

[For Immediate Release]



Tradelink Announces 2024 Interim Results

*** * ***

Achieves Stable Operating Results Witnesses Improving Signs Across All Businesses

(Hong Kong, 28 August 2024) **Tradelink Electronic Commerce Limited** (“Tradelink” or the “Group”) (Stock Code: 536) today announced its unaudited interim results for the six months ended 30 June 2024 (the “Period”).

Despite the challenges of a precarious and uncertain 2024, the Group has been able to achieve comparably good results in the first half of 2024 with a turnover of HK\$122.7 million (2023: HK\$124.9 million), operating profit of HK\$34.0 million (2023: HK\$33.4 million), profit before tax of HK\$46.0 million (2023: HK\$44.2 million) and after tax profit of HK\$40.7 million (2023: 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 2024, on par with last year’s interim dividend.

During the Period, the Group’s **E-Commerce business**, which comprises Government Electronic Trading Services (“GETS”) and Supply Chain Solutions (“SCS”), was up 7.9% year-on-year to HK\$85.2 million. GETS’ operating environment which closely ties to Hong Kong’s external trade performance turned favourable with the overall market grew 7.4% year-on-year. Benefitted from this expanded market and hence increase in business volume, revenue from the GETS sub-segment rose 6.6% to HK\$74.6 million. Our SCS sub-segment also recorded rather pleasing result as its revenue grew 17.9% to HK\$10.6 million. With overall cost contained, the E-Commerce business segment profit surged 28.9% year-on-year to HK\$27.1 million.

The **Identity Management (“IDM”) business** recorded revenue of HK\$22.2 million and segment profit of HK\$2.4 million, denoting a drop of 24.3% and 63.9% year-on-year respectively primarily due to the slow market development and hesitant client commitments. Additionally, a reasonable amount of the staff cost had been used to develop new solutions and products for our clients in the future.

The **Other Services business** segment, which comprises Smart Point-of-Sales (“PoS”) and related business, GETS-related services and partnerships, generated a revenue of HK\$15.2 million and a segment profit of HK\$9.1 million, down 8.3% and 9.2% respectively. As adversely affected by the soft retail market in Hong Kong, revenue recorded for the Smart PoS and related business was HK\$4.8 million, down 6.2%. As for GETS-related business, the revenue for the Period was HK\$10.4 million, down 9.2% largely due to the absence of the one-off revenue received in the first half of 2023 from the Government.

Mr. K.K. Tse, Executive Director and CEO of Tradelink said, “We are cautiously optimistic about the operating performance of the Group for the whole of 2024. We expect the momentum observed in the GETS and GETS-related services sub-segments during the first half of the year to continue. On the other hand, we anticipate that our IDM segment, SCS, Smart PoS and related business sub-segments would demonstrate improved performance in the second half of the year. For the IDM business, we are preparing to launch new products later in the year to address emerging cybersecurity risks. Regarding our SCS business, we have already secured a couple of new orders in recent months following the completion of the strategic review exercise. As regard to our Smart PoS and related business, we are actively exploring different opportunities to collaborate with potential partners as appropriate to deploy and/or enhance our service and product offerings. In terms of our treasury functions, we plan to continue to allocate our cash in time deposits to capitalise on the current high interest rates, particularly in the short term.”

Appendix: Consolidated Statement of Profit or Loss for the six months ended 30 June 2024 (unaudited)

- End -

About Tradelink Electronic Commerce Limited

Established in 1988, and listed in 2005, Tradelink (Stock Code: 536) 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 EDI, digital certificates, 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 2024 (unaudited)

	Six months ended 30 June	
	2024 (HK\$'000)	2023 (HK\$'000)
Revenue	122,652	124,920
Cost of purchases	(10,202)	(12,371)
Staff costs	(55,832)	(58,852)
Depreciation	(4,710)	(4,375)
Other operating expenses	(17,956)	(15,961)
Profit from operations	33,952	33,361
Other net income	11,793	10,823
Share of results of an associate	258	-
Profit before taxation	46,003	44,184
Taxation	(5,310)	(5,344)
Profit for the year	40,693	38,840
Earnings per share (HK cents)		
Basic	5.12	4.89
Diluted	5.12	4.89

For media inquiries, please contact:
Strategic Financial Relations Limited

Mandy Go +852 2864 4812
Vivienne Leung +852 2864 4862
Theresa Ouyang +852 2864 4848
Fax +852 2527 1196
Website www.sprg.com.hk

mandy.go@sprg.com.hk
vivienne.leung@sprg.com.hk
theresa.Ouyang@sprg.com.hk