

[For Immediate Release]



Tradelink Announces 2013 Interim Results

Financial highlights for the six months ended 30 June 2013

- Operating profit increased by 28.9% to HK\$51.3 million
- Profit attributable to equity shareholders increased by 23.1% to HK\$41.5 million
- Basic earnings per share increased by 23.0% to HK 5.41 cents
- Board resolved to declare an interim dividend of HK 4.0 cents per share

(Hong Kong, 27 August 2013) 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 2013.

Despite the continuing weak economic conditions, the Group’s results for the first half of its Silver Jubilee year were highly satisfying, with operating profit and profit attributable to shareholders increasing by 28.9% to HK\$51.3 million and 23.1% to HK\$41.5 million respectively. Basic earnings per share increased 23.0% to HK 5.41 cents. The Board has resolved to declare an interim dividend of HK 4.0 cents per share, representing an increase of 21.2% over the same period last year.

The weak operating environment during the period affected the Group’s core Government Electronic Trading Services (“GETS”) and other trade-related services business, causing a decline in revenue by 1.6% and 4.0% respectively. The diversification efforts, started three years ago, however, helped the Group’s turnover to improve to HK\$111.8 million, an increase of 8.6% as compared with HK\$102.9 million for the same period in 2012, with Digi-Sign revenue more than doubling, from HK\$8.5 million to HK\$18.0 million, and DTTN and China revenue growing by nearly 50%.

As the decline in revenue contribution from GETS and trade-related services is expected to continue, the Group devoted further effort to introducing additional value-added services to supplement revenue. With initial positive feedback on the two new services rolled out during the first half of the year, the Group will explore other new services to arrest the fall whilst better serving its extensive SME client base.

Digi-Sign performance during the period was exceptional, with ten banks now using its security solutions to meet their internet banking security needs and another bank coming on stream later this year. Moreover, the successful delivery of the Smart Warrant Card System to the Police during the first half of this year opened up further e-Government business opportunities, including endorsement from the relevant authorities of Digi-Sign’s solution for the Hong Kong Monetary Authority’s E-cheque initiative, scheduled to be launched in the first quarter of 2015. In addition, discussions with partners in Taiwan and Macau are at an advanced stage to turn the mobile wallet solution, to be launched jointly with JETCO in November 2013, into a cross-border one.

The Group's DTTN and China activities also recovered during the period, with a number of projects completed and others under development/negotiations. The successful launch in June of the Matching Platform by U-Link, the fourth-party logistics joint venture in Shanghai, and the Teachers' Union platform by T-Link, the B2C joint venture in Beijing, in July will contribute strongly to the performance of our China investments in the coming years.

“The weak economic sentiment during the first half of the year which affected our trade-related businesses will remain a challenge for the Group for the remainder of the year. Fortunately, the business diversification strategy we have been pursuing in recent years helped us stay resilient. As these new activities are showing robust growth, I am confident of the Group's performance even if the weak conditions persist during the second half of the year and beyond”, said **Mr. Michael Wu, CEO of Tradelink.**

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About Tradelink Electronic Commerce Limited

Established in 1988, Tradelink Electronic Commerce Limited is a leading provider of e-commerce services for both Hong Kong and international business communities. Over the years, by perfecting its infrastructure and developing services that meet users' needs, Tradelink has earned the trust and support of the trading community; enabling it to stand firmly as dominant player in the e-commerce market. Since 1997, Tradelink has been providing Government Electronic Trading services (GETS) for the trading community, initially with a 7-year exclusive franchise (1997-2003), followed by two renewed licences of a period of six years (2004-2009) and seven years (2010-2016) respectively. 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.

Media enquiry

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Appendix:

Consolidated Income Statement for the six months ended 30 June 2013 (unaudited)

	Six months ended 30 June	
	2013	2012
	(HK\$'000)	(HK\$'000)
Turnover	111,779	102,854
Interest income	5,353	6,059
Other net income	10,259	-
Cost of purchases	(10,438)	(2,936)
Staff costs	(45,327)	(43,301)
Depreciation	(5,144)	(4,914)
Other operating expenses	(15,156)	(17,939)
Profit from operations	51,326	39,823
Share of results of associates	(2,536)	26
Share of result of joint venture	(1,569)	-
Profit before taxation	47,221	39,849
Taxation	(5,774)	(6,116)
Profit for the period	41,447	33,733
Attributable to:		
Equity shareholders of the Company	41,493	33,733
Non-controlling interest	(46)	-
Profit for the period	41,447	33,733
Earnings per share (HK cents)		
Basic	5.41	4.40
Diluted	5.27	4.31