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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)

ANNOUNCEMENT OF 2025 ANNUAL RESULTS

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		Change
	2025 HK\$'000	2024 HK\$'000	
Revenue	16,499,495	17,840,169	-7.5%
Gross profit	1,278,052	1,386,233	-7.8%
Profit for the year attributable to owners of the Company	274,178	302,085	-9.2%
EBITDA	1,820,220	1,976,817	-7.9%
EPS (HK cents)			
— Basic	8.93	9.56	-6.6%
DPS (HK cents)			
— Interim	5	5	-%
— Final	5	5	-%
— Full Year	10	10	-%

The final dividend of 5 HK cents per share (2024: 5 HK cents) has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	3	16,499,495	17,840,169
Cost of sales		(15,221,443)	(16,453,936)
Gross profit		1,278,052	1,386,233
Other income	5	133,949	223,234
Other gains and losses, net	6	(108,401)	(87,129)
Impairment loss on goodwill		(35,616)	(35,010)
Reversal of impairment loss under expected credit loss model, net		1,691	11,398
Distribution and selling expenses		(268,180)	(320,404)
Finance costs	7	(307,989)	(380,016)
Administrative expenses		(439,852)	(461,021)
Share of result of an associate		8,854	(36,906)
Profit before tax		262,508	300,379
Income tax expense	8	(41,695)	(53,814)
Profit for the year	9	220,813	246,565
Other comprehensive income (expenses) for the year			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		575,103	(398,651)
Total comprehensive income (expenses) for the year		795,916	(152,086)

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Profit (loss) for the year attributable to:			
Owners of the Company		274,178	302,085
Non-controlling interests		(53,365)	(55,520)
		<u>220,813</u>	<u>246,565</u>
Total comprehensive income (expenses)			
for the year attributable to:			
Owners of the Company		846,142	(91,850)
Non-controlling interests		(50,226)	(60,236)
		<u>795,916</u>	<u>(152,086)</u>
Earnings per share			
Basic (HK cents per share)	<i>11</i>	<u>8.93</u>	<u>9.56</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		11,747,412	11,842,258
Right-of-use assets		811,252	570,210
Goodwill		463,787	499,403
Interest in an associate		2,757,241	2,619,779
Financial assets at fair value through profit or loss		2,735	2,407
Deferred tax assets		44,981	46,681
Deposits paid for acquisition of property, plant and equipment		2,458	3,899
Rental and other deposits	<i>12</i>	20,640	19,541
		15,850,506	15,604,178
CURRENT ASSETS			
Inventories		2,388,763	2,667,757
Trade and other receivables	<i>12</i>	2,636,813	3,721,412
Trade and bills receivables at fair value through other comprehensive income	<i>13</i>	2,218,783	1,185,198
Financial assets at fair value through profit or loss		–	33,068
Amount due from an associate		39,139	392
Restricted bank deposits		419,222	502,066
Cash and cash equivalents		2,321,340	1,035,140
		10,024,060	9,145,033

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
CURRENT LIABILITIES			
Trade and other payables	<i>14</i>	7,540,361	7,643,378
Contract liabilities		171,603	235,921
Tax payable		89,619	109,128
Bank and other borrowings		5,406,053	6,275,862
Amount due to an associate		492,582	537,521
Lease liabilities		90,393	9,994
		<u>13,790,611</u>	<u>14,811,804</u>
NET CURRENT LIABILITIES		<u>(3,766,551)</u>	<u>(5,666,771)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,083,955</u>	<u>9,937,407</u>
NON-CURRENT LIABILITIES			
Bank and other borrowings		2,052,212	380,191
Other payables		26,265	13,576
Lease liabilities		193,377	35,240
Deferred tax liabilities		155,563	155,844
		<u>2,427,417</u>	<u>584,851</u>
NET ASSETS		<u>9,656,538</u>	<u>9,352,556</u>
CAPITAL AND RESERVES			
Share capital		59,903	63,222
Share premium and other reserves		9,516,617	9,159,090
		<u>9,576,520</u>	<u>9,222,312</u>
Equity attributable to owners of the Company		9,576,520	9,222,312
Non-controlling interests		80,018	130,244
		<u>9,656,538</u>	<u>9,352,556</u>
TOTAL EQUITY		<u>9,656,538</u>	<u>9,352,556</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL

The Company is incorporated in the Cayman Islands under the Companies Law of the Cayman Islands as an exempted company. The Company is a public limited company with its shares listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its ultimate controlling party is Mr. Lam Wai Wah, who is also the Chairman and Managing Director of the Company. The addresses of the registered office and principal place of business of the Company are P.O. Box 309, Grand Cayman, KY1-1104 Cayman Islands and 2/F., Chung Shun Knitting Centre, 1–3 Wing Yip Street, Kwai Chung, N.T., Hong Kong respectively.

The functional currency of the Company is United States dollars (“US\$”). The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) which is different from the functional currency of the Company, as the directors of the Company consider that HK\$ is the most appropriate presentation currency in view of its place of listing.

The Company acts as an investment holding company. Its subsidiaries are principally engaged in the business of manufacture and sale of liquid crystal display (“LCD”) products including touch panel products and electronic consumer products including compact camera module, fingerprint identification modules, personal health care products and electrical devices.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Company and its subsidiaries (collectively referred to as “the Group”) have applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7s	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 “*Presentation and Disclosure in Financial Statements*”, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 “*Presentation of Financial Statements*”. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (“MPMs”) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 “*Accounting Policies, Changes in Accounting Estimates and Errors*” and HKFRS 7 “*Financial Instruments: Disclosures*”. Minor amendments to HKAS 7 “*Statement of Cash Flows*” and HKAS 33 “*Earnings per Share*” are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group’s consolidated financial statements.

3. REVENUE

Disaggregation of revenue from contract with customers by types of products is analysed as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Sales of LCD products	11,650,193	12,539,569
Sales of electronic consumer products	4,849,302	5,300,600
	<u>16,499,495</u>	<u>17,840,169</u>

4. SEGMENT INFORMATION

Information reported to the Company's executive directors, being the chief operating decision maker, for the purposes of resource 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 LCD products and electronic consumer products. The information for each operating segment is as follows:

LCD products	—	manufacture and distribution of LCD products and touch panel products
Electronic consumer products	—	manufacture and distribution of electronic consumer products such as compact camera module, fingerprint identification modules, 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:

For the year ended 31 December 2025

	LCD products <i>HK\$'000</i>	Electronic consumer products <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
REVENUE					
External sales	11,650,193	4,849,302	16,499,495	–	16,499,495
Inter-segment sales	–	499,425	499,425	(499,425)	–
	<u>11,650,193</u>	<u>5,348,727</u>	<u>16,998,920</u>	<u>(499,425)</u>	<u>16,499,495</u>
RESULT					
Segment result	888,344	(254,627)	633,717	(14,983)	618,734
Finance costs					(307,989)
Impairment loss on goodwill					(35,616)
Share of results of an associate					8,854
Unallocated expenses					(21,475)
Profit before tax					<u>262,508</u>

For the year ended 31 December 2024

	LCD products <i>HK\$'000</i>	Electronic consumer products <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
REVENUE					
External sales	12,539,569	5,300,600	17,840,169	–	17,840,169
Inter-segment sales	–	674,234	674,234	(674,234)	–
	<u>12,539,569</u>	<u>5,974,834</u>	<u>18,514,403</u>	<u>(674,234)</u>	<u>17,840,169</u>
RESULT					
Segment result	1,016,396	(220,252)	796,144	(16,031)	780,113
Finance costs					(380,016)
Impairment loss on goodwill					(35,010)
Share of results of an associate					(36,906)
Unallocated expenses					(27,802)
Profit before tax					<u>300,379</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of central administration costs including directors' salaries, finance costs and share of result of an associate. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Other information

For the year ended 31 December 2025

	LCD products HK\$'000	Electronic consumer products HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment results:			
Write-down for inventories, net (included in cost of sales)	39,210	1,728	40,938
Depreciation (including amounts capitalised in inventories)	996,023	202,813	1,198,836
Depreciation of right-of-use assets	42,265	8,622	50,887
Loss on disposal/write-off of property, plant and equipment	82,228	3,423	85,651
(Reversal of) impairment losses under expected credit loss model, net	<u>(8,721)</u>	<u>7,030</u>	<u>(1,691)</u>

For the year ended 31 December 2024

	LCD products HK\$'000	Electronic consumer products HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment results:			
Reversal of write-down for inventories, net (included in cost of sales)	(19,685)	(2,741)	(22,426)
Depreciation (including amounts capitalised in inventories)	1,060,780	215,871	1,276,651
Depreciation of right-of-use assets	19,771	–	19,771
Loss on disposal/write-off of property, plant and equipment	100,579	1,509	102,088
(Reversal of) impairment losses under expected credit loss model, net	<u>(11,502)</u>	<u>104</u>	<u>(11,398)</u>

Segment assets and liabilities are not disclosed as they are not regularly reviewed by chief operating decision maker.

Geographical information

The following table sets out information about (i) the Group's revenue from external customers by location of customers and (ii) the Group's non-current assets by location of assets.

	Revenue from external customers		Non-current assets	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
The PRC	12,110,168	11,632,739	15,771,467	15,517,953
Hong Kong (place of domicile)	1,304,470	2,398,795	10,343	17,136
South Korea	899,125	939,279	–	–
Europe	839,841	1,025,303	15	10
Japan	249,191	266,188	–	–
Taiwan	186,870	106,834	–	–
North America	154,082	253,129	325	450
South America	103,197	132,454	–	–
Vietnam	22,530	25,857	–	–
Others	630,021	1,059,591	–	–
	<u>16,499,495</u>	<u>17,840,169</u>	<u>15,782,150</u>	<u>15,535,549</u>

Notes:

- (i) Regarding revenue arising from sales to external customers in Europe and others, no individual countries are material and hence separate disclosure is not required.
- (ii) Non-current assets exclude financial assets at fair value through profit or loss, deferred tax assets and rental and other deposits.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	2025 HK\$'000	2024 HK\$'000
Customer A ¹	2,531,574	2,847,019
Customer B ²	1,866,477	N/A

¹ Revenue from LCD products and electronic consumer products

² Revenue from LCD products and electronic consumer products and the corresponding revenue did not contribute over 10% of the total revenue of the Group in 2024.

5. OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other income includes:		
Government grants	70,848	151,853
Compensation income	570	14,783
Interest income	14,034	23,734
Rental income with fixed monthly rental	25,490	23,451
Other service fees	14,262	6,723
Sundry income	8,745	2,690
	<u>133,949</u>	<u>223,234</u>

6. OTHER GAINS AND LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss on disposal/write-off of property, plant and equipment	(85,651)	(102,088)
Net foreign exchange (loss) gain	(22,494)	1,791
Gain on fair value changes of derivative financial instruments	81	–
(Loss) gain on fair value changes of financial assets at fair value through profit or loss, net	(337)	13,168
	<u>(108,401)</u>	<u>(87,129)</u>

7. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on bank and other borrowings	302,656	364,476
Interest on lease liabilities	5,333	161
Interest on deferred consideration in relation to acquisition of additional equity interest in an associate	–	15,379
	<u>307,989</u>	<u>380,016</u>

8. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax:		
PRC Enterprise Income Tax	39,456	31,893
Other jurisdictions	820	318
	<u>40,276</u>	<u>32,211</u>
Withholding tax (<i>Note</i>)	–	21,374
	<u>40,276</u>	<u>53,585</u>
Over-provision in prior years:		
The PRC	–	(3)
Deferred tax	<u>1,419</u>	<u>232</u>
Income tax expense for the year	<u><u>41,695</u></u>	<u><u>53,814</u></u>

Note: The withholding tax for the year ended 31 December 2024 was provided on the interest income of intercompany loans and dividend income received from the PRC subsidiaries.

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 years.

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 are entitled to 15% PRC enterprise income tax. The tax rate of the other PRC subsidiaries is 25%.

Pursuant to the PRC Enterprise Income Tax Law (the “EIT Law of PRC”) 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 the PRC withholding tax at the applicable tax rates of 5%.

9. PROFIT FOR THE YEAR

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year has been arrived at after charging (crediting):		
Auditor's remuneration		
Audit services	5,630	4,732
Non-audit services	<u>244</u>	<u>208</u>
	5,874	4,940
Cost of inventories recognised as expenses	14,535,039	15,796,633
Write-down (reversal of write-down) for inventories, net (included in cost of sales)	40,938	(22,426)
Research expenses (included in cost of sales)	645,466	679,729
Depreciation of property, plant and equipment (including amounts capitalised in inventories)	1,198,836	1,276,651
Depreciation of right-of-use assets	50,887	19,771
Salaries and other benefits:		
Staff costs, inclusive of directors' remuneration	1,578,765	1,620,503
Contributions to retirement benefit scheme	<u>110,226</u>	<u>120,846</u>
	<u>1,688,991</u>	<u>1,741,349</u>

10. DIVIDENDS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
2025 Interim — HK5 cents (2024: 2024 interim dividend HK 5 cents) per share	<u>152,285</u>	<u>158,055</u>
2024 Final — HK 5 cents (2024: 2023 final dividend HK 5 cents) per share	<u>157,189</u>	<u>158,055</u>

11. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

Earnings

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Earnings for the purposes of basic earnings per share		
Profit for the year attributable to owners of the Company	<u>274,178</u>	<u>302,085</u>

Number of shares

	2025 <i>'000</i>	2024 <i>'000</i>
Weighted average number of ordinary shares for the purposes of basic earnings per share	<u>3,069,595</u>	<u>3,161,105</u>

No diluted earnings per share for both 2025 and 2024 were presented as there were no potential ordinary shares in issue for both years.

12. TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	2,452,139	3,396,196
Less: Allowance for credit losses	<u>(24,468)</u>	<u>(25,648)</u>
	<u>2,427,671</u>	<u>3,370,548</u>
Other receivables, deposits and prepayments	<u>229,782</u>	<u>370,405</u>
Total trade and other receivables	2,657,453	3,740,953
Less: Rental and other deposits shown under non-current assets	<u>(20,640)</u>	<u>(19,541)</u>
Amounts shown under current assets	<u>2,636,813</u>	<u>3,721,412</u>

The following is an aged 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:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 60 days	1,503,630	2,387,530
61 to 90 days	599,185	547,918
More than 90 days	<u>324,856</u>	<u>435,100</u>
	<u>2,427,671</u>	<u>3,370,548</u>

13. TRADE AND BILLS RECEIVABLES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”)

	2025	2024
	HK\$’000	HK\$’000
Trade receivables	531,476	199,349
Bills receivables	1,687,307	985,849
	<u>2,218,783</u>	<u>1,185,198</u>

The following is an aged analysis of trade and bills receivables at FVTOCI presented based on the invoice date and issuance date at the end of the reporting year:

	2025			2024		
	Trade receivables HK\$’000	Bills receivables HK\$’000	Total HK\$’000	Trade receivables HK\$’000	Bills receivables HK\$’000	Total HK\$’000
Within 60 days	424,080	1,174,660	1,598,740	160,840	663,167	824,007
61–90 days	107,182	104,424	211,606	35,490	78,185	113,675
More than 90 days	214	408,223	408,437	3,019	244,497	247,516
	<u>531,476</u>	<u>1,687,307</u>	<u>2,218,783</u>	<u>199,349</u>	<u>985,849</u>	<u>1,185,198</u>

14. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade (including supplier finance arrangements) and bills payables presented based on the invoice date and issuance date at the end of the reporting period:

	2025			2024		
	Trade payables HK\$’000	Bills payables HK\$’000	Total HK\$’000	Trade payables HK\$’000	Bills payables HK\$’000	Total HK\$’000
Within 60 days	2,827,460	604,214	3,431,674	2,771,151	776,954	3,548,105
61 to 90 days	468,483	51,729	520,212	691,444	73,074	764,518
More than 90 days	1,100,500	1,141,589	2,242,089	871,002	1,184,110	2,055,112
	<u>4,396,443</u>	<u>1,797,532</u>	<u>6,193,975</u>	<u>4,333,597</u>	<u>2,034,138</u>	<u>6,367,735</u>

The credit period on purchases of goods ranges from 60 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

THE CHAIRMAN'S STATEMENT

Truly International Holdings Limited (“the Company”, together with its subsidiaries, the “Group”), a manufacturer of display technology products for leading global customers, recorded revenue of approximately HK\$16.5 billion in 2025, representing a decrease of approximately 7.5% compared to 2024, primarily due to the decrease in revenue from the smartphone business. Profit attributable to owners of the Company for the year decreased by approximately 9.2% to HK\$274 million when compared to 2024.

In 2025, the global consumer electronics market saw a gradual recovery in demand for electronic products, driven by the macroeconomic environment. However, the costs of certain core components, such as memory chips, continued to rise in 2025, leading to increased cost pressures. The smartphone business balanced rising costs by raising prices. However, due to price sensitivity among consumers and a decline in their willingness to upgrade, market demand declined in the short term. Demand remained stable for the Group's display business, which includes automotive, smart wearables and professional displays (industrial, medical, smart home, and Internet of Things).

In 2025, the competitive environment remains challenging. The Group's downstream customers were widely distributed across industries such as telecommunications equipment, automotive electronics, professional displays (industrial, medical, smart home, and Internet of Things), printed circuit boards, and consumer electronics. This broad portfolio provided strong resilience against fluctuations in any single industry. The Group continued to invest resources in talent development and technological R&D across all business segments, actively collaborating with clients on new product prototyping and engaging in in-depth communication. The Group's manufacturing facilities include the 5th-generation TFT-LCD production line, display module production line, touch panel production line, and camera module production line in Shanwei, Guangdong, the 4.5th-generation TFT-LCD production line and 4.5th-generation AMOLED production line in Huizhou, Guangdong, and the 5th-generation TFT-LCD production line at the joint venture Truly (Renshou) High-end Display Technology Limited* (信利(仁壽)高端顯示科技有限公司) in Renshou, Sichuan, all maintained utilization rates exceeding 90%, ensuring steady revenue and growth.

Looking ahead to 2026, the global economic environment remains uncertain, and the competitive environment is full of challenges. Fluctuations in the costs of certain key components, such as memory chips, will continue to impact the performance of the smartphone business. As market demand for display products continues to evolve toward features such as eye protection and low power consumption, color e-paper is expected to rapidly gain traction in sectors such as retail, education and logistics, thanks to its advantages of low power consumption, eye protection and environmental sustainability. Meanwhile, TFT-LCD display products continue to maintain their cost and price advantages, which will help support customer demand for equipment upgrades in the consumer electronics and medical industries, as well as growing demand for automotive displays such as central control screens, instrument panels and passenger-side entertainment screens. Having established long-term, stable partnerships, the Company maintains deep and interactive communication with its customers and partner brands. This enables us to stay abreast of technological trends and market demands in the display industry. Our cost control and technical standards consistently meet the requirements of both our customers and the market. As our customer base expands in global markets, the Company will also benefit from the growth of both the industry and our customers.

The management would like to express its appreciation to the Group's bankers and staff for their continuing support and outstanding contribution. Additionally, the management wishes to extend its gratitude for customers, suppliers and other business partners.

Lam Wai Wah
Chairman

Hong Kong, 26 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS

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

Business Review

Revenue for the year ended 31 December 2025 (the “Year” of “2025”) recorded a decrease of approximately 7.5%, amounting to approximately HK\$16.50 billion (2024: HK\$17.84 billion), which was mainly attributable to the decrease in smartphone related sales in the PRC for the Year when compared to the year ended 31 December 2024 (“2024”).

Profit for the Year attributable to the owners of the Company decreased to approximately HK\$274 million (2024: approximately HK\$302 million) by approximately 9.2%. Basic earnings per share for the Year decreased to 8.93 HK cents from 9.56 HK cents in 2024. It was mainly due to the decrease of revenue for the Year by approximately HK\$1,341 million and led to decreasing in gross profit by approximately HK\$108 million.

The gross profit margin for the Year decreased to approximately 7.7% (2024: 7.8%) and net profit margin for the Year attributable to owners of the Company remained constant at 1.7% (2024: 1.7%). Decrease in gross profit margin was mainly due to the decrease of revenue from smartphone related products.

The Group’s LCD business including touch products accounted for approximately 71% of the Group revenue in 2025 (2024: 70%). Other businesses of the Group including the sales of compact camera modules, fingerprint identification products and printed circuit board, personal health care products and electrical devices accounted for approximately 29% of the Group’s revenue in 2025 (2024: 30%).

The Group continued to devote resources in the Group’s research and development by spending around HK\$645 million in 2025 (2024: HK\$680 million).

Recognitions

During the Year, the Group received numerous recognitions from customers and industrial associates, major recognitions were shown as follows: Truly Opto-Electronics Limited* (信利光電股份有限公司), a PRC subsidiary, was named to the list of “Top Guangdong 500 Manufacturing Companies (廣東省製造業企業500強)” by Guangdong Manufacturers Association, ranking 54th in 2025, and named to the list of “Top 100 Enterprises in Guangdong Province by Comprehensive Strength in the Electronic Information Manufacturing Industry (廣東省電子信息製造業綜合實力100強企業)”, ranking 66th in 2025. Truly Semiconductors Limited* (信利半導體有限公司), a PRC subsidiary, was named to the list of “Top Guangdong 500 Manufacturing Companies (廣東省製造業企業500強)” by Guangdong Manufacturers Association, ranking 122nd in 2025. Truly Opto-Electronics (Renshou) Limited* (信利光電仁壽有限公司) was named to the list of “Top 100 Private Enterprises in Sichuan (四川民營企業100強)” by Sichuan Federation of Industry and Commerce, ranking 97th in 2025.

Outlook

Looking ahead to 2026, the global economic environment and geopolitical landscape remains uncertain, and the competitive environment is full of challenges. Fluctuations in the costs of certain key components, such as memory chips, will continue to impact the performance of the smartphone business. Demand remains stable for the Group’s other display business. The management maintains a cautiously optimistic outlook, and continues to monitor the technological demands and supply chain change in both display and non-display business markets. With the rapid advancement of artificial intelligence technologies being swiftly and effectively applied across downstream industries, this trend is expected to accelerate the upgrading of smart terminal devices such as smartphones and wearables, as well as terminal devices in automotive, industrial, medical, and Internet of Things fields. While ensuring steady growth in display product demand, 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 benefit from this growth and expand steadily.

FINANCIAL REVIEW

Revenue

The Group's revenue for the Year was approximately HK\$16,499 million, representing a decrease of approximately 7.5% or approximately HK\$1,341 million year-on-year. The revenue decline in the Year was mainly due to the reduction of smartphone related products' revenues.

Other Income

The Group's other income for the Year was approximately HK\$134 million, representing a decrease of approximately 40% or approximately HK\$89 million when compared with 2024. The decrease in other income was mainly because the reduction in government subsidies received of approximately HK\$71 million received in the Year compared with HK\$152 million in 2024.

Other Gains and Losses

The Group's other gains and losses for the Year was approximately HK\$108 million net other losses (2024: approximately HK\$87 million). The increase in net other losses in the Year was mainly due to the increase of net foreign exchange loss to approximately HK\$22 million during the Year from net foreign exchange gain approximately HK\$2 million in 2024.

Reversal of Expected Credit Loss Model, Net

The Group's reversal of impairment losses under expected credit loss model, net was approximately HK\$2 million (2024: approximately HK\$11 million). The decrease in impairment losses was mainly due to the recovery of certain credit-impaired financial assets.

Distribution and Selling Expenses

The Group's distribution and selling expenses for the Year has been decreased by approximately 16% or approximately HK\$52 million to approximately HK\$268 million when compared to 2024. The decrease in distribution and selling expenses in the Year was mainly due to decrease in sales commission and freight costs.

Administrative Expenses

The Group's administrative expenses for the Year decreased by approximately 5% or approximately HK\$21 million to approximately HK\$440 million when compared to 2024. The decrease in administrative expenses was mainly due to the reduction of other taxes such as urban construction tax and education surcharges.

Finance costs

The Group's finance costs for the Year decreased by approximately 19% or approximately HK\$72 million to approximately HK\$308 million when compared to 2024. The decrease in finance costs was mainly attributable to the decrease in interest rate in PRC and Hong Kong in 2025.

Share of result of an associate

Share of results of associates by the Group has been turned into profit in 2025 (approximately HK\$9 million) from share of loss in 2024 (approximately HK\$37 million). The improvement in share of result of an associate was mainly because the financial results for the Year of the associate, Truly (Renshou) High-end Display Technology Limited (信利(仁壽)高端顯示科技有限公司), improved when compared to 2024.

Income Tax Expenses

Pursuant to the relevant law and regulations in the PRC, three of the Company's PRC subsidiaries were approved as Hi-Tech Enterprise and entitled to 15% PRC enterprise income tax for three years starting from 2023 or 2024. One of the Company's PRC subsidiaries was eligible to enjoy the Western Region Preferential Income Tax Policies and entitled to 15% PRC enterprise income tax till 31 December 2030. Accordingly, PRC Enterprise Income Tax is provided at 15% for the year ended 31 December 2025 for these four PRC subsidiaries.

Profit for the Year Attributable to Owners of the Company

Profit for the Year attributable to owners of the Company decreased to approximately HK\$274 million by approximately 9.2% or approximately HK\$28 million when compared to 2024. It was mainly due to the decrease of revenue for the Year by approximately HK\$1,341 million and led to decreasing in gross profit by approximately HK\$108 million.

Significant Investments, Acquisitions and Disposals, Assets and Liabilities

Investment and acquisition of further equity interest 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 accounted for as an associate of the Group during the Year because the Group has significant influence over Truly Renshou by virtue of the substantial voting right of 67.1% granted to the Group in the first ten years since the incorporation of Truly Renshou in 2017. Thus, the results, assets and liabilities of Truly Renshou is incorporated in the Group’s consolidated financial statements using equity method of accounting.

In May 2024, the Group acquired additional 12.55% equity interest in Truly Renshou from another shareholder in Truly Renshou at a cash consideration of RMB1,097,460,000 (equivalent to HK\$1,188,550,000), which was fully settled in 2025. 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. The Company expects that the second Tender will be submitted in second half of 2026.

As at 31 December 2025 and 2024, there is no change of the terms of the Articles of Association of Truly Renshou including the voting rights of the shareholders and Truly Renshou remains as an associate of the Group.

Liquidity and Financial Resources

The Group’s assets increased by approximately HK\$1,125 million and liabilities increased by approximately HK\$821 million during the Year.

As at 31 December 2025, the outstanding lease liabilities, bank and other borrowings, net of restricted bank deposits, cash and bank balances, were approximately HK\$5,001 million (2024: approximately HK\$5,164 million). It decreased by approximately 3.2% or HK\$163 million when compared to these net borrowings as at 31 December 2024. 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 31 December 2025, the Group had net current liabilities of approximately HK\$3,767 million (as at 31 December 2024, net current liabilities of approximately HK\$5,667 million) and its current ratio increased to 0.73 times as at 31 December 2025 from 0.62 times as at 31 December 2024. The major reason for the decrease in net current liabilities position as at 31 December 2025 was because the Group has decreased the current portion of bank borrowings during the Year. The management would continue to improve the Group's net current liabilities position.

As at 31 December 2025, the Group had restricted bank deposits, cash and cash equivalents approximately HK\$2,741 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 52%, which has decreased from 56% at 31 December 2024.

Pledge of Assets

As at 31 December 2025, the Group had no assets pledged.

Employee and Remuneration

Around 13,400 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 2025 were approximately HK\$1,689 million. The employees are remunerated with basic salary, bonus and other benefits in kind with reference to industry practice and their individual performance.

Capital Commitments

Capital expenditure commitment of around HK\$252 million in respect of acquisition of property, plant and equipment was contracted for but not provided as at 31 December 2025.

Contingent Liabilities

We had no material contingent liabilities as at 31 December 2025.

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

SUBSEQUENT EVENT

- (a) On 19 January 2026, Truly Opto-Electronics and Opto RS, both indirect wholly-owned subsidiaries of the Company, entered into a capital increase agreement with Truly RS, an associate of the Group, pursuant to which Truly Opto-Electronics agrees to make a capital contribution in the sum of RMB500 million, and Truly RS agrees to make a capital contribution in the sum of RMB340 million, to Opto RS. As at 19 January 2026, Opto RS is wholly-owned by Truly Opto-Electronics, which already contributed capital in the sum of RMB10 million to Opto RS. The details are set out in the announcement of the Company dated 19 January 2026.

- (b) On 10 March 2026, Truly Opto-Electronics has submitted the First Tender and received the first tender notice from the Assets and Equity Exchange confirming that Truly Opto-Electronics is the successful bidder for the sale of approximately 5.714% of the equity interests of Truly RS held by Renshou County Industries Investment Co., Ltd.* (仁壽縣業投資有限公司) (“Renshou Industries”) at a tender price of RMB502.5425 million. To complete the proposed acquisition, Truly Opto-Electronics is required to enter into relevant transaction agreement with Renshou Industries, and the tender deposits paid by Truly Opto-Electronics, less the service fees of the Assets and Equity Exchange, will be applied towards the purchase price for the equity interest of Truly RS. The relevant agreement has been entered into by Truly Opto-Electronics and Renshou Industries on 12 March 2026. The purchase price has been settled in full in March 2026. The details are set out in the announcement of the Company dated 12 March 2026.

OTHER INFORMATION

Review of Consolidated Financial Statements

The Audit Committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2025.

Scope of work of Messrs. Deloitte Touche Tohmatsu

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 26 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

Dividends

The directors recommend the payment of a final dividend of 5 HK cents (2024: 5 HK cents) per share for the year ended 31 December 2025, to shareholders whose names appear on the Register of Members on 18 May 2026, Monday. It is expected that the final dividend payments will be made to shareholders on 1 June 2026, Monday, subject to the Company's shareholders' approval at the Annual General Meeting of the Company on 12 May 2026.

The interim dividends in aggregate of 5 HK cents per share (2024: 5 HK cents) were paid in 2025 to shareholders on the register of member of the Company at the close of business on 3 November 2025 based on 3,045,695,398 ordinary shares in issue.

The total dividend payout ratio for the year was about 112%.

Closure of Register of Members

For determining the entitlement to attend and vote at the 2026 Annual General Meeting ("AGM"), the Register of Members will be closed from 7 May 2026, Thursday to 12 May 2026, Tuesday, during the period no transfer of shares can be registered. In order to be eligible to attend and vote at the AGM, all transfers accompanied by relevant share certificates must be lodged with the Company's Branch Share Registrar, 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 6 May 2026, Wednesday.

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed on 18 May 2026, Monday during which day no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited at the above address for registration not later than 4:30 p.m. on Friday, 15 May 2026.

Annual General Meeting

The 2026 Annual General Meeting of the Company will be held on 12 May 2026, Tuesday at 10:00 a.m.. A notice convening the meeting will be issued in due course.

Purchase, Sale or Redemption of Security

During the year 2025, 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 13 May 2024 and 12 May 2025, the Company repurchased an aggregate of 165,964,000 ordinary shares on The Stock Exchange of Hong Kong Limited for an aggregate consideration of approximately HK\$185 million and accounted for approximately 5.7% of the total issued share capital of the Company as at 31 December 2025. An aggregate 149,550,000 shares were cancelled during the Year by the Company. The remaining 16,414,000 shares were cancelled on 22 January 2026. As at the date of this announcement, the Company does not hold any treasury shares.

Except as disclosed above, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities (including sales of treasury shares) during year ended 31 December 2025.

Model Code

None of the Directors of the Company is aware of information that would reasonably indicate that the Company was not in the year under review in compliance with the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules on the Stock Exchange.

Audit Committee

The Company has an Audit Committee which was established in accordance with the code provisions of the Corporate Governance Code 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 Chairman, Mr. Heung Kai Sing and Cheung Wai Yin Wilson as members. They meet at least four times a year.

The Group has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

The Audit Committee had, together with the management of the Company, discussed with the Group's auditor and reviewed the accounting standards and practices adopted by the Group and the annual results of the Group for the year ended 31 December 2025. The Audit Committee considered that the annual results of the Group for the year ended 31 December 2025 are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

Remuneration Committee and Nomination Committee

The Company has a Remuneration Committee and a Nomination Committee respectively which were established in accordance with the relevant requirements of the Corporate Governance Code. The two Committees are chaired by Mr. Chung Kam Kwong, an independent non-executive director and comprise three other members, namely Mr. Heung Kai Sing and Mr. Cheung Wai Yin Wilson, being independent non-executive directors and Mr. Wong Pong Chun, James, an executive director of the Company. Moreover, Ms. Lam Po Chun, Jane, a non-executive director, has been appointed as a member of nomination committee with effective from 17 June 2025.

Corporate Governance

The Board considers that good corporate governance of the Company is essential to safeguarding the interests of the shareholders and enhancing the performance of the Group. The Board is committed to maintain and ensure high standards of 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 year ended 31 December 2025, except for the 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. 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.2.2*

The Chairman did not attend the annual general meeting of the Company held on 12 May 2025 in Hong Kong because he has been stationed at the Shanwei factory of the Group since February 2020.

The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision-making processes are regulated in a proper and prudent manner.

Annual Report

The 2025 Annual Report containing all the information required by the Listing Rules will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.truly.com.hk in due course.

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

Hong Kong, 26 March 2026

As at the date of this announcements, the Board comprises Mr. Lam Wai Wah, Mr. Wong Pong Chun, James and Mr. Cheung Wing Cheung as executive directors; Mr. Song Bei Bei and Ms. Lam Po Chun, Jane as non-executive directors; and Mr. Chung Kam Kwong, Mr. Heung Kai Sing and Mr. Cheung Wai Yin Wilson as independent non-executive directors.

* *For identification purpose only*