners of the Company decreased to approximately HK$101.6 million by approximately 27.7% when compared to the corresponding period of 2025. It was mainly because the revenue and gross profit for the Period had decreased by approximately HK$1,138 million and approximately HK$60 million, respectively, when compared to the corresponding period of 2025.

OUTLOOK

In the first half of 2026, uncertainties in the global economic environment and geopolitical landscape led end-user brands to adopt more conservative inventory strategies, whilst rising costs of certain key components, such as memory chips, had a negative impact on the mobile phone business. In the second half of the year, the global economic environment and geopolitical landscape continue to create uncertainty regarding demand for consumer electronics, and the competitive environment remains challenging. Fluctuations in the costs of certain key components, such as memory chips, may continue to negatively impact the performance of the smartphone business. Demand remains stable for the Group's other display business, including automotive, industrial, medical, Internet of Things and wearables. The management maintains a cautiously optimistic outlook, and continues to monitor the technological development and supply chain change in both display and non-display business markets. The Company maintains close communication with its customers and partner brands. The Company consistently meets customer and market requirements with its cost and technical standards, enabling the Company to expand steadily.

SIGNIFICANT INVESTMENTS, ACQUISITIONS, ASSETS AND LIABILITIES

Investment in an associate, Truly (Renshou) High-end Display Technology Limited* (信利(仁壽)高端顯示科技有限公司) ("Truly Renshou")

Truly Renshou has completed the building construction of the fifth generation of TFT-LCD factory in Renshou in 2018. The full installation of the machineries was completed in 2020 and full-scale trial operation commenced in late 2020 and entered mass production in 2021.

Truly Renshou is a company incorporated in the PRC and is held as to approximately 35.41% by the Group, it is an associate of the Group and has been accounted for in the consolidated financial statements of the Group using equity method.

In October 2025, the board of directors of the Company has resolved to submit bids to further acquire approximately 11.43% equity interests from another shareholder in Truly Renshou, by way of public tenders through the Southwest United Equity Exchange, at a total consideration of no more than RMB1,050 million (equivalent to HK$1,150 million). The Group has submitted the First Tender and received the first tender notice from the Assets and Equity Exchange on 10 March 2026 confirming that the Group is the successful bidder for the sale of approximately 5.714% of the equity interests of Truly Renshou held by Renshou Industries at a tender price of RMB502.5425 million, which was fully settled in March 2026. Upon completion of the acquisition, the group increased the equity interest in Truly Renshou from approximately 29.69% to 35.41%. The Company expects that the second Tender will be submitted in second half of 2026.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's assets increased by approximately HK$1,045 million and liabilities increased by approximately HK$401 million during the Period.

As at 30 June 2026, the outstanding lease liabilities, and bank and other borrowings, net of restricted bank deposits, bank balances and cash, were approximately HK$5,561 million (31 December 2025: approximately HK$5,001 million) which increased by approximately 11.2% or HK$560 million when compared to these net borrowings as at 31 December 2025. These borrowings bear interest at prevailing market rate and their maturity profiles are shown in the financial statements. For non-current portion of these borrowings were matured within 5 years.

As at 30 June 2026, the Group had net current liabilities of approximately HK$3,644 million (as at 31 December 2025, net current liabilities of approximately HK$3,767 million) and its current ratio was increased to approximately 0.74 times as at 30 June 2026 from approximately 0.73 times as at 31 December 2025. The major reason for the decrease in net current liabilities position as at 30 June 2026 was because the Group increased its current assets during the Period. The management would seek to continue to improve the Group's net current liabilities position.

As at 30 June 2026, the Group had restricted bank deposits, bank balances and cash approximately HK$2,971 million together with adequate unutilized banking facilities. The Group's working capital is mainly financed by internal cash flow generated from its operation and banking facilities granted by financial institutions. The gearing ratio based on total interest bearing debts, net of restricted bank deposits, cash and bank balances was approximately 56%, which has increased from approximately 52% at 31 December 2025.

Pledge of Assets

As at 30 June 2026, the Group had no assets pledged.

General

The state of the Group's current order books is strong.

Around 13,000 workers and staff are currently employed in factories of the Company in the PRC and around 40 personnel in the Group's Hong Kong office. Total staff costs for the Period were approximately HK$786 million.

Capital Commitments

Capital expenditure commitment of around HK$343 million in respect of acquisition of property, plant and equipment was contracted for but not provided as at 30 June 2026.

Contingent Liabilities

We had no material contingent liabilities as at 30 June 2026.

Exposure to fluctuations in exchange rates will be considered to hedge, if any.

INTERIM DIVIDEND

The Directors have resolved to declare an interim dividend of 3 HK cents per ordinary share (2025: 5 HK cents) for the period payable in cash to shareholders whose names appear on the register of members of the Company on Tuesday, 3 November 2026. It is expected that the interim dividend payments will be made to shareholders on Tuesday, 1 December 2026.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 30 June 2026, the interests of the directors and their associates in the shares and underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long positions

Ordinary shares of HK$0.02 each of the Company

Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company (note 2)
Lam Wai Wah	Beneficial owner	1,627,392,000	55.46
	Held by spouse (note 1)	74,844,000	2.55
		1,702,236,000	58.01
Song Bei Bei	Beneficial owner	2,600,000	0.09
Lam Po Chun, Jane	Beneficial owner	2,453,000	0.08

Notes:

1. Lam Wai Wah is deemed to be interested in 74,844,000 ordinary shares of the Company, being the interests held beneficially by his spouse, Chung King Yee, Cecilia.

2. Based on 2,934,171,398 shares in issue as at 30 June 2026.

Other than as disclosed above, none of the directors nor their associates had any interests or short positions in any shares and underlying shares of the Company or any of its associated corporations as at 30 June 2026.

SHARE OPTION SCHEME

During the period under review, the Company has not adopted any share option scheme.

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed above under the heading "Directors' Interests in Shares and Underlying Shares", at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance shows that other than the interests disclosed above in respect of Lam Wai Wah, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed on Tuesday, 3 November 2026 during which day no transfer of shares can be registered. The record date for entitlement to the interim dividend is Tuesday, 3 November 2026. In order to qualify for the interim dividend, all transfers of shares accompanied by relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 2 November 2026.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2026, pursuant to the mandates to repurchase shares of the Company obtained from the Company's shareholders at the annual general meeting of the Company held on 12 May 2025 and 12 May 2026, the Company repurchased an aggregate of 60,970,000 ordinary shares on The Stock Exchange of Hong Kong Limited for an aggregate consideration of approximately HK$62 million which accounted for approximately 2.07% of the total issued share capital of the Company as at 30 June 2026. An aggregate 48,120,000 shares were cancelled during the Period by the Company. The remaining 12,850,000 shares were cancelled on 16 July 2026.

Except as disclosed above, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2026.

MODEL CODE

Specific enquiry has been made to all Directors, and none of the Directors of the Company is aware of information that would reasonably indicate that the Directors were not in the period under review in compliance with the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting matters and internal controls. The Audit Committee comprises all the three independent non-executive directors, namely, Mr. Chung Kam Kwong, being the Committee Chairman, Mr. Cheung Wai Yin, Wilson and Mr. Heung Kai Sing. They meet at least four times a year.

The Audit Committee of the Company has reviewed this unaudited interim condensed consolidated financial statements of the Group for the period and was satisfied that such financial statements were prepared in accordance with applicable accounting standard.

CORPORATE GOVERNANCE

We have complied with all the applicable code provisions set out in the Corporate Governance Code contained in Appendix C1 of the Listing Rules throughout the six months ended 30 June 2026, except for major deviations as below:

— **Code Provision C.2.1**

The roles of the chairman and the chief executive are not separated and are performed by the same individual, Mr. Lam Wai Wah. The Board believes that this structure will enable the Company to achieve higher efficiency and effectiveness when formulating business strategies and executing business plans. The Board will meet regularly to consider major matters affecting the operations of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the Company's management.

— **Code Provision F.1.3**

The Chairman did not attend the annual general meeting of the Company held on 12 May 2026 in Hong Kong because he has been stationed at the Shanwei factory of the Group.

CHANGES IN DIRECTORS' AND CHIEF EXECUTIVES' BIOGRAPHICAL DETAILS

Changes in the information of Directors since the publication of the annual report of the Company for the year ended 31 December 2025 and up to the date of this report, which are required to be disclosed under Rule 13.51B(1) of the Listing Rules are set out below:

— Mr. Cheung Wing Cheung resigned as an executive director of the Company with effect from 31 July 2026.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, there was no other important event affecting the Group that occurred after 30 June 2026 and up to the date of this report.

PUBLICATIONS OF INTERIM RESULTS AND INTERIM REPORT

This interim report is published on the HKEXnews website at www.hkexnews.hk and on the website of the Company at www.truly.com.hk. The 2026 Interim Report containing all the information required under Appendix D2 to the Listing Rules will be published on the HKEXnews website and on the website of the Company in due course.

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

Hong Kong, 26 August 2026

* *For identification purpose only*