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TRADELINK ELECTRONIC COMMERCE LIMITED

貿易通電子貿易有限公司

(Incorporated in Hong Kong under the Companies Ordinance with limited liability)

(Stock Code: 536)

DISCLOSEABLE TRANSACTION DISPOSAL OF 25% EQUITY INTEREST IN TELSTRA TECHNOLOGY SERVICES (HONG KONG) LTD.

On 18 June 2013, the Company entered into an Agreement to sell its 25% of the issued share capital of TTS at a consideration of HK\$7.0 million, on and subject to the terms and conditions of the Agreement.

As some of the applicable percentage ratio(s) in respect of the Disposal exceed 5% but all applicable percentage ratios are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements, but exempt from shareholders' approval requirements under Chapter 14 of the Listing Rules.

THE AGREEMENT

Date

18 June 2013

Parties

Seller: Tradelink Electronic Commerce Limited

Buyer: Telstra Holdings Pty Limited, who holds 75% of the issued share capital of TTS as at the date of the Agreement.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Buyer and its ultimate beneficial owner are third parties independent of the Company and connected persons of the Company.

Assets to be disposed of

Pursuant to the Agreement, the Company agreed to sell the Sale Shares, representing 25% of the issued share capital of TTS as at the date of the Agreement, and the Buyer agreed to buy the same.

Consideration

A consideration of HK\$7.0 million shall be payable by Buyer to the Company for the sale and purchase of the Sale Shares.

The consideration shall be settled in cash and satisfied in a lump sum at Completion. The consideration has been determined after arm's length negotiation between Buyer and the Company, taking into consideration of the current and future operations of TTS, including its historical operating profit and prospective capital needs.

Completion and conditions precedent

Completion is subject to the satisfaction of the following conditions prior to the Completion Date:

- (i) Buyer procuring TTS to cancel the Overdraft Facility guaranteed by the Company by virtue of the Seller Guarantee;
- (ii) Buyer procuring TTS to fully repay all loans that remain outstanding under the Overdraft Facility;
- (iii) The Company notifying Dah Sing Bank Limited of its intention to terminate the Seller Guarantee after Buyer having fulfilled (i) and (ii) above; and
- (iv) The execution by the Company, the Buyer and TTS of an instrument to terminate the Shareholders' Agreement.

INFORMATION ON THE COMPANY

The Company is principally engaged in the provision of trade-related electronic services for both Hong Kong and international business communities.

INFORMATION ON TTS

TTS is incorporated in Hong Kong and carries on the business of data center operations and ancillary infrastructure outsourcing services.

INFORMATION ON THE BUYER

Telstra Holdings Pty Limited is incorporated in Australia and is a 100% owned subsidiary of Telstra Corporation Limited, which is Australia's leading telecommunications and information services company with international presence

and assets spanning across 15 countries. Other than the Company, Telstra Holdings Pty Limited is the only shareholder of TTS holding 75% of its issued share capital at the time of signing the Agreement. Upon Completion pursuant to the Agreement, the Buyer will become the sole shareholder of TTS.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Directors believe that there is little synergy between the business of Data Center operation and the Company's future business strategy. The Directors thus see no business need for its continued shareholding in TTS and, having regard to the operations of TTS, in particular its prospective capital needs, the Directors believe that disposal of the shares at the present time for a consideration of HK\$7.0 million represents the Company's best interest.

After taking into account of the above rationale for the Disposal, the Directors consider that the terms of the Disposal based on arms-length negotiation between the Company and the Buyer are fair and reasonable and also in the interests of the Company and its shareholders as a whole.

FINANCIAL INFORMATION ON THE SALE SHARES

Value of the Sale Shares

Based on TTS's management accounts as at 31 May 2013, the book value of the Sale Shares is HK\$3.6 million, which represents 25% of the book value of net assets of TTS.

Net profits attributable to the Sale Shares

During the two financial years immediately preceding the Disposal, the net profits attributable to the Sale Shares before taxation and extraordinary items were HK\$0.5 million and HK\$0.7 million as at 30 June 2012 and 30 June 2011 respectively whereas the net profits attributable to the Sale Shares after taxation and extraordinary items were HK\$0.4 million and HK\$0.6 million as at 30 June 2012 and 30 June 2011 respectively.

Gain or loss

The gain on the Disposal is HK\$7.0 million.

Application of sale proceeds

The Company intends to use the sale proceeds from the Disposal as the general working capital.

GENERAL

Based on the relevant consideration for the Disposal in the Agreement, some of the applicable percentage ratio(s) defined in Rule 14.07 of the Listing Rules exceed 5% but all applicable percentage ratios are less than 25%, the Disposal will be classified

as a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is subject to the relevant reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Agreement”	the Share Sale Agreement entered into by the Company and the Buyer on 18 June 2013, pursuant to which the Company shall sell, and the Buyer shall buy the Sale Shares at a consideration of HK\$7.0 million
“Buyer”	Telstra Holdings Pty Limited
“Company”	Tradelink Electronic Commerce Limited, a company incorporated in Hong Kong under the Companies Ordinance with limited liabilities and the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Agreement
“Completion Date”	the date that is the later of (a) the date of the Agreement; and (b) the date that the above-mentioned conditions precedent for the Completion are satisfied
“Director(s)”	the director(s) of the Company
“Disposal”	the proposed sale of Sale Shares in TTS pursuant to the Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overdraft Facility”	The revolving short term loan banking facility granted by Dah Sing Bank Limited to TTS under its letter dated 11 July 2012.
“Sale Shares”	the 25 ordinary shares of HK\$1.00 each held by the Company in TTS representing 25% of the issued share capital of the company
“Seller Guarantee”	The guarantee and indemnity by the Seller in favour of Dah Sing Bank Limited relating to the Overdraft Facility with liability limited to the sum of HK\$1.2 million

“Shareholders’ Agreement”	the agreement between TTS, the Buyer and the Seller formed pursuant to a deed of adherence given by the Buyer, when it acquired its shares in TTS, pursuant to clause 1.9 of the shareholders agreement dated 12 April 2002 between TTS, KAZ Group Pty Limited (formerly KAZ Group Limited) and the Seller
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TTS”	Telstra Technology Services (Hong Kong) Limited (formerly known as KAZ Computer Services Hongkong Limited), a company incorporated in Hong Kong with limited liability
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

By the order of the Board
Tradelink Electronic Commerce Limited
WU Wai Chung, Michael
Executive Director & CEO

Hong Kong, 18 June 2013

As at the date of this announcement, the Board of Directors of the Company comprises Non-executive Directors: Dr. LEE Nai Shee, Harry, S.B.S., J.P. (Chairman), Mr. KIHM Lutz Hans Michael, Mr. YING Tze Man, Kenneth and Dr. LEE Delman; Executive Directors: Mr. WU Wai Chung, Michael, Mr. CHENG Chun Chung, Andrew and Ms. CHUNG Shun Kwan, Emily; and Independent Non-executive Directors: Mr. CHAK Hubert, Mr. CHAU Tak Hay, Mr. CHUNG Wai Kwok, Jimmy, Mr. HO Lap Kee, Sunny, J.P. and Mr. TSE Kam Keung.