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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)

(“the Company”)

(Stock Code: 536)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

The Board of Directors (the “Board”) of Tradelink Electronic Commerce Limited (“Tradelink” or the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2014.

FINANCIAL HIGHLIGHTS

	<i>Note</i>	Year ended 31 December 2014 (HK\$'000)	Year ended 31 December 2013 (HK\$'000)
Turnover	3	226,293	230,006
Profit from operations		83,646	96,105
Profit for the year		74,183	80,448
Profit attributable to:			
Equity shareholders of the Company		74,183	80,511
Non-controlling interest		–	(63)
Total assets		612,074	610,499
Net assets		377,128	372,956
Dividend per share (HK cents)	8		
Interim		3.6	4.0
Proposed final		4.9	6.2
Proposed special		3.7	–
Earnings per share (HK cents)	9		
Basic		9.3	10.4
Diluted		9.3	10.2
Issued and fully paid ordinary shares (in'000)			
As at 31 December		793,041	790,290
Weighted average number of ordinary shares (basic) outstanding as at 31 December		789,335	768,495

CONSOLIDATED STATEMENT OF PROFIT OR LOSS*For the year ended 31 December 2014*

	<i>Note</i>	2014 (HK\$'000)	2013 (HK\$'000)
Turnover	<i>3</i>	226,293	230,006
Interest income		14,370	11,863
Other net income	<i>5</i>	5,722	13,837
Cost of purchases		(17,730)	(21,295)
Staff costs		(101,280)	(90,756)
Depreciation		(8,935)	(9,997)
Other operating expenses		(34,794)	(37,553)
Profit from operations		83,646	96,105
Share of results of associates		6,888	120
Share of result of joint venture		(409)	(2,750)
Impairment loss on interest in associate	<i>11</i>	(3,000)	–
Impairment loss on interest in joint venture	<i>12</i>	(1,280)	–
Profit before taxation	<i>6</i>	85,845	93,475
Taxation	<i>7</i>	(11,662)	(13,027)
Profit for the year		74,183	80,448
Attributable to:			
Equity shareholders of the Company		74,183	80,511
Non-controlling interest		–	(63)
Profit for the year		74,183	80,448
Earnings per share (HK cents)	<i>9</i>		
Basic		9.3	10.4
Diluted		9.3	10.2

Details of dividends payable to equity shareholders of the Company are set out in *Note 8*.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME*For the year ended 31 December 2014*

	2014 <i>(HK\$'000)</i>	2013 <i>(HK\$'000)</i>
Profit for the year	74,183	80,448
Other comprehensive income for the year (after tax and reclassification adjustments):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of:		
– financial statements of PRC operations	(329)	3,254
– non-controlling interest	–	18
Available-for-sale debt securities: net movement in fair value reserve	(3,062)	(9,208)
Total comprehensive income for the year	70,792	74,512
Attributable to:		
Equity shareholders of the Company	70,792	74,557
Non-controlling interest	–	(45)
Total comprehensive income for the year	70,792	74,512

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*As at 31 December 2014*

	<i>Note</i>	2014 (HK\$'000)	2013 (HK\$'000)
Non-current assets			
Fixed assets		30,607	36,673
Goodwill		9,976	9,976
Interest in associates	<i>11</i>	101,511	98,601
Interest in joint venture	<i>12</i>	–	1,832
		142,094	147,082
Current assets			
Trade receivables	<i>14</i>	23,310	18,057
Other receivables and prepayments	<i>15</i>	44,391	42,072
Other financial assets	<i>13</i>	288,235	289,444
Deposits with bank		3,727	4,897
Cash and cash equivalents		110,317	108,947
		469,980	463,417
Current liabilities			
Trade creditors, accounts payable and other payables	<i>16</i>	226,625	231,082
Taxation		4,889	2,454
		231,514	233,536
Net current assets		238,466	229,881
Total assets less current liabilities		380,560	376,963
Non-current liabilities			
Provision for long service payments		3,017	2,954
Deferred taxation		415	1,053
		3,432	4,007
NET ASSETS		377,128	372,956
Capital and Reserves			
Share capital	<i>17</i>	293,532	158,058
Reserves		83,596	214,898
TOTAL EQUITY		377,128	372,956

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

		Attributable to equity shareholders of the Company									
Note	Shares held for Share								Non-controlling interest	Total equity	
	Share capital	Share premium	Award Scheme	Capital reserve	Exchange reserve	Fair value reserve	Retained profits	Total			
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	
As at 1 January 2013	156,718	122,394	(15,031)	4,839	7,263	9,648	72,617	358,448	522	358,970	
Changes in equity for 2013											
Dividends approved in respect of the previous year	-	-	-	-	-	-	(54,328)	(54,328)	-	(54,328)	
Issue of new shares	17	1,340	8,723	-	(1,867)	-	-	8,196	-	8,196	
Equity-settled share-based transactions		-	-	-	2,550	-	-	2,550	-	2,550	
Disposal of unallocated shares		-	-	7,464	-	-	8,804	16,268	-	16,268	
Changes in shares held for share award scheme		-	-	(2,828)	-	-	-	(2,828)	-	(2,828)	
Vesting of awarded shares		-	-	2,173	(510)	-	(45)	1,618	-	1,618	
Lapse of share options		-	-	-	(58)	-	58	-	-	-	
Disposal of a subsidiary		-	-	-	-	-	-	-	(477)	(477)	
Profit for the year		-	-	-	-	-	80,511	80,511	(63)	80,448	
Other comprehensive income for the year		-	-	-	-	3,254	(9,208)	-	(5,954)	18	
Total comprehensive income for the year		-	-	-	-	3,254	(9,208)	80,511	74,557	(45)	
Dividends declared in respect of the current year	8	-	-	-	-	-	(31,525)	(31,525)	-	(31,525)	
As at 31 December 2013 and 1 January 2014		158,058	131,117	(8,222)	4,954	10,517	440	76,092	372,956	-	372,956
Changes in equity for 2014											
Dividends approved in respect of the previous year		-	-	-	-	-	(49,115)	(49,115)	-	(49,115)	
Issue of new shares	17	4,152	205	-	(812)	-	-	3,545	-	3,545	
Equity-settled share-based transactions		-	-	-	3,821	-	-	3,821	-	3,821	
Transition to no-par value regime on 3 March 2014		131,322	(131,322)	-	-	-	-	-	-	-	
Vesting of awarded shares		-	-	8,222	(6,548)	-	2,001	3,675	-	3,675	
Lapse of share options		-	-	-	(1)	-	1	-	-	-	
Profit for the year		-	-	-	-	-	74,183	74,183	-	74,183	
Other comprehensive income for the year		-	-	-	-	(329)	(3,062)	-	(3,391)	(3,391)	
Total comprehensive income for the year		-	-	-	-	(329)	(3,062)	74,183	70,792	-	
Dividends declared in respect of the current year	8	-	-	-	-	-	(28,546)	(28,546)	-	(28,546)	
As at 31 December 2014		293,532	-	-	1,414	10,188	(2,622)	74,616	377,128	-	377,128

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong. The consolidated financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Hong Kong Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), “Accounts and Audit”, which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements for the year ended 31 December 2014 comprise the Group and the Group’s interest in associates and a joint venture.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except for available-for-sale debt securities, which are stated at their fair value (*Note 13*).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group’s financial statements:

- Amendments to HKFRS 10, HKFRS 12 and HKAS 27, *Investment entities*
- Amendments to HKAS 36, *Recoverable amount disclosures for non-financial assets*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended HKFRSs are discussed below:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27, Investment entities

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended HKFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss. These amendments do not have an impact on the Group’s financial statements as the Company does not qualify to be an investment entity.

Amendments to HKAS 36, Recoverable amount disclosures for non-financial assets

The amendments to HKAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired asset or cash generating unit whose recoverable amount is based on fair value less costs of disposal.

3. TURNOVER

The principal business of the Group is the provision of front-end Government Electronic Trading Services (“GETS”) for processing certain official trade-related documents. Turnover represents the value of services provided and goods supplied to customers. The amount of each significant category of revenue recognised in turnover during the year is disclosed in *Note 4*.

4. SEGMENT REPORTING

The Board of Directors of the Group reviews the internal reporting by segments to assess performance and allocate resources. The Group has identified the following reportable segments:

E-commerce: This segment generates income from processing trade-related government documents and business-related documents. It can be further divided into two sub-segments as follows:

GETS This sub-segment generates income from customers using Tradelink’s electronic front-end solutions for processing certain government trade-related documents.

Digital Trade and Transportation Network (“DTTN”) services This sub-segment generates income from the electronic logistics platform for facilitating information flows among the trade logistics and finance industries.

Security solutions: This segment generates income from the provision of security products, digital certificates and security solutions.

Other services: This segment comprises handling fees for the conversion of paper form to electronic messages, income from the provision of technical support and other project services.

Revenue and expenses are allocated to the reportable segments with reference to sales generated and the expenses incurred by those segments. The measure used for reporting segment results is profit before interest, taxation and depreciation.

Information regarding the Group's reportable segments results as provided to the Board of Directors for the years ended 31 December 2014 and 2013 is set out below.

	31 December 2014				
	E-commerce		Security solutions (HK\$'000)	Other services (HK\$'000)	Total (HK\$'000)
	GETS (HK\$'000)	DTN services (HK\$'000)			
Turnover from external customers	173,794	11,687	22,495	18,317	226,293
Inter-segment turnover	-	312	6,841	6,019	13,172
Reportable segment turnover	173,794	11,999	29,336	24,336	239,465
Elimination of inter-segment turnover					(13,172)
Consolidated turnover					226,293
Reportable segment profit	54,990	5,963	664	13,429	75,046
Interest income					14,370
Other net income					5,722
Depreciation					(8,935)
Share of results of associates					6,888
Share of result of joint venture					(409)
Impairment loss on interest in associate					(3,000)
Impairment loss on interest in joint venture					(1,280)
Unallocated corporate expenses					(2,557)
Consolidated profit before taxation					85,845

	31 December 2013				
	E-commerce		Security solutions (HK\$'000)	Other services (HK\$'000)	Total (HK\$'000)
	GETS (HK\$'000)	DTN services (HK\$'000)			
Turnover from external customers	168,244	9,820	31,548	20,394	230,006
Inter-segment turnover	-	1,738	6,252	3,699	11,689
Reportable segment turnover	168,244	11,558	37,800	24,093	241,695
Elimination of inter-segment turnover					(11,689)
Consolidated turnover					230,006
Reportable segment profit	46,498	5,047	10,153	15,992	77,690
Interest income					11,863
Other net income					13,837
Depreciation					(9,997)
Share of results of associates					120
Share of result of joint venture					(2,750)
Unallocated corporate income					2,712
Consolidated profit before taxation					93,475

5. OTHER NET INCOME

	2014 (HK\$'000)	2013 (HK\$'000)
Net gain on disposal of available-for-sale debt securities	5,722	6,731
Gain on disposal of investment in an associate	–	7,000
Gain on disposal of a subsidiary	–	106
	<u>5,722</u>	<u>13,837</u>

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	2014 (HK\$'000)	2013 (HK\$'000)
Staff costs:		
Contributions to defined contribution retirement plan	2,611	2,430
Equity-settled share-based payment expenses		
– share option scheme	739	–
– share award scheme	3,082	2,550
Salaries, wages and other benefits	<u>94,848</u>	<u>85,776</u>
	<u>101,280</u>	<u>90,756</u>
Other items:		
Auditors' remuneration	931	894
Depreciation		
– assets held for use under finance lease	142	142
– other assets	8,793	9,855
Operating lease charges in respect of properties	904	973
Net foreign exchange loss/(gain)	2,559	(2,802)
Net (gain)/loss on disposals of fixed assets	<u>(145)</u>	<u>66</u>

7. TAXATION

	2014 (HK\$'000)	2013 (HK\$'000)
Provision for Hong Kong Profits Tax for the year	13,633	12,986
Provision for PRC tax for the year	209	507
(Over)/under-provision in respect of prior years	(1,542)	14
Deferred taxation	<u>(638)</u>	<u>(480)</u>
	<u>11,662</u>	<u>13,027</u>

The provision for Hong Kong Profits Tax for 2014 is calculated at 16.5% (2013: 16.5%) of the estimated assessable profits for the year. Taxation for PRC subsidiaries is similarly calculated using the effective rates of taxation that are expected to be applicable in the PRC.

8. DIVIDENDS

	2014 (HK\$'000)	2013 (HK\$'000)
Interim	28,546	31,525
Proposed final	38,859	48,998
Proposed special	29,343	–
	<u>96,748</u>	<u>80,523</u>

The final dividend and special dividend proposed after the end of the reporting period have not been recognised as a liability at the end of the reporting period.

9. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$74,183,000 (2013: HK\$80,511,000) and the weighted average number of 789,335,000 ordinary shares (2013: 768,495,000 shares) in issue during the year less shares held for share award scheme.

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$74,183,000 (2013: HK\$80,511,000) and the weighted average number of ordinary shares of 793,177,000 shares (2013: 788,463,000 shares) after adjusting for the effect of the potential dilution from ordinary shares issuable under the Company's share option schemes and share award scheme.

10. INTEREST IN SUBSIDIARIES

(a) Capital reduction of DTTNCo

As at 31 December 2013, the share capital and accumulated losses of Digital Trade and Transportation Network Limited ("DTTNCo"), a wholly-owned subsidiary of the Company, were HK\$135,240,000 and HK\$66,126,000 respectively. With effect from 3 March 2014, the new Companies Ordinance (Cap 622) introduced a general court-free procedure based on the solvency test for a company to reduce its share capital. The amount of capital reduced is regarded as a distributable profit. In November 2014, DTTNCo adopted the new capital reduction procedure and reduced its capital by HK\$66,126,000 to set-off the accumulated losses carried at its capital and reserves accounts. Implementation of the capital reduction will not alter the net assets and business operations of DTTNCo.

(b) Write-back of impairment loss of DTTNCo

During the period from 2005 to 2009, the Company made provisions for the impairment loss of its investment in DTTNCo when DTTNCo was an associate. On 26 March 2009, DTTNCo was acquired by the Company and became a wholly-owned subsidiary of the Company. The net investment amount in DTTNCo in the Company's books of accounts as at 31 December 2013 was HK\$39,595,000. With the strong growth of DTTN services in the past four years, the net asset value of DTTNCo as at 31 December 2013 increased to HK\$69,114,000. To re-align the Company's investment value with DTTNCo's net asset value, a one-off write-back of impairment loss at the amount of HK\$29,519,000 was credited to the Company's distributable reserve.

11. INTEREST IN ASSOCIATES

During the year ended 31 December 2014, the Group recognised an impairment loss of HK\$3,000,000 (2013: Nil) for its interest in an associate.

Following an assessment of the recoverable amount of the Group's investment in Guangdong Nanfang Haian Science & Technology Service Company Limited ("Nanfang"), the carrying amount of Nanfang was written down to the recoverable amount of HK\$20,365,000. The goodwill in relation to the interest in Nanfang was impaired by HK\$3,000,000. The estimates of the recoverable amount of Nanfang were based on the present values of the budgeted future cash flows, discounted at the market risk-adjusted discount rate of 14%, by reference to the projected volume, activity level and future growth rates of the underlying business of Nanfang. The fair value on which the recoverable amount is based on is categorised as a Level 3 measurement. The impairment charge was included in "Impairment loss on interest in associate" in the Consolidated Statement of Profit or Loss.

12. INTEREST IN JOINT VENTURE

During the year ended 31 December 2014, the Group recognised an impairment loss of HK\$1,280,000 (2013: Nil) for its interest in 北京工聯環球科技有限公司 ("T-Link") based on the financial situation of T-Link. As the recoverable amount of T-Link was less than the carrying amount, an impairment charge was included in "Impairment loss on interest in joint venture" in the Consolidated Statement of Profit or Loss.

13. OTHER FINANCIAL ASSETS

	2014 (HK\$'000)	2013 (HK\$'000)
Available-for-sale debt securities at fair value		
– listed	<u>288,235</u>	<u>289,444</u>

As at 31 December 2014, the Group held corporate bonds and designated the instruments as available-for-sale debt securities with fair value changes recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. The debt securities are issued by corporate entities with credit quality commensurate with the return as considered acceptable to the Group.

14. TRADE RECEIVABLES

Credit terms granted by the Company to customers generally range from one week to one month. Credit terms offered by other companies of the Group based on individual commercial terms negotiated with customers.

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date is as follows:

	2014 (HK\$'000)	2013 (HK\$'000)
Less than 1 month	16,736	11,502
1 to 3 months	3,444	2,324
3 to 12 months	1,357	1,754
Over 12 months	1,773	2,477
	<u>23,310</u>	<u>18,057</u>

All the above balances are expected to be recovered within one year and they are generally covered by customer deposits received from customers.

The ageing analysis of trade receivables that are past due but neither individually nor collectively considered as impaired are as follows:

	2014 (HK\$'000)	2013 (HK\$'000)
Neither past due nor impaired	14,065	9,623
Less than 1 month past due	4,025	2,821
1 to 3 months past due	2,549	1,613
Over 3 months past due	2,671	4,000
	9,245	8,434
	23,310	18,057

Receivables that were neither past due nor impaired relate to a wide range of customers for which there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management considers that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

15. OTHER RECEIVABLES AND PREPAYMENTS

As at 31 December 2014, included in the balance of HK\$44,391,000 (2013: HK\$42,072,000) are security tokens of HK\$12,470,000 (2013: HK\$10,946,000) purchased in respect of security solution service to certain companies.

16. TRADE CREDITORS, ACCOUNTS PAYABLE AND OTHER PAYABLES

	2014 (HK\$'000)	2013 (HK\$'000)
Trade creditors (due on demand or within 1 month)	9,706	11,267
Customer deposits received	157,705	160,818
Accrued charges and other payables	59,214	58,997
	226,625	231,082

Customer deposits received are refundable on demand.

17. SHARE CAPITAL

	2014		2013	
	Number of shares (in '000)	Amounts (HK\$'000)	Number of shares (in '000)	Amounts (HK\$'000)
Authorised: (Note 17(i))				
Ordinary shares of HK\$0.20 each (Note 17(ii))	–	–	1,250,000	250,000
Ordinary shares, issued and fully paid:				
As at 1 January	790,290	158,058	783,588	156,718
Shares issued under share option schemes	2,751	4,152	6,702	1,340
Transition to no-par regime on 3 March 2014 (Note 17(iii))	–	131,322	–	–
As at 31 December	793,041	293,532	790,290	158,058

- (i) Under the new Hong Kong Companies Ordinance (Cap. 622) which commenced operation on 3 March 2014, the concept of authorised share capital no longer exists.
- (ii) In accordance with section 135 of the new Hong Kong Companies Ordinance (Cap. 622), the Company's shares no longer have a par or nominal value with effect from 3 March 2014. There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition.
- (iii) Prior to 3 March 2014, the application of the share premium account and the capital redemption reserve was governed by sections 48B and 49H of the predecessor Hong Kong Companies Ordinance (Cap. 32) respectively. In accordance with the transitional provisions set out in section 37 of the Schedule 11 of the new Hong Kong Companies Ordinance (Cap. 622), any amount standing to the credit of the share premium account on 3 March 2014 has become part of the Company's share capital. Accordingly, HK\$131,322,000 has been transferred from the share premium account to the share capital of the Company on 3 March 2014.

18. EQUITY-SETTLED SHARE-BASED TRANSACTIONS

(a) Shares held for share award scheme

On 16 March 2009, the Board adopted a Share Award Scheme ("the Scheme") as a means of rewarding and retaining employees at the grade of assistant manager and above within the Group. On 19 November 2013, the Board approved to discontinue the Scheme. Shares previously awarded under the share award scheme remain valid and subject to the same terms and conditions.

The shares awarded under the Scheme are acquired from the open market. The net consideration paid, including any directly attributable incremental costs, is presented as "Shares held for Share Award Scheme" and deducted from total equity.

On 25 March 2014, the Board further endorsed the early release to eligible employees of all the locked-up shares. All the awarded shares were vested immediately and were transferred to all eligible employees by early June 2014. The trust was wound up by the end of June 2014.

(b) Share option scheme

The Company adopted a Share Option Scheme 2014 on 9 May 2014, whereby the options will be granted to eligible persons, including Directors, employees, consultants, business associates or advisers as the Board of the Company may identify from time to time ("Grantees"), entitling them to subscribe for shares of the Company, subject to acceptance of the Grantees and the payment of HK\$1.00 by each of the Grantees upon acceptance of the options. Each option gives the holder the right to subscribe for one ordinary share in the Company. On 30 June 2014, 12,200,000 share options were granted for HK\$1.00 consideration to Directors, senior management and employees of the Group under Share Option Scheme 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

General

The year, which opened with a lot of promise as the US market made a steady but sustained recovery, turned cloudy during the second half of the year as Europe and Japan weakened, oil prices slid and Russia, and the rouble, disintegrated. Closer to home, China's growth slowed further while political and policy risks ratcheted up a notch adding uncertainties to our operating environment. As a result, the Group's 2014 turnover dipped slightly, by 1.6%, to HK\$226 million.

The decline in our revenue was, however, not matched by lower costs. Our 2014 costs actually increased by 2% to HK\$162.7 million as we put additional resources into building our security solutions business and gearing up for E-cheque. Staff costs in this segment increased by HK\$3.3 million when compared with a year ago. As well, the decline in the value of the RMB during 2014 caused a swing of HK\$5.4 million in our balance sheet for the two years. In addition, we took the opportunity of the windfall gained from the HK\$29.5 million write-back of earlier impairments to our investment in Digital Trade and Transportation Network Limited ("DTTNC"), which we announced last November, to write down, by HK\$4.3 million, some of our less performing PRC investments. The DTTNC write-back also increased staff bonus for the year by HK\$2.8 million as the Board decided to reward staff for their contribution to the write-back. This caused operating profit and net profit for the year to slide by 13% to HK\$84 million and 8% to HK\$74 million respectively.

The drop in net profit in 2014 is not a matter for concern as the exceptional items mentioned above amounted to well over HK\$15 million in total. Net of these, and the exceptional HK\$7 million income from the sale of our Telstra Technology Services (Hong Kong) Limited stake last year, our 2014 performance was in fact over 10% stronger than 2013.

The main improvement in our operation was in our core Government Electronic Trading Services ("GETS") services. As foreshadowed last year, we finally managed to reverse the persistent down trend in revenue from this business segment with a 3.3% increase in revenue during 2014. This is the first increase in our GETS revenue since competition was introduced more than a decade ago. While we are targeting for a continued improvement in 2015, much will depend on overall market conditions over which we have little control and could be undermined by the loss of a major client as a result of cut-throat competition. The loss of our Textiles Traders Registration Scheme ("TTRS") service which the Government terminated in November 2014 will also mean a drop in income for this segment in 2015. We are, however, committed to maintaining this upturn and will try our utmost to achieve our 2015 target of a further increase.

We are also pleased with the continued improvement at DTTN during the year. Following the 50% gain in revenue in 2013, it recorded a further 20% increase in 2014. This represents another major turnaround for the Group: from DTTN recording a loss of nearly HK\$15 million in 2009, the year we bought out the other shareholders, to it becoming a profitable business with a star-studded client list and a consistently strong pipeline of new projects. With the continued improvement in profitability and a consistently strong pipeline, the Group was able to write back HK\$29.5 million of earlier impairments to our investment in the subsidiary.

Although this is not taken into the Group's 2014 top/bottom lines, it represents reserves which can be distributed to shareholders. Since there is no immediate need for the cash, the Board will be recommending at the forthcoming AGM distribution of the entire sum to shareholders as a special dividend. This will add HK 3.7 cents to our proposed dividend for 2014.

Revenue from our other trade-related services, however, dipped slightly during the year. This was due to a one-off cash receipt booked last year but not repeated in 2014. Moreover, while the desirability of expanding activities in this business segment is recognized, competing priorities, particularly for technical resources, in other areas of activities have prevented the Group from devoting resources into it for the time being. We were, therefore, unable to roll-out any new value adding services in this area during the past year. To ensure our ability to continue serving our large client base of SMEs, we will be reviewing our resources during 2015 to enable us to roll out additional services.

The main decline in our 2014 operational performance was in our security solutions business, where revenue slipped by some 30%, from HK\$31.5 million to HK\$22.5 million. This was caused by a number of factors, none of which were performance-related. While we are naturally disappointed by this, we are confident that the slippage is only temporary. By end 2014, three banks in Hong Kong have launched our mobile wallet while the Taiwan Mobile Payment Company also announced, on 30 December 2014, adoption of our solution for the mobile payment platform that they are developing for the Taiwan market. At the same time, certification of our mobile point-of-sale ("PoS") by the major credit cards is expected during the first half of 2015 while work on our E-cheque solution has commenced for a number of banks. These, together with other business opportunities that we are confident of, will ensure a solid recovery of our security solutions business in 2015.

The 2014 results confirmed the wisdom of the Group's effort to diversify revenue streams. Growth and solid performances in particular business segments compensated for temporary dips in revenue from other segments, making the Group's business more resilient to minor aberrations and cyclical pressures. We will, therefore, continue our search for new business opportunities to further diversify our operations.

As part of this, work on iTeM, our new B2C E-commerce platform, was completed during 2014. Although it is still in the initial phase of merchant/client recruitment, iTeM has already attracted interest from a number of parties wanting to collaborate with us on this. The formal launch of iTeM is expected for the second half of 2015 and represents the Group's progression from a sole B2G operation to a dual B2G/B2B business to a full-fledged B2G/B2B/B2C operation. The successful launch of iTeM will open up a completely new business area for the Group and will add further strength to our balance sheet while other projects under development by the DTTN team will add O2O capabilities to our E-service offerings.

During the past year, uncertainties in the China market continued to affect our activities there. Some projects were abandoned by clients whilst others dragged their feet finalizing terms. As delays continued, we decided to desist from pursuing them and concentrated on our collaboration with the Shenzhen Air Transport Association ("SZATA") to build a platform to connect the carriers, cargo terminal operators and forwarders based at Shenzhen Po An Airport. Development work on the platform commenced towards the end of 2014 and is expected to be ready in Q3 2015. This collaboration has also opened up other business opportunities with the airlines based in Shenzhen which we are pursuing actively.

As forecasted last year, the performance of our PRC associates and joint venture improved, contributing HK\$6.5 million as our share of their profits in 2014 as compared with a HK\$2.6 million loss last year. With some of our investments not performing to expectations, we decided to impair part of our PRC investments. This affected our bottom line for the year by HK\$4.3 million. On the other hand, we are pleased with the rapid development of U-Link's 4th party logistics platform and have planned to invest a further RMB4.4 million in it to fund further expansion. This will increase our stake in 上海匯通供應鏈技術與運營有限公司 ("U-Link") slightly, to 26%.

During the year, we finalized the arrangement in respect of the disposal of our stake, at our original investment cost, in Pinggu, the logistics park outside Beijing, to the controlling shareholder. In addition, our effort to dispose of our stake in China International Data Systems Co., Ltd ("Guofurui"), although suffering another minor setback, is continuing with the recent signing of a MoU and non-disclosure agreement with another potential buyer.

To sum up, 2014 was in many respects a pivotal year for the Group. Our ability to finally turn around our GETS business after over a decade of continual decline and our success in consistently improving our DTTN activities strengthened the foundation of the Group's operations. The slowdown in our security solutions business, while unfortunate, proved the added resilience of our balance sheet to temporary dips in business sectors, validated our effort to diversify the Group's operations and convinced us of the need to persist with the strategy. The completion of iTeM followed on this path and will, hopefully, open up a completely new, and potentially lucrative, business for us. Moreover, our successes, and setbacks, in the China market provided invaluable insights into the Group's strengths and weaknesses in penetrating that market, on the basis of which we will be reviewing our China strategy. This will be timely as we welcome a new CEO to the Group in the course of the year.

Business Review

(i) Tradelink/DTTN

As foreshadowed last year, our core business of providing front-end GETS recovered during the year with a 3.3% increase in revenue over 2013, the first increase since competition was introduced in 2004, over a decade ago. This represents a major breakthrough for the team as it disproves the suspicion that erosion of our revenue and market share is inevitable in the face of cut-throat competition and re-instills our belief in reliability, service quality and integrity as the values that command client loyalty.

Income from operating the Road Cargo System ("ROCARS") Call Center Service on behalf of the Customs & Excise Department and from our own services during the past year remained level from a revenue point of view but increased nearly ten-folds from a transaction point of view with the recruitment of the largest forwarder in Hong Kong as a user of our ROCARS services. While the recruitment had no significant revenue effect, it was of substantial strategic value to us as it will increase our stickiness as the service provider of choice for the forwarder concerned. We are also pleased that we again won the tender for the right to operate the ROCARS Call Center Service on behalf of the Customs & Excise Department. The new contract will run for three years with effect from February 2015 and involves a reasonable increase in our charges to reflect increased costs.

Revenue from our non-GETS trade-related services dipped from HK\$20.4 million to HK\$18.3 million, or by about 10%, last year. This was due to a one-off cash receipt recorded last year but not repeated in 2014. A temporary halt to the roll-out of new services last year as the Group devoted scarce resources to higher priority projects in other parts of the business also meant that we were unable to add new revenue sources in this segment. We remain committed, however, to the continual improvement of our range of value adding services for our clients and will take measures to address the resource constraint issues during the course of 2015.

Following on from the nearly 50% increase in revenue in 2013, DTTN revenue increased by a further 20%, to over HK\$11 million, in 2014. From a business incurring a loss of over HK\$15 million in 2009, when we acquired it from the other shareholders, DTTN has developed satisfactorily during the past few years and is consistently returning a respectable profit for the Group. Its continuing success has also enabled the Group to write back some HK\$29.5 million of the earlier impairments to our investment in the subsidiary.

Particularly impressive is the stellar quality of its client list and the diversity of its new projects, all of which are building blocks for our ambition to provide comprehensive end-to-end solutions for our clients along the entire supply chain. The team was also able to maintain a very strong pipeline of new projects for 2015. Of special interest are projects which extend O2O capabilities to the B2C platforms that we are developing for major clients. Many of these have strong recurrent revenue streams as they will involve DTTN providing on-going services and support for the platforms.

However, the “Community Platform” for connecting our predominantly shipper clients with their air forwarders and the forwarders with their carriers, a joint project with Global Logistics System (HK) Company Limited (“GLSHK”), has not taken off. It appears that stakeholders are reluctant to invest in systems to enable them to connect to the platform whilst they await the result of the Hong Kong Association of Freight Forwarding and Logistics Limited (“HAFFA”) request to the Government for funding the development of a wider platform to cover all forwarders/carriers. The knowledge and experience gained from developing the Community Platform will, however, be put to good use in developing a similar platform for Shenzhen Airport in conjunction with SZATA.

During the year, work on our new B2C E-commerce platform, iTeM, was completed. Designed originally as part of the eco-system for our mobile wallet solution, it represents our continued progression from a pure B2G service provider, with the launch of our GETS platform in 1996, to a B2G/B2B service provider, with the acquisition of the entire shareholding in DTTN in 2009, to a B2G/B2B/B2C service provider with the launch of iTeM sometime in the second half of 2015.

Although we are still only at the merchant/customer recruitment phase for the platform, iTeM has already attracted interest from a major credit card operator in Hong Kong, which is interested in white labeling it as their B2C platform for their merchants. Negotiations of the terms of co-operation and business arrangements are at an advanced stage and should be completed during Q1 2015. The platform has also attracted the interest of the key mobile payment operator in Macau, their equivalent of Hong Kong's Octopus, which is interested in using it as their B2C platform. We are also in discussions with our U-Link partners who are interested in using it as their cross-border E-Commerce platform for the PRC market. We are, therefore, excited about iTeM's promise and will pursue further opportunities for expanding both its scope and usage vigorously.

(ii) *Digi-Sign/TESS*

During the year, our security solutions business contracted significantly, by some 30% from HK\$31.5 million in 2013 to HK\$22.5 million. A main cause was the expected slowdown in the delivery of security tokens for our major bank client, from 230,000 tokens delivered in 2013 to 167,000 in 2014, after the initial demand was satisfied. This accounted for a drop of HK\$5 million in revenue, or half of the drop in revenue for this business segment. Despite this slowdown, the client has ordered a further 96,000 security tokens which, with the stock left over from their second re-order in 2013, will keep the service adequately supplied for at least another year. Moreover, we expect deliveries to recover in 2015 as the battery life of some of our first deliveries are coming to an end and some of the original tokens will need to be replaced. We also expect demand to increase when the bank client concerned launches its E-cheque solution towards the end of the year.

The confidence and satisfaction with our current tokens delivery service and the E-cheque project work we are doing for them has led the client to regard us as their strategic business partner rather than a normal services vendor or SI work supplier. This led to additional project work for them during 2015 and hopefully beyond.

In addition to the slowdown in our tokens delivery service, the launch of our mobile wallet solution was delayed to end 2014 due to technical issues at the client end, while the launch of our mobile PoS solution was also delayed, probably until Q3 2015, because of system modifications requested by clients and the time it will take to obtain fresh certification by the credit card operators for the "new" product. In addition, the length of time required by the banks to determine their E-cheque requirements also delayed commencement of project work for them. This meant that no E-cheque revenue was booked in 2014.

Other work in the security solutions front continued during the year, with the addition of an additional bank using our OTP token solution and another bank close to signing up a token delivery service similar to the one we are operating for our major bank client. In addition, maintenance and additional enhancement work plus provision of supplies for the Hong Kong Police Smart Warrant Card System also continued during the year.

With three banks in Hong Kong having launched our mobile wallet by the end of the year and the Taiwan Mobile Payment Company announcing, on 30 December 2014, adoption of our mobile wallet for the mobile payment platform that they will be developing for the Taiwan market, the rolling out of our mobile PoS solution in the second half of the year and the E-cheque project work we are undertaking for a number of banks, our security solutions business will recover strongly in 2015. Beyond that, we expect significant growth in digital certificate sales to our bank clients for their E-cheque service and are confident of adding some of them to our token delivery service list.

(iii) China

As foreshadowed last year, our China activities recovered during last year. Improved performances by some of our PRC associates turned a HK\$2.6 million share of loss in 2013 to a HK\$6.5 million share of profit for the year. This was mainly the result of profit contribution at Guofurui returning to normal following the claw back of earlier profits last year.

As expected, the 4th Party Logistics Matching Platform launched by U-Link in Q3 of 2013 has expanded rapidly. With the signing up of a number of courier services and forwarders, the platform now offers some 30,000 routes. In addition, U-Link successfully launched a logistics financing business at the end of last year to provide bridging finance for the small logistics service providers in the market. This service is the first of its kind in China, and possibly the world, and has proven to be very popular, currently registering around 1,000 transactions per day. Further expansion of the service will obviously depend on funding availability and U-Link is in discussion with a number of banks/financial institutions interested in providing financing for the service.

To enable U-Link to continue its rapid pace of expansion, we agreed during the year to participate in its share capital increase exercise, investing a further RMB4.4 million into the business and slightly increasing our stake in the JV to 26%. To maintain its pace of expansion, U-Link is also in discussion with one of the major B2C platform operators in the China market regarding its interest in collaboration with our platform and in investing in the business.

Unfortunately, not all our associates have performed to expectations. For example, the re-launch of 江蘇世成網絡科技有限公司 (“SCNT”) has been held in abeyance by our partners with little prospect for a revival in the short term while 北京工聯環球科技有限公司 (“T-Link”) failed to launch its Teachers Platform after the initial soft launch failed to attract hit rates on a consistent basis. In addition, some historical operational problems uncovered at Guangdong Nanfang Haiian Science & Technology Service Company Limited (“Nanfang”) during 2014 undoubtedly distracted the new management team there. As a result, we decided to write down part of these investments during 2014.

As regards our project work in that market, uncertainties continued to dog the market as policy and political risks ratcheted up a notch during last year. As a result, a number of our clients abandoned projects agreed earlier with us while others continued to drag their feet in finalizing terms of work. We decided to desist from pursuing these and concentrated efforts on our collaboration with SZATA to build a Platform to link the carriers, cargo terminal operators, forwarders and shippers based at Shenzhen Airport. We expect the platform to be launched towards the latter part of 2015. The collaboration with SZATA has also opened up other opportunities for project work with two of the airlines based at Shenzhen Airport. We are pursuing these actively.

While arrangements for the disposal of our stake in Pinggu, the moribund logistics park just outside Beijing, back to the controlling shareholder at our original investment cost was completed during the year, the disposal of our Guofurui stake met with a minor set-back. An earlier interested buyer pulled out because we were unable to provide assurances regarding their eventual ability to secure a controlling stake in the data center, which was not something we as an out-going shareholder can give, while a subsequent interested party pulled out because they were not content with the absence of an exit plan for their investment. We have, however, recently signed yet another memorandum of understanding and the related non-disclosure agreement for the disposal with an interested party to enable the due diligence work to commence. We, therefore, expect the disposal of our stake in Guofurui to be completed during 2015.

(iv) Conclusion

In summary, our performance during 2014 remained robust and demonstrated the added resilience of our balance sheet. With the expected reversal of our security solutions business, solid GETS revenue, a strong DTTN pipeline and continued good performance in our China activities, we expect a much improved 2015 performance.

Financial Review

The Group's revenue for the year fell 1.6%, from HK\$230.0 million in 2013 to HK\$226.3 million in 2014. The main decline came from weaker revenue from our security solutions business, which fell by around HK\$9.0 million from HK\$31.5 million in 2013 to HK\$22.5 million in 2014. Revenue from our other trade-related services also fell from HK\$20.4 million in 2013 to HK\$18.3 million in 2014. Part of the decline was off-set by increases in our core GETS revenue, which grew by 3.3%, from HK\$168.2 million in 2013 to HK\$173.8 million in 2014, and in DTTN revenue, which increased from HK\$9.8 million in 2013 to HK\$11.7 million in 2014.

The Group's interest income increased 21% year-on-year, from HK\$11.9 million in 2013 to HK\$14.4 million in 2014. The Group also recorded a gain of HK\$5.7 million from the switching of part of our corporate bond holdings during the year. This was lower than the HK\$6.7 million gain from switches recorded in 2013. Our other net income for 2014 was also lower than in 2013 because the gain of HK\$7.0 million from the disposal of our 25% shareholding in Telstra Technology Services (Hong Kong) Limited in 2013 was an exceptional non-recurring item.

The Group's overall costs before depreciation increased from HK\$149.6 million to HK\$153.8 million, a year-on-year increase of 2.8%. The major changes included a decline in the cost of purchases, from HK\$21.3 million in 2013 to HK\$17.7 million in 2014, due to the completion of the Hong Kong Police Smart Warrant Card System project in 2013, the slowdown of OTP token deliveries for our major bank client in 2014 and the fact that the legal costs from the Brio case in 2013 was not a recurrent item. The lower costs were, however, countered by increased staff costs, from HK\$90.8 million in 2013 to HK\$101.3 million, in 2014.

Depreciation charges in 2014, of HK\$8.9 million, were lower than 2013 by HK\$1.1 million.

As a result, the Group's profit from operations for 2014 came to HK\$83.6 million, a decrease of 13% over the HK\$96.1 million in 2013.

The Group's associates and joint venture in the PRC contributed a share of profit of HK\$6.5 million in 2014, as compared to a share of loss of HK\$2.6 million in 2013. During the year, a review of the Group's investments resulted in a provision of HK\$4.3 million for impairment of our investments in two associates: Nanfang and T-Link.

The Group's pre-tax profit for 2014 came to HK\$85.8 million, lower than 2013 by HK\$7.6 million. Net profit for the year was HK\$74.2 million, lower than the HK\$80.4 million achieved in 2013 by HK\$6.2 million.

Basic earnings per share for 2014 were HK 9.3 cents, lower than 2013 by HK 1.1 cents, while diluted earnings per share, at HK 9.3 cents, was lower by HK 0.9 cent.

During the year, the capital of DTTNCo, a wholly-owned subsidiary, was reduced by HK\$94.2 million under a capital reduction exercise, bringing its capital down from HK\$135.2 million to HK\$41 million, to set off earlier losses carried in DTTNCo's books. This will enable future profits earned by DTTNCo to be distributed to the Company.

DTTNCo's earlier losses arose during the period 2005 to 2009 when it was still an associate of the Company and represented the development and promotional costs of DTTN services at the time. These losses obliged the Company to make provisions of HK\$59.7 million during that period to impair its investment in the associate.

In 2009, the Company bought out the other shareholders and DTTNCo became a wholly-owned subsidiary. With full control, the Group was able to drastically reduce costs and developed new services. During the recent two years, DTTNCo experienced strong growth, resulting in its net asset value exceeding its carrying value in the books of the Company. To reflect the current carrying value, the Company wrote-back HK\$29.5 million of the earlier impairment losses in November 2014. The write-back amount was transferred to distributable reserves.

Dividend

The Board has recommended a final 2014 dividend of HK 4.9 cents per share (2013: HK 6.2 cents per share). The proposed final dividend, together with the interim dividend of HK 3.6 cents (2013: HK 4.0 cents) paid on 9 October 2014, represents 91% of the Group's profit attributable to shareholders for 2014.

The apparent dividend rate of 91% does not represent a departure from the Group's practice of a 100% pay-out. The HK 4.9 cents per share final dividend in fact represents 100% of the Company's distributable profit in 2014. The difference reflects the gap between profit attributable to shareholders and profit distributable to shareholders. The distinction between the two arises because the Company, as a Hong Kong company, is only allowed by the Hong Kong's Companies Ordinance to distribute profits received by it. Profits attributable to shareholders not received by the Company, such as share of profits from associates not received by the Company in the form of dividends or DTTNCo profits used to set-off earlier losses, do not form profits distributable to shareholders.

In the past, the Company covered the gap between attributable and distributable profits from its distributable reserves. However, after nearly 10 years of distributing 100% of attributable profits to shareholders, our distributable reserves were finally exhausted in 2013 and the Company has no further means to make up the difference, causing what appears to be only a 91% pay out rate to shareholders in 2014. As pointed out above, the HK 4.9 cents per share final dividend in fact represents 100% of the Company's distributable profit in 2014.

Apart from the final dividend, the Board has also recommended returning the entire amount from the HK\$29.5 million DTTNCo write-back to shareholders through a special dividend of HK 3.7 cents per share as the Company has no immediate need for the cash (2013: Nil). This brings the total dividend for 2014 to HK 12.2 cents per share, an increase of nearly 20% over 2013.

The proposed final dividend and special dividend will be submitted to shareholders for approval at the annual general meeting on 8 May 2015. If approved, the final dividend and special dividend will be paid to shareholders whose names appear on the Register of Members of the Company on 14 May 2015, on or about 26 May 2015.

The Board reminds shareholders that the Company's dividend policy enunciated at the time of our IPO in 2005 is that it will pay no less than 60% of its distributable profit as dividend. The fact that the Company has paid out 100% of its attributable profit for the past nine years and 100% of its distributable profit this year does not mean that the policy has changed.

Liquidity and Financial Position

As at 31 December 2014, the Group had total cash and bank deposits of HK\$114.0 million (2013: HK\$113.8 million). Total assets and net assets of the Group as at 31 December 2014 amounted to HK\$612.1 million (2013: HK\$610.5 million) and HK\$377.1 million (2013: HK\$373.0 million) respectively.

As at 31 December 2014, the Group had no borrowings (2013: Nil).

Capital and Reserves

As at the end of 2014, the capital and reserves attributable to shareholders stood at HK\$377.1 million (2013: HK\$373.0 million), an increase of HK\$4.1 million over 2013.

Charges on Assets and Contingent Liabilities

As at 31 December 2014, the Group had three bank guarantees totaling HK\$2.6 million (2013: HK\$2.6 million) and two performance bonds totaling HK\$0.7 million (2013: HK\$0.6 million) issued to the Government for the due performance by the Group pursuant to the terms of the contracts with the Government. The bank guarantees and performance bonds are secured by a charge over deposits totaling HK\$3.8 million (2013: HK\$3.7 million).

Other than the foregoing, the Group had no other charges on its assets.

Capital Commitments

Capital commitments outstanding as at end of 2014 not provided for in the financial statements amounted to HK\$1.8 million (2013: HK\$0.2 million), mainly in respect of hardware and software for our platforms.

During the year, the Board approved a further cash investment of RMB4.4 million in U-Link, a PRC associate, to increase our stake from 24.5% to 26%. This amount was approved but not provided for in the financial statements.

Exposure to Fluctuation in Exchange Rates and Related Hedges

As at 31 December 2014, other than its investments in the PRC incorporated entities and Renminbi-denominated debt securities, the Group had no foreign exchange exposure or related hedges.

Audit Committee

The Audit Committee has reviewed the Group's accounting policies and the financial statements for the year ended 31 December 2014. It also had independent discussions with the internal auditor and the external auditor, KPMG, without the presence of the management team.

CORPORATE REVIEW

Employees and Remuneration Policy

As at 31 December 2014, the Group employed 253 staff (2013: 249), of which 220 work in Hong Kong and 33 in Guangzhou. The related staff costs for the year came to HK\$101.3 million (2013: HK\$90.8 million).

The Group's remuneration policy is that all employees are rewarded at market levels. In addition to salaries, the Group provides staff benefits including medical insurance and contributions to the staff's mandatory provident fund. To motivate and reward performance, the Group has a discretionary performance bonus scheme to better drive and reward growth.

The Company operates three share option schemes and a share award scheme to reward performance of assistant managers and above. The share award scheme was terminated in December 2013.

Corporate Developments

Tradelink call centre won a Gold Award in the 2014 Mystery Caller Assessment Award organized by the Hong Kong Call Centre Association. This was the third consecutive years Tradelink won the Gold Award, demonstrating our consistently high quality services to our customers.

During the year, Tradelink and its wholly-owned subsidiary, Digi-Sign, also continued their status as a “Caring Company” conferred by the Hong Kong Council of Social Service.

OTHER INFORMATION

Closure of Register of Members

The Register of Members will be closed from 6 to 8 May 2015, both days inclusive, during which period no transfer of shares will be registered to determine the shareholders entitled to attend and vote at the Annual General Meeting (“AGM”) to be held on 8 May 2015. All transfer of shares accompanied by share certificates and transfer forms must be lodged with the Company’s share registrar, Computershare Hong Kong Investors Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 pm on 5 May 2015.

The Register of Members will also be closed from 14 to 18 May 2015, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final and special dividends, all transfer of shares accompanied by share certificates and transfer forms must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, no later than 4:30 pm on 13 May 2015.

Purchase, Sale or Redemption of the Company’s Listed Securities

During the year, neither the Company nor its subsidiaries purchased, sold or redeemed any of its listed securities other than those purchased or sold under the Share Award Scheme.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules to govern Directors’ dealings in the Company’s securities. Having made specific enquiry, all Directors have confirmed compliance with the Model Code during 2014.

Compliance with the Code on Corporate Governance Practices

The Company is committed to a high standard of corporate governance and every effort is made to ensure full compliance with the provisions of the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”). In this regard, the Company confirms that it has complied with all these provisions during 2014.

Publication of Financial Information

The annual report of the Group for the year ended 31 December 2014 containing all the detailed information will be dispatched to shareholders and available at the Company's website www.tradelink.com.hk in April 2015.

Annual General Meeting

It is proposed that the Annual General Meeting of the Company be held on 8 May 2015. Notice of the Annual General Meeting will be published and issued to shareholders in due course.

By Order of the Board
Tradelink Electronic Commerce Limited
Dr. LEE Nai Shee, Harry, S.B.S., J.P.
Chairman

Hong Kong, 24 March 2015

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, Dr. LEE Delman, Mr. TSE Kam Keung and Mr. YING Tze Man, Kenneth; ***Executive Directors:*** Mr. WU Wai Chung, Michael, Mr. CHENG Chun Chung, Andrew, Ms. CHUNG Shun Kwan, Emily and Mr. LI Fuk Kuen, Wilfred; and ***Independent Non-executive Directors:*** Mr. CHAK Hubert, Ms. CHAN Chi Yan, Mr. CHAU Tak Hay, Mr. CHUNG Wai Kwok, Jimmy and Mr. HO Lap Kee, Sunny, J.P..