



Tradelink Announces 2008 Interim Results

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Profit from operations increased 2.6% to HK\$56.1 million

Continued efforts to develop new services and create new revenue streams

Key Highlights:

- Tradelink set up a branch office in Beijing to nurture direct relationship with business prospects in the Mainland
- DTTNCo continued to make progress with over 3,600 customers among leading organisations in the region and worldwide
- Engaged by one of the largest US banks to jointly develop a solution to integrate the online payment system of the bank with DTTN
- Digi-Sign strengthened relationship with a number of banks in Hong Kong
- Submitted a tender for the new GETS licence

(Hong Kong, 2 September 2008) – Tradelink Electronic Commerce Limited (“Tradelink” or “the Group”, SEHK: 0536), a leading provider of e-commerce services for Hong Kong and international business communities, today announced its interim results for the six months ended 30 June 2008.

During the review period, turnover of the Group amounted to HK\$114.7 million, a decrease of 1.7% against the same period in 2007, mainly because of a small decline in the turnover from Government Electronic Trading Services (“GETS”) especially the Certificate of Origin (“CO”) and Production Notification (“PN”) services. Despite that, profit from operations was HK\$56.1 million, an increase of 2.6% when compared with the same period in 2007.

For the six months ended 30 June 2008, the share of loss from Digital Trade and Transportation Network Limited (“DTTNC”) was HK\$11.1 million, about HK\$0.8 million lower than the loss of HK\$11.9 million for the same period in 2007. Net profit of the Group for the six months ended 30 June 2008 was HK\$36.7 million, an increase of HK\$2.9 million against the same period in 2007. Excluding the share of loss from DTTNC, the Group’s profit from core businesses for the six months ended 30 June 2008 was HK\$47.8 million, representing a 5.3% growth. Basic earnings per ordinary share were up by 8.8 % to HK cents 4.72 as compared to HK cents 4.34 for the same period in 2007.

The Board of Directors proposed payment of an interim dividend of HK cents 3.61 per share. The interim dividend payout ratio is approximately 76.6% of the Group’s distributable profit attributable to shareholders.

The Group's financial position remains sound and healthy. As at 30 June 2008, it had total cash and bank deposits of HK\$367.7 million and no borrowings.

Business Review

Tradelink's core business on GETS, experienced a small decline in the first half of 2008. However, the market can be considered as relatively stable overall against the same period last year. The Group submitted its bid to the Government in April 2008 for the new GETS licence with a term of 7 years commencing January 2010. Although the bidding results have yet to be announced, Tradelink is confident of securing the new GETS licence.

Outside of GETS, Tradelink is actively expanding its service offerings and market segments and at the same time has set up a branch office in Beijing in February 2008. The new office will be used to gauge market information first hand and to explore business opportunities.

DTTNCo is continuing to make progress. In targeting high value hub customers to build up a vertical community of DTTN-connected hubs in major industry sectors, DTTNCo is partnering a major US bank to jointly develop a solution to integrate the online payment system of the bank with DTTN.

Digi-Sign continued to strengthen its business relationship with a number of banks in Hong Kong and enhanced security of the online services. Digi-Sign has also signed a commercial arrangement to provide digital certificates to all member organisations of a regulatory body with the service scheduled for launch by the end of 2008.

Prospects

Despite the gloomy general economic outlook of 2008, the Group expects the overall performance of the Group for the year to be stable. With its continuous efforts to develop new services and create new revenue streams, the Group is cautiously optimistic about its prospects for the entire 2008. On the DTTNCo front, in addition to marketing the services in Hong Kong, the Group believes some of the projects in China under negotiation, if materialised, will benefit DTTNCo notably.

"2008 will be a year for us to build a solid foundation for taking Tradelink and DTTN forward in strides. We will continue to develop new services and create new revenue streams for the Group. I am cautiously optimistic that these efforts will bear fruits." said The Chairman, Dr. Harry Lee.

Appendix:

Condensed Consolidated Income Statement for the six months ended 30 June 2008

About Tradelink Electronic Commerce Limited

Established in 1988, Tradelink Electronic Commerce Limited, a joint venture between the Hong Kong SAR Government and private sector shareholders, is a leading provider of trade-related electronic services for both Hong Kong and international business communities. Over the years, by perfecting its infrastructure and developing services that meet users' practical needs, Tradelink has earned the trust of the trading community and built a superb reputation that underscores its dominance in the public e-trading services sector. It offers a unique range of customer support solutions, designed specifically to help customers gain maximum benefits from e-commerce. It makes the use of electronic services as affordable, convenient and user-friendly as possible for its customers. On 28 October 2005, Tradelink was listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 0536). For more information about Tradelink, please visit www.tradelink.com.hk.

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Appendix – Condensed Consolidated Income Statement (Unaudited) for the six months ended 30 June 2008

	Six months ended 30 June	
	2008	2007
	Unaudited <i>(HK\$'000)</i>	Unaudited <i>(HK\$'000)</i>
Turnover	114,696	116,726
Interest income	6,567	4,742
Staff costs	(39,124)	(37,757)
Depreciation	(4,867)	(5,705)
Other operating expenses	(21,157)	(23,280)
Profit from operations	56,115	54,726
Share of losses of an associate	(11,077)	(11,938)
Gain on partial disposal of an associate	-	345
Profit before taxation	45,038	43,133
Taxation	(8,339)	(9,332)
Profit attributable to equity shareholders of the Company	36,699	33,801
Interim dividend		
- Total	28,097	28,091
- Per share	HK cents 3.61	HK cents 3.61
Earnings per share		
- Basic	HK cents 4.72	HK cents 4.34
- Diluted	HK cents 4.71	HK cents 4.32

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