

Corporate Profile

Listing Date

• 28 October 2005

**Share Price
(@ 27/3/2012)**

• HK\$1.19

**Issued Shares
(@ 27/3/2012)**

• 782,610,508 shares

Market Cap

• HK\$931,306,505

FY End Date

• 31 December

**Major Shareholders
(@ 27/3/2012)**

- TAL Apparel Limited (12.94%)
- The Financial Secretary Incorporated (12.30%)
- DJE Investment S.A. (9.01%)
- Penta Investment Advisers Limited (6.96%)

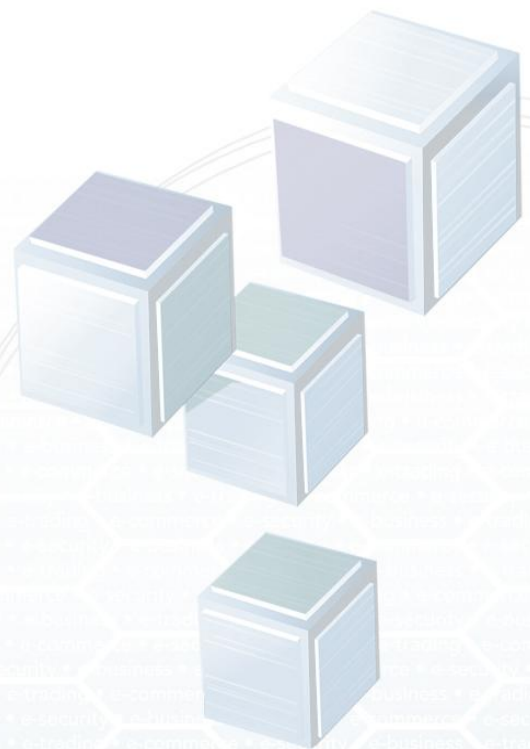
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Tradelink

- Tradelink's core business of providing Government Electronic Trading Services (GETS) declined by 8% compared to year 2010 due to a 4% decrease in overall GETS market and severe competition
- Additional revenue due to mandatory use of Customs & Excise (C&ED) Road Cargo System (ROCARS) bridged part of the gap:
 - Substantially increased calls handled by Tradelink as Government's ROCARS call centre agent and hence service charges paid to Tradelink
 - Service charges collected from customers for using Tradelink's ROCARS solutions

- Maintained steady development
- Operational income more than doubled compared with 2010
- Collaborated with Cathay Pacific Airways and GLSHK utilizing DTTN to pilot the world's first 100% paperless e-freight project, laid the foundation for closer co-operation with Cathay
- Our revised strategy for deploying DTTN in China was successfully launched – 3 more DTTN Gateways deployed with strategic partners in Xiemen, Shanghai and Shenzhen. Together with the other 2 already set up in Beijing and Guangzhou, provided a good geographic coverage of the market

Digi-Sign

- Expansion into the e-banking security market continued
- Operations progressed satisfactorily despite some delays in new business roll-out which were beyond control of the team
- Nearly completed preparatory work for developing a common authentication token scheme to meet the e-banking needs of a consortium of major banks
- Solutions that complied with the HKMA's security guidelines for accessing “high risk” banking services over mobile devices completed

China

- 3 original China investments returned a much improved performance from a loss of HK\$4.0 million in 2010 to a gain of HK\$5.8 million in 2011
- Investing RMB9.4 million, during the course of the year, into 2 joint ventures with strategic partners, one with Kunshan District Government and ECI Corporation (Kunshan); and the other with Universal EC Inc. (Taiwan), to improve penetration into China market

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Final Dividend

- The sixth consecutive year with a 100% dividend payout
- Declared interim dividend: HK cents 2.8 per share
- Proposed final dividend: HK cents 6.1 per share
- Total dividend: HK cents 8.9 per share

Financial Review

- Excluding one-off other net (loss)/ income items, operating margin and profit further improved over 2010
 - Operating margin increased from 33.9% to 36.5%
 - Net attributable profit for 2011 increased by nearly 24.0%

Financial Highlights

Year ended 31 December (HK\$M)	2011	2010	Change
Turnover	206.2	216.1	(4.6%)
One-off other net (loss)/income items	(0.4)	12.4	(103.2%)
Profit from operations	74.9	85.6	(12.5%)
Profit before taxation	80.8	81.6	(1%)
Profit attributable to equity shareholders	70.1	69.3	1.2%
Profit from operations, net of one-off other net (loss)/income items	75.3	73.2	2.9%
Profit attributable to equity shareholders, net of one-off other net (loss)/income items	70.5	56.9	23.9%
Earnings per share (HK cents)			
- Basic	9.1	9.0	1.1%
- Diluted	9.0	8.9	1.1%
Dividend per share (HK cents)			
- Interim	2.8	2.5	12%
- Proposed final	6.1	6.3	(3.2%)
- Total	8.9	8.8	1.1%

Key Financial Ratios

Year ended 31 December	2011	2010
Operating profit margin*	36.5%	33.9%
Net profit margin	34.0%	32.1%
Effective tax rate	13.2%	15.1%
Current ratio	1.83	1.89
Debtors' turnover days	6	6

*Exclude one-off net (loss)/income items

Key Balance Sheet Items

(HK\$M)	As at 31 December 2011	As at 31 December 2010
Fixed assets	45.0	58.7
Trade receivables	27.2	22.9
Other financial assets	225.6	156.7
Cash and bank deposits	148.0	216.0
Net assets	340.8	336.3

Strong and Healthy Financials

- Net cash flow from operating activities totaled approximately HK\$79.1 million
- Trade receivables at HK\$27.2 million
- Debtors' turnover day at about 6 days
- HK\$148 million of cash and bank deposits as at 31 December 2011
- Zero bad debt
- Zero gearing



Business Review



Financial Highlights



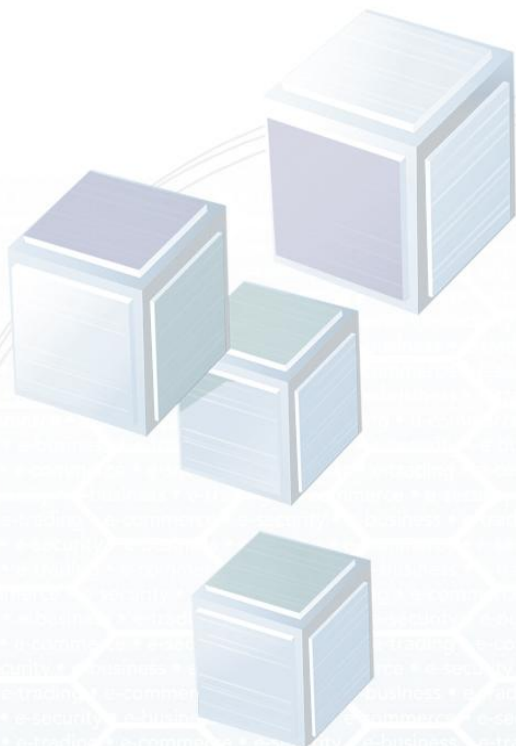
Prospects



Q&A



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Prospects

Tradelink

- Re-double our effort to protect revenue from GETS
- With positive market response and continuous customer support, Tradelink's ROCARS solution will represent a new revenue stream

DTTN

- Transaction levels should increase with a number of new projects underway
- Exploring ways to develop a “freight forwarder community platform” for conducting business amongst our clients
- Discussion underway to deploy 3 more DTTN Gateways in China in 2012



Prospects (cont')

Digi-Sign

- Key projects roll-out in 2012:
 - e-banking security device service;
 - Common authentication token scheme, and
 - Smart Warrant Card project for the Hong Kong Police
- Received considerable interest from potential user banks with the solutions we developed for accessing “high risk” banking services over mobile devices

We remain very confident of our performance in 2012



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Consolidated Income Statement

	Year ended 31 December	
	2011 (HK\$'000)	2010 (HK\$'000)
Turnover	206,176	216,091
Interest income	8,302	8,028
Other net (loss)/ income	(422)	12,408
Staff costs	(88,188)	(84,757)
Depreciation	(19,517)	(20,877)
Other operating expenses	(31,429)	(45,312)
Profit from operations	74,922	85,581
Share of results of associates	5,841	(3,989)
Profit before taxation	80,763	81,592
Taxation	(10,698)	(12,333)
Profit for the year	70,065	69,259
Profit attributable to equity shareholders of the Company	70,065	69,259
Earnings per share (HK cents)		
Basic	9.1	9.0
Diluted	9.0	8.9



Consolidated Balance Sheet

	As at 31 December 2011 (HK\$'000)	As at 31 December 2010 (HK\$'000)
Non-current assets		
Fixed assets	45,010	58,712
Goodwill	9,976	9,976
Interest in associates	97,975	78,744
	152,961	147,432
Current assets		
Trade receivables	27,194	22,916
Other receivables and prepayments	21,832	19,297
Other financial assets	225,594	156,739
Deposits with bank	41,700	118,500
Cash and cash equivalents	106,317	97,485
	422,637	414,937
Current liabilities		
Trade creditors, accounts payable and other payables	224,512	219,307
Taxation	5,851	350
	230,363	219,657
Net current assets	192,274	195,280
Total assets less current liabilities	345,235	342,712
Non-current liabilities		
Provision for long service payments	2,727	2,677
Deferred taxation	1,702	3,754
	4,429	6,431
NET ASSETS	340,806	336,281
Capital and reserves		
Share capital	156,509	155,721
Reserves	184,297	180,560
TOTAL EQUITY	340,806	336,281

