

[For Immediate Release]



## Tradelink Announces 2012 Interim Results

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**Profit attributable to shareholders surged by 17.4%**

### **Financial highlights for the six months ended 30 June 2012**

- Operating profit reached HK\$39.8 million, an increase of 15.7%
- Profit attributable to equity shareholders of the Company increased by 17.4% to HK\$33.7 million
- Basic earnings per share increased by 17.0% to HK 4.4 cents
- Board resolved to declare an interim dividend of HK 3.3 cents per share

(Hong Kong, 28 August 2012) – Tradelink Electronic Commerce Limited (“Tradelink” or “the Group”) (SEHK Stock Code: 0536) today announced its unaudited interim results for the six months ended 30 June 2012.

The Group reported solid results for the first half of 2012, with operating profit increasing by 15.7% to HK\$39.8 million despite a tough operating environment. While turnover remained roughly the same on a year-on-year basis, HK\$102.9 million for the first half of 2012 compared with HK\$101.5 million in 2011, continuing cost savings yielded a 17.4% increase in profit attributable to shareholders, from HK\$28.7 million to HK\$33.7 million. Basic earnings per share was HK 4.4 cents. The Board has resolved to declare an interim dividend of HK 3.3 cents per share, representing an increase of 17.9% .

Tradelink’s core Government Electronic Trading Services activities dropped by 1.1% year-on-year due to weak markets and intense competition. The shortfall was, however, more than made up by our new Road Cargo Service. As regards commercial services, a new Freight Forwarder Invoice solution is being developed in conjunction with shippers to facilitate processing of voluminous freight invoices while work on the joint project with Global Logistics System (HK) Company Limited on building a community platform to connect forwarders and shippers for document exchange is underway and expected to rollout in the first quarter of 2013.

Tradelink’s wholly-owned subsidiary, Digi-Sign Certification Services Limited, recorded a surge in activities of nearly 50% during the period. This however understated actual performance as costs incurred in rolling out the banking security token and Police Smart Warrant Card System (“SWCS”) projects were booked in first half of the year while only the bulk of the income from these two projects will only be booked in the second half of the year. Meanwhile, preparatory work for its common authentication token service as well as its mobile banking security solutions are progressing

with target completion dates during the second half of the year, followed by service roll-out shortly thereafter.

Regarding activities in the China market, performance of the three earlier investments improved with a profit of HK\$0.03 million reported during the period. As announced earlier, an approach to acquire part of Tradelink's stake in the Beijing Data Center was received, and if successful, the sale, at a premium, should be completed in the second half of this year.

“While our first half results were quite satisfactory, revenue from our banking security token and SWCS projects should boost income significantly during the second half of the year. As I do not expect any significant decline in our core business in the coming months, we can look forward to a bumper year for Tradelink.” said **Mr. Michael Wu, CEO of Tradelink.**

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*Appendix:*

*Consolidated Income Statement for the six months ended 30 June 2012 (unaudited)*

### **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' practical needs, Tradelink has earned the trust of the trading community and built a superb reputation that underscores its dominance in the public e-trading services sector. Since 1997, Tradelink has been providing Government Electronic Trading services 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](http://www.tradelink.com.hk).

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*Appendix:*

*Consolidated Income Statement for the six months ended 30 June 2012 (unaudited)*

	<b>Six months ended 30 June 2012</b>	
	<b>(unaudited)</b>	
	<b>2012</b>	2011
	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>
<b>Turnover</b>	<b>102,854</b>	101,503
Interest income	<b>6,059</b>	3,923
Other net loss	-	(422)
Cost of purchases	<b>(2,936)</b>	(753)
Staff costs	<b>(43,301)</b>	(44,671)
Depreciation	<b>(4,914)</b>	(10,669)
Other operating expenses	<b>(17,939)</b>	(14,527)
<b>Profit from operations</b>	<b>39,823</b>	34,384
Share of results of associates	<b>26</b>	(693)
<b>Profit before taxation</b>	<b>39,849</b>	33,691
Taxation	<b>(6,116)</b>	(4,959)
<b>Profit attributable to equity shareholders of the Company</b>	<b>33,733</b>	28,732
<b>Earnings per share (HK cents)</b>		
Basic	<b>4.40</b>	3.76
Diluted	<b>4.31</b>	3.68