

[For Immediate Release]



## Tradelink Announces 2015 Interim Results

### **Financial highlights for the six months ended 30 June 2015**

- Revenue: HK\$110.0 million
- Profit attributable to equity shareholders: HK\$37.0 million
- Basic earnings per share: HK 4.66 cents
- Interim dividend: HK 3.6 cents per share

(Hong Kong, 25 August 2015) Tradelink Electronic Commerce Limited (“Tradelink” or “the Group”) (SEHK Stock Code: 0536) is pleased to announce its unaudited interim results for the six months ended 30 June 2015.

Revenue for the period, at HK\$110.0 million, recorded a decline of 0.8% year-on-year. Operating profit and profit attributable to equity shareholders for the period decreased by 5.5% to HK\$39.4 million and 2.8% to HK\$37.0 million respectively. Basic earnings per share for the first six months of 2015 were HK 4.66 cents and the Board has resolved to declare an interim dividend of HK 3.6 cents per share.

During the first six months of 2015, GETS operations were affected by a weakening of the overall GETS market, down by 2% year-on-year. This, together with the termination of the Textiles Traders Registration Scheme (TTRS) by the Government, reduced the GETS revenue for the period by about 5%. Other trade-related services, recorded a modest gain, from HK\$9.3 million to HK\$9.5 million for the period. Revenue from DTTN services dropped by some 15% to just over HK\$5 million. As the drop was primarily due to a very low margined business of sourcing products for customers, DTTN segment profit for the period actually rose over 50% to HK\$3.7 million.

During the period under review, Digi-Sign revenue recovered strongly, by over 40%, from HK\$10.5 million for the first half of 2014 to HK\$14.8 million, largely due to our security tokens delivery service which recorded growth by about 9% compared with the same period last year. This growth is expected to continue as in addition to new clients coming on line, demand from existing clients will increase with the roll-out of E-cheque towards the end of 2015.

China investments performed roughly on par with last year, with the share of the results of PRC associates coming to about HK\$3 million. Contribution from this source is expected to decline during the second half of 2015 due to the agreement signed recently to dispose of the stake in Guofurui, the Beijing Data Center, for RMB 85 million. U-Link’s business continued to expand, recording an average of 9,000 transactions per month. The logistics financing service which they launched was well received by members and has the support of local authorities.

“The weakness of the overall GETS market exacerbated by the loss of all TTRS revenue is likely to undermine our hope of continuing the reversal in our GETS revenue which we started last year. While every effort will be made to protect the uptrend, we will devote additional resources into ensuring that our non-GETS business continue the growth achieved during the first half of 2015. Meanwhile, DTTN revenue for the whole year should continue to grow with a number of major projects scheduled for completion. Growth from Digi-Sign/TESS is expected to continue as we roll-out our mobile Point-of-Sale later the year and complete the bulk of our E-cheque project work. Though poorer contribution from PRC associates during the second half of the year is expected, it will unlikely affect our results for the year due to the sizeable profit from the Guofurui stake disposal.” said **Dr. Harry Lee, Chairman of Tradelink.**

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### **About Tradelink Electronic Commerce Limited**

Established in 1988, Tradelink Electronic Commerce Limited is a leading provider of e-commerce services for Hong Kong business community. Since 1997, Tradelink has been providing Government Electronic Trading services (GETS) for the trading community, initially under a 7-year exclusive franchise (1997-2003) and currently under a licence till 2016. Over the years, by perfecting its infrastructure and developing services that meet users’ needs, Tradelink has earned the trust and support of the trading community; enabling it to stand firmly as dominant player in the e-commerce market. In addition to GETS, Tradelink also offers a wide range of Business-to-Business services and other related supply chain management solutions to help customers improve their operational efficiency. In 2004, Digital Trade and Transportation Network Limited (DTTNC) was set up, provides a state-of-the-art electronic platform connecting stakeholders in the supply chain locally with their overseas partners for document exchanges.

In 2000, Tradelink set up a wholly-owned subsidiary, Digi-Sign Certification Services Limited (Digi-Sign), the first commercial company granted status as a Recognized Certification Authority (CA) in Hong Kong. Since establishment, Digi-Sign has been providing digital certificate issuance services as its core business and subsequently extending to other security solution business to cope with the rapid development and growing popularity of online business transactions. In 2013, Tradelink hived off Digi-Sign’s non-CA related business into a new wholly-owned subsidiary, Tradelink E-Biz Secure Solutions Limited (TESS). TESS specializes in the development and provision of online security solution business.

Tradelink was listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 0536) on 28 October 2005. For more information about Tradelink, please visit [www.tradelink.com.hk](http://www.tradelink.com.hk).

### **Media enquiry**

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Appendix:

Consolidated Statement of Profit or Loss for the six months ended 30 June 2015 (unaudited)

	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>
<b>Revenue</b>	<b>110,006</b>	110,891
Interest income	<b>7,664</b>	7,055
Other net (loss)/income	<b>(109)</b>	3,669
Cost of purchases	<b>(9,065)</b>	(9,406)
Staff costs	<b>(48,827)</b>	(46,497)
Depreciation	<b>(3,936)</b>	(4,674)
Other operating expenses	<b>(16,340)</b>	(19,348)
<b>Profit from operations</b>	<b>39,393</b>	41,690
Share of results of associates	<b>3,351</b>	3,248
Share of result of joint venture	-	(238)
<b>Profit before taxation</b>	<b>42,744</b>	44,700
Taxation	<b>(5,721)</b>	(6,629)
<b>Profit for the period</b>	<b>37,023</b>	38,071
<b>Profit attributable to equity shareholders of the Company</b>	<b>37,023</b>	38,071
<b>Earnings per share (HK cents)</b>		
Basic	<b>4.66</b>	4.84
Diluted	<b>4.66</b>	4.80