



For Immediate Release

Tradelink Announces 2006 Interim Results
Maintains Attractive Dividend Payout
DTTN Starts Generating Income in Second Half of 2006

Key Highlights

- Solid core business continued to deliver stable results
- Attractive dividend yield based on dividend payout of over 80%
- Additional shareholders joining DTTNCo
- DTTN progressed as planned and is exploring cooperation opportunities with overseas associates
- Submitted a tender to operate the Certification Authority for the Hongkong Post

(Hong Kong, 7 September 2006) – Tradelink Electronic Commerce Limited (“Tradelink” or “the Group”, SEHK: 0536), a leading provider of electronic commerce services for Hong Kong and international business communities, today announced its interim results for the six months ended 30 June 2006.

During the period under review, turnover increased 2.7% to reach approximately HK\$120.7 million. Profit from operations was HK\$55.7 million, representing an increase of 1.9% compared with the same period last year. An unaudited profit for the six months ended 30 June 2006 was HK\$46.4 million, a slight increase of 1.3% compared to HK\$45.8 million for the same period last year. Profit attributable to the equity shareholders for the six months ended 30 June 2006 was HK\$45.2 million (2005: HK\$45.8 million), after absorbing a slight loss from its associated company Digital Trade and Transportation Network Limited (“DTTNC”) in the amount of HK\$1.2 million.

For the same reason, net profit margin worsened slightly from 39% in the same period in 2005 to 37.5% for the period under review. Basic earnings per share was HK cents 5.81 (2005: HK cents 6.36).

In view of the satisfactory results, the Board of Directors proposed the payment of an interim dividend of HK cents 4.8 per share. The proposed dividend payout amounts to approximately 83% of the Group’s distributable profit attributable to shareholders in the first half of the financial year, which is in line with the Group’s dividend policy that the dividend would not be less than 80% of the distributable profit in respect of 2005 and 2006 respectively.

For the six months ended 30 June 2006, Tradelink maintained a sound and healthy financial position. Cash and cash equivalents as at 30 June 2006 amounted to around HK\$377 million, and gearing ratio was zero.

Justin Yue, Chief Executive Officer of Tradelink, said, “Tradelink continues to deliver solid performance. Our core business of providing Government Electronic Trading Services (“GETS”) remained strong, despite competition during the review period.”

Digital Trade and Transportation Network (“DTTN”), a key growth driver of the Group, is progressing as planned. With the successful launch of the DTTN at the beginning of 2006, DTTNCo expects to wrap up its pilot phase some time in the second half of 2006. DTTN now covers a wide spectrum of customers including freight forwarders, shippers, carriers and banks.

In addition, DTTNCo has issued and allotted new shares to four trade associations, namely the Federation of Hong Kong Industries, the HongKong Association of Freight Forwarding and Logistics Limited, the Hong Kong Shippers’ Council and the Hong Kong General Chamber of Commerce.

During the period under review, the Group’s wholly-owned subsidiary Digi-Sign Certification Services Limited (“Digi-Sign”) continued to expand its customer base and the number of digital certificates issued. Digi-Sign, together with a partner, has also submitted a bid for the contract for the Government to outsource the operation of its Post Office Certification Authority.

Looking forward, the Group will soon significantly expand its sales force of DTTNCo, and position DTTN as a “digital express link” for its customers in and out of Hong Kong. The Group is engaged with a number of overseas organizations to explore possible cooperating opportunities, which include DTTNCo rendering assistance in the construction of similar platforms overseas, including connecting to Hong Kong. Such international cooperation will significantly enhance the value of DTTN to its customers.

In addition, the use of electronic cargo manifest service has become mandatory for river and ocean carriers from 16 June 2006. Therefore, the volume of cargo manifest submitted to using Tradelink’s Electronic Cargo Manifest (“EMAN”) service is expected to grow significantly in the second half of 2006.

Mr. Yue concluded, “We are cautiously optimistic that the trade performance of Hong Kong will remain strong in the second half of 2006. We will continue to strive for growth and maintain a healthy financial position in the future.”

Appendix:

Condensed Consolidated Income Statement (Unaudited) for the six months ended 30 June 2006

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 media enquiries, please contact:

Tradelink Electronic Commerce Limited

Agnes Chan Tel: +852 2106 5237
 Fax: +852 2506 0188

Email: agnes.chan@tradelink.com.hk

Strategic Financial Relations Limited

Veron Ng Tel: +852 2864 4831
Mandy Go Tel: +852 2864 4812
Keris Leung Tel: +852 2864 4863
 Fax: +852 2804 2789

Email: veron@strategic.com.hk

Email: mandy@strategic.com.hk

Email: keris@strategic.com.hk



Appendix - Condensed Consolidated Income Statement (Unaudited) for the six months ended 30 June 2006

	Six months ended 30 June	
	2006	2005
	HK\$'000	HK\$'000
Turnover	120,730	117,514
Interest income	3,510	4,500
Other net loss	-	(6)
Staff costs	(38,373)	(36,544)
Depreciation	(7,656)	(7,214)
Other operating expenses	(22,556)	(23,657)
Profit from operations	55,655	54,593
Share of losses of associates	(1,210)	-
Profit before taxation	54,445	54,593
Taxation	(9,230)	(8,815)
Profit for the period	45,215	45,778
Interim dividend payable to equity shareholders of the Company attributable to the period	37,326	63,300
Earnings per share (HK cents)		
Basic	5.81	6.36
Diluted	5.75	-