

[For Immediate Release]



## Tradelink Announces 2016 Interim Results

### **Financial highlights for the six months ended 30 June 2016**

- Revenue: HK\$106.4 million
- Profit attributable to equity shareholders: HK\$36.7 million
- Basic earnings per share: HK 4.61 cents
- Interim dividend: HK 2.4 cents per share

(Hong Kong, 23 August 2016) 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 2016.

Revenue for the period, at HK\$106.4 million, recorded a decline of 3.3% year-on-year. Operating profit and profit attributable to equity shareholders for the period dropped 5.1% to HK\$37.4 million and 0.8% to HK\$36.7 million respectively. Basic earnings per share for the first six months of 2016 were HK 4.61 cents and the Board has resolved to declare an interim dividend of HK 2.4 cents per share. The interim dividend payout ratio is about 76% of the Group’s profit for the period after excluding the deferred tax credit of HK\$11.7 million.

During the first six months of 2016, benefited from the overall market growth at 2.6% year-on-year, our total Government Electronic Trading Services (GETS) business volume for the period also increased by 1.2%. Coupled with the overall increase in our pricing, our GETS revenue for the period was HK\$81.2 million, up from HK\$80.7 million for the same period last year.

Revenue from Commercial Services (DTTN services) during the period declined from HK\$5 million for the first half of 2015 to HK\$4 million this year. The drop was mainly a timing issue as some major projects has been pushed back to better suit the operations and timeline of the customers concerned. Meanwhile, the team has successfully negotiated with one of our major clients to renew a multi-years contract to extend coverage to all their suppliers globally and usage to 100% on our new platform.

During the period under review, the revenue of the Group’s Security Solutions business at HK\$11.6 million, was down 21.6% year-on-year. The revenue dropped was mainly due to some e-cheque related projects income recognized in the first half of last year but no such income in the first six months of this year. Additional resources have been deployed for the development of mobile Point-of-Sale (PoS)/payment solutions.

The revenue and profit from other services at HK\$9.5 million and HK\$7 million respectively were the same as the corresponding figures in 2015.

The overall performance of PRC associates for the first half of the year was disappointing as expected since the disposal of our Guofurui stake last year. U-Link has increased its loss due to its current phase of heavy investments into expanding the business. Given the cyclical nature of our previous investments in China, we have become more cautious in our business approach in the Mainland.

“As regards our prospects for the second half of 2016, the challenging operating environment is expected to continue given the uncertainties embedded in the global economy and the sluggish growth in Hong Kong. Nonetheless, with a stable GETS business outlook and healthy sales pipelines for our Commercial Services and Security Solutions as well as our new initiatives supporting biometric authentications for the banking services, we are reasonably confident about our operating results for the remainder of the year.” said **Mr. K.K. Tse, CEO of Tradelink**.

- End -

### **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 2018. Over the years, Tradelink has earned the trust and support of the trading community; enabling it to stand firmly as the dominant player in the e-commerce market. With the mission to empower its clients with business enabled e-solutions for their commercial and financial activities, Tradelink has diversified its business beyond GETS into other business areas. In addition to GETS, Tradelink also offers a wide range of Business-to-Business services, digital certification services and online security solutions through its subsidiaries Digital Trade and Transportation Network Limited, Digi-Sign Certification Services Limited and Tradelink E-Biz Secure Solutions Limited.

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**

Tradelink Electronic Commerce Limited

Ms. Iris Tsang

Tel: (852) 2161 4370

Fax: (852) 2506 0188

Email: [ir@tradelink.com.hk](mailto:ir@tradelink.com.hk)

Appendix:

Consolidated Statement of Profit or Loss for the six months ended 30 June 2016 (unaudited)

	<b>Six months ended 30 June</b>	
	<b>2016</b>	<b>2015</b>
	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>
<b>Revenue</b>	<b>106,443</b>	110,006
Interest income	<b>9,460</b>	7,664
Other net loss	<b>(272)</b>	(109)
Cost of purchases	<b>(7,050)</b>	(9,065)
Staff costs	<b>(50,755)</b>	(48,827)
Depreciation	<b>(3,310)</b>	(3,936)
Other operating expenses	<b>(17,125)</b>	(16,340)
<b>Profit from operations</b>	<b>37,391</b>	39,393
Share of results of associates	<b>(7,528)</b>	3,351
<b>Profit before taxation</b>	<b>29,863</b>	42,744
Taxation	<b>6,820</b>	(5,721)
<b>Profit for the period</b>	<b>36,683</b>	37,023
<b>Profit attributable to equity shareholders of the Company</b>	<b>36,683</b>	37,023
<b>Earnings per share (HK cents)</b>		
Basic	<b>4.61</b>	4.66
Diluted	<b>4.61</b>	4.66