

**Tradelink Announces 2023 Interim Results***** * *****Achieves Remarkable Net Profit Growth
Soars Over 1.6 Times to HK\$38.8 Million**

(Hong Kong, 22 August 2023) **Tradelink Electronic Commerce Limited** (“Tradelink” or “the Group”) (SEHK Stock Code: 0536) today announced its unaudited interim results for the six months ended 30 June 2023 (the “Period”).

Although Hong Kong’s economic activity has restarted after the pandemic, external trade continued to face strong headwinds in the first half of 2023, which inevitably affected the Group’s operating performance. The Group’s turnover was HK\$124.9 million and its operating profit was HK\$33.4 million. Nevertheless, with the proceeds of the sales of all the Group’s financial assets last year that had been invested in bank deposits yielding reasonably high returns, the Group recorded an encouraging net result for the Period, with profit before tax increasing more than 1.5 times to HK\$44.2 million and profit after tax increasing more than 1.6 times to HK\$38.8 million.

The Group is confident of its business performance for the remainder of the year and therefore recommends an interim dividend of HK 3.7 cents per share for the first half of 2023. This would represent a payout ratio of around 75.7% of total profit for the period. This year’s interim dividend will be HK 3.7 cents, compared with last year’s interim dividend of HK 1.83 cents.

During the Period, the **E-Commerce business**, which comprises Government Electronic Trading Services (“GETS”) and Supply Chain Solutions, recorded total revenue of HK\$79.0 million and segment profit of HK\$21.1 million for the Period, down 7.8% and 29.4%, respectively year-on-year. Revenue from GETS business declined slightly by 5.1% to HK\$70.0 million. Despite the unfavorable operating environment, the Group was able to achieve a reasonable increase in its average prices to customers. Revenue from Supply Chain Solutions was down 24.5% to HK\$9.0 million mainly due to the delay in confirming projects from several customers who were awaiting approval of government funding.

The **Identity Management business** delivered outstanding results, with revenue up 31.9% to HK\$29.4 million and segment profit hitting a record high of HK\$6.6 million, surging by more than 1.7 times over the same period last year. During the Period, the Group secured a new order for a digital signing solution from a private hospital and an order for a Hardware Security Module for eCheque and soft token management from one of its major bank customers.

The **Other Services business**, which comprises Smart Point of Sales (“PoS”) and related business, and GETS-related services business, recorded revenue of HK\$16.6 million, a slight decrease of 5.6%. Revenue recorded for the Smart PoS and related business was HK\$5.1 million, down 10.9% mainly due to smaller quantity of Smart PoS sold to the Group’s major bank customer. As for GETS-related services business, the revenue for the Period was HK\$11.5 million, down 3.0% which was less than that of the Group’s GETS business. A noteworthy contributing factor in this regard was that we received payment from the government for the Group’s set up and provision of the call centre services outsourced to us for handling

calls related to Trade Single Window documents (Phases 1 and 2). With less cost of purchases and effective cost control for the Group's Smart PoS business, segment profit of the Group's Other Services business increased 8.6% to HK\$10.1 million.

Mr. K.K Tse, Executive Director and CEO of Tradelink said, “We are cautiously optimistic about our operating performance for the full year 2023, despite the challenging external business environment. Amid the volatile investment environment, we will continue to take a cautious approach to our treasury function and are pleased with the considerable interest earned on our time deposits. Meanwhile as the government has formally confirmed the extension of our existing GETS contract to the end of 2027, which provides certainty for our GETS business for at least the coming four years, we will continue to focus on delivering the best possible services that our customers consider to be value for money. As always, we will continue to demonstrate our strong commitment to help customer in *‘maximising digital efficiency’* and explore new business opportunities to drive the business growth.”

Appendix: Consolidated Statement of Profit or Loss for the six months ended 30 June 2023 (unaudited)

- End -

About Tradelink Electronic Commerce Limited

Established in 1988, and listed in 2005, Tradelink (HKEX 0536) is Hong Kong's digital efficiency champion. Since 1997 the company has successfully brought the advantages of its e-solutions to tens of thousands of organisations. Tradelink has pioneered numerous innovative business technology applications in Hong Kong, including Electronic Data Interchange, digital certification, biometric ID and warehouse automation. In addition to offering expertise in supply chain, identity management and PayTech solutions, the company leads in the city's business-to-government document compliance market. Tradelink customers span all industry sectors. The company has earned the trust of governments, multinationals, and small and medium businesses alike. Hong Kong-based organisations seeking to measurably benefit from greater digital efficiency have a reliable partner with Tradelink.

For more information about Tradelink, please visit www.tradelink.com.hk.

Appendix:

Consolidated Statement of Profit or Loss for the six months ended 30 June 2023 (unaudited)

	Six months ended 30 June	
	2023	2022
	(HK\$'000)	(HK\$'000)
Revenue	124,920	125,459
Cost of purchases	(12,371)	(9,205)
Staff costs	(58,852)	(58,982)
Depreciation	(4,375)	(4,234)
Other operating expenses	(15,961)	(15,730)
Profit from operations	33,361	37,308
Other net income/(loss)	10,823	(19,696)
Share of results of an associate	-	(38)
Profit before taxation	44,184	17,574
Taxation	(5,344)	(3,011)
Profit for the period	38,840	14,563
Earnings per share (HK cents)		
Basic	4.89	1.83
Diluted	4.89	1.83

For media inquiries, please contact:
Strategic Financial Relations Limited

Mandy Go +852 2864 4812
Vivienne Leung +852 2864 4862
Roy Ng +852 2114 4950
Fax +852 2527 1196
Website www.sprg.com.hk

mandy.go@sprg.com.hk
vivienne.leung@sprg.com.hk
roy.ng@sprg.com.hk