Tradelink Electronic Commerce Limited
貿易通電子貿易有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 536)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

The Board of Directors (the "**Board**") of Tradelink Electronic Commerce Limited ("**Tradelink**" or the "**Company**") is pleased to announce the unaudited interim consolidated results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 June 2023 (Unaudited)

		Six months ended 30 June	
	Note	**2023 *(HK$'000)***	2022 *(HK$'000)*
Revenue	*3*	**124,920**	125,459
Cost of purchases		**(12,371)**	(9,205)
Staff costs	*5(a)*	**(58,852)**	(58,982)
Depreciation	*5(b)*	**(4,375)**	(4,234)
Other operating expenses	*5(c)*	**(15,961)**	(15,730)
Profit from operations		**33,361**	37,308
Other net income/(loss)	*6*	**10,823**	(19,696)
Share of results of an associate		**–**	(38)
Profit before taxation	*5*	**44,184**	17,574
Taxation	*7*	**(5,344)**	(3,011)
Profit for the period		**38,840**	14,563
Earnings per share (HK cents)	*9*		
Basic		**4.89**	1.83
Diluted		**4.89**	1.83

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 six months ended 30 June 2023 (Unaudited)

	Six months ended 30 June	
	2023	2022
	(HK$'000)	*(HK$'000)*
Profit for the period	**38,840**	14,563
Other comprehensive income for the period (after tax and reclassification adjustments):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of the operations outside Hong Kong	**95**	(245)
Debt securities measured at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserve	**–**	(1,148)
Total comprehensive income for the period	**38,935**	13,170

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2023 (Unaudited)

	Note	**As at 30 June 2023 Unaudited *(HK$'000)***	As at 31 December 2022 Audited *(HK$'000)*
Non-current assets			
Property, plant and equipment		**24,304**	20,756
Goodwill		**9,976**	9,976
Deferred tax assets	*10*	**137**	137
		34,417	30,869
Current assets			
Trade receivables and contract assets	*11*	**37,799**	42,093
Other receivables, prepayments and other contract costs	*12*	**18,902**	19,557
Taxation recoverable		**1,630**	2,953
Deposits with banks		**86,393**	69,977
Cash and cash equivalents		**330,905**	366,545
		475,629	501,125
Non-current assets classified as assets held for sale	*13*	**567**	567
		476,196	501,692
Current liabilities			
Trade creditors, contract liabilities and other payables	*14*	**159,316**	163,291
Taxation payable		**1,797**	851
		161,113	164,142
Net current assets		**315,083**	337,550
Total assets less current liabilities		**349,500**	368,419
Non-current liabilities			
Provision for long service payments		**2,810**	2,810
Deferred tax liabilities	*10*	**1,086**	1,006
Other payables	*14*	**976**	190
		4,872	4,006
NET ASSETS		**344,628**	364,413
Capital and reserves			
Share capital	*15*	**296,093**	296,093
Reserves		**48,535**	68,320
TOTAL EQUITY		**344,628**	364,413

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 June 2023 (Unaudited)

	Note	Share capital *(HK$'000)*	Capital reserve *(HK$'000)*	Exchange reserve *(HK$'000)*	Fair value reserve *(HK$'000)*	Other reserve *(HK$'000)*	Retained profits *(HK$'000)*	Total equity *(HK$'000)*
As at 1 January 2022		296,093	7,217	739	1,148	12	73,421	378,630
Changes in equity for the six months ended 30 June 2022:								
Dividends approved in respect of the previous year		–	–	–	–	–	(51,254)	(51,254)
Equity-settled share-based transactions		–	324	–	–	–	–	324
Profit for the period		–	–	–	–	–	14,563	14,563
Other comprehensive income for the period		–	–	(245)	(1,148)	–	–	(1,393)
Total comprehensive income for the period		–	–	(245)	(1,148)	–	14,563	13,170
As at 30 June 2022 and 1 July 2022		296,093	7,541	494	–	12	36,730	340,870
Changes in equity for the six months ended 31 December 2022:								
Dividends declared in respect of the current year	*8*	–	–	–	–	–	(14,542)	(14,542)
Equity-settled share-based transactions		–	116	–	–	–	–	116
Profit for the period		–	–	–	–	–	37,770	37,770
Other comprehensive income for the period		–	–	199	–	–	–	199
Total comprehensive income for the period		–	–	199	–	–	37,770	37,969
As at 31 December 2022		296,093	7,657	693	–	12	59,958	364,413

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 30 June 2023 (Unaudited) (Continued)

	Note	**Share capital** *(HK$'000)*	**Capital reserve** *(HK$'000)*	**Exchange reserve** *(HK$'000)*	**Other reserve** *(HK$'000)*	**Retained profits** *(HK$'000)*	**Total equity** *(HK$'000)*
As at 1 January 2023		**296,093**	**7,657**	**693**	**12**	**59,958**	**364,413**
Changes in equity for the six months ended 30 June 2023:							
Dividends approved in respect of the previous year		**–**	**–**	**–**	**–**	**(58,962)**	**(58,962)**
Equity-settled share-based transactions		**–**	**242**	**–**	**–**	**–**	**242**
Lapse of share options		**–**	**(255)**	**–**	**–**	**255**	**–**
Profit for the period		**–**	**–**	**–**	**–**	**38,840**	**38,840**
Other comprehensive income for the period		**–**	**–**	**95**	**–**	**–**	**95**
Total comprehensive income for the period		**–**	**–**	**95**	**–**	**38,840**	**38,935**
As at 30 June 2023		**296,093**	**7,644**	**788**	**12**	**40,091**	**344,628**

Notes:

1. BASIS OF PREPARATION

The interim results set out in the announcement do not constitute the Group's interim financial report for the six months ended 30 June 2023 but are extracted from the interim financial report. The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "SEHK"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 22 August 2023.

The accounting policies adopted in preparing the interim financial report are consistent with those used in preparing the Group's annual financial statements for the year ended 31 December 2022, except for the changes set out in *Note 2*.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA.

The financial information relating to the financial year ended 31 December 2022 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2022 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. CHANGES IN ACCOUNTING POLICIES

(a) New and amended HKFRSs

The HKICPA has issued the following new and amended Hong Kong Financial Reporting Standards ("HKFRSs") that are first effective for the current accounting period of the Group:

- HKFRS 17, *Insurance contracts*
- Amendments to HKAS 8, *Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates*
- Amendments to HKAS 12, *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction*
- Amendments to HKAS 12, *Income taxes: International tax reform-Pillar Two model rules*

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) New and amended HKFRSs (continued)

HKFRS 17, *Insurance contracts*

HKFRS 17, which replaces HKFRS 4, sets out the recognition, measurement, presentation and disclosure requirements applicable to issuers of insurance contracts.

Amendments to HKAS 8, *Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates*

The amendments provide further guidance on the distinction between changes in accounting policies and changes in accounting estimates.

Amendments to HKAS 12, *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction*

The amendments narrow the scope of the initial recognition exemption such that it does not apply to transactions that give rise to equal and offsetting temporary differences on initial recognition such as leases and decommissioning liabilities. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities are required to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments are applied to those transactions that occur after the beginning of the earliest period presented.

Amendments to HKAS 12, *Income taxes: International tax reform-Pillar Two model rules*

The amendments introduce a temporary mandatory exception from deferred tax accounting for the income tax arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD") (income tax arising from such tax laws is hereafter referred to as "Pillar Two income taxes"), including tax laws that implement qualified domestic minimum top-up taxes described in those rules. The amendments also introduce disclosure requirements about such tax. The amendments are immediately effective upon issuance and require retrospective application.

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in the interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism

In June 2022, the Government of the Hong Kong SAR (the "Government") gazetted the Hong Kong Employment and Retirement Schemes Legislation ("Offsetting Arrangement") (Amendment) Ordinance 2022 (the "Amendment Ordinance"), which will eventually abolish the statutory right of an employer to reduce its long service payment ("LSP") and severance payment payable to a Hong Kong employee by drawing on its mandatory contributions to the mandatory provident fund ("MPF") scheme (also known as the "offsetting mechanism"). The Government has subsequently announced that the Amendment Ordinance will come into effect from 1 May 2025 (the "Transition Date"). Separately, the Government is also expected to introduce a subsidy scheme to assist employers after the abolition.

Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory MPF contributions (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP, except for reduction of that portion of the LSP attributed to employment period before the Transition Date. The attributed amount will be calculated based on the last full month's salary immediately before the Transition Date and the years of service up to that date.

In July 2023, the HKICPA published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" that provides guidance on the accounting considerations relating to the offsetting mechanism and the abolition of the mechanism. In particular, the guidance indicates that entities may account for the accrued benefits derived from its mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP; whereas, upon the enactment of the Amendment Ordinance in June 2022, it is no longer permissible to apply the practical expedient in paragraph 93(b) of HKAS 19 and recognise such deemed contributions as reduction of current service cost in the period the related service is rendered, and any impact from ceasing to apply the practical expedient will be recognised as a catch-up adjustment in profit or loss with a corresponding adjustment to the LSP liability.

In the interim financial report and in prior periods, consistent with the HKICPA guidance the Group has been accounting for the accrued benefits derived from its mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed employee contributions towards the LSP. However, the Group has been applying the above-mentioned practical expedient.

The Group is assessing the implications of this new guidance on the above accounting policies and the change of those accounting policies to conform with the guidance. After the assessment, the management will commence the processes on implementing the change including additional data collection and impact assessment. However, the impact of the change is not reasonably estimable at the time the interim financial report is authorised for issue, as the Group has yet to fully complete its assessment of the impact of the HKICPA guidance.

3. REVENUE

The principal business of the Group is the provision of Government Electronic Trading Services ("GETS") for processing certain official trade-related documents. Revenue represents the value of services provided and goods supplied to customers. All of the Group's revenue is within the scope of HKFRS 15, *Revenue from contracts with customers*. The amount of each significant category of revenue recognised during the period is disclosed in *Note 4*.

4. SEGMENT REPORTING

The Board 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 the Group's Government Electronic Trading Services and supply chain solutions.
Identity Management:	This segment generates income from the provision of digital certificate services, security products and biometric-based authentication solutions for identity management.
Other Services:	This segment comprises handling fees for paper-to-electronic conversion services, income from payment technology solutions and other projects.

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

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments results as provided to the Board for the purposes of resource allocation and assessment of segment performance for the periods ended 30 June 2023 and 2022 are set out below.

	Six months ended 30 June 2023			
	E-Commerce ***(HK$'000)***	**Identity Management** ***(HK$'000)***	**Other Services** ***(HK$'000)***	**Total** ***(HK$'000)***
Disaggregated by timing of revenue recognition				
Point in time	**61,214**	**7,347**	**10,191**	**78,752**
Over time	**17,746**	**22,041**	**6,381**	**46,168**
Revenue from external customers	**78,960**	**29,388**	**16,572**	**124,920**
Inter-segment revenue	**–**	**3,917**	**3,115**	**7,032**
Reportable segment revenue	**78,960**	**33,305**	**19,687**	**131,952**
Elimination of inter-segment revenue				**(7,032)**
Consolidated revenue				**124,920**
Reportable segment profit	**21,063**	**6,622**	**10,051**	**37,736**
Depreciation				**(4,375)**
Other net income				**10,823**
Consolidated profit before taxation				**44,184**

4. **SEGMENT REPORTING (CONTINUED)**

	Six months ended 30 June 2022			
	E-Commerce *(HK$'000)*	Identity Management *(HK$'000)*	Other Services *(HK$'000)*	Total *(HK$'000)*
Disaggregated by timing of revenue recognition				
Point in time	66,487	7,106	9,237	82,830
Over time	19,140	15,168	8,321	42,629
Revenue from external customers	85,627	22,274	17,558	125,459
Inter-segment revenue	–	3,917	3,050	6,967
Reportable segment revenue	85,627	26,191	20,608	132,426
Elimination of inter-segment revenue				(6,967)
Consolidated revenue				125,459
Reportable segment profit	29,855	2,430	9,257	41,542
Depreciation				(4,234)
Other net loss				(19,696)
Share of results of an associate				(38)
Consolidated profit before taxation				17,574

Geographic information

No geographic information is shown as the revenue and operating profit of the Group is substantially derived from activities in Hong Kong.

5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

		Six months ended 30 June	
		2023	2022
		(HK$'000)	*(HK$'000)*
(a)	**Staff costs:**		
	Contributions to defined contribution retirement plan	**1,646**	1,739
	Equity-settled share-based payment expenses	**242**	324
	Salaries, wages and other benefits	**56,964**	56,919
		58,852	58,982
(b)	**Depreciation:**		
	Owned property, plant and equipment	**2,894**	2,739
	Right-of-use assets	**1,481**	1,495
		4,375	4,234
(c)	**Other operating expenses:**		
	Auditors' remuneration	**650**	618
	Directors' fees and emoluments	**1,144**	1,116
	Facilities management fees	**2,403**	2,403
	Repair and maintenance fees	**3,018**	2,928
	Office rental and utilities	**1,985**	1,928
	Consultancy fees	**1,603**	1,490
	Telecommunication costs	**858**	847
	Promotion and marketing expenses	**822**	400
	Impairment loss on trade receivables and contract assets	**129**	174
	Others	**3,349**	3,826
		15,961	15,730

6. OTHER NET INCOME/(LOSS)

	Note	Six months ended 30 June **2023** ***(HK$'000)***	2022 *(HK$'000)*
Interest income		**9,285**	1,057
Net foreign exchange gain		**971**	2,330
Government grants for Research and Development Cash Rebate Scheme	*(a)*	**520**	–
Other income		**47**	–
Net loss on disposals of debt securities measured at FVOCI		**–**	(1,534)
Reversal of impairment loss on other financial assets		**–**	1,448
Fair value loss on other financial assets measured at fair value through profit or loss ("FVPL"):			
– Units in investment funds		**–**	(15,350)
– Debt and equity securities		**–**	(10,535)
Investment income on other financial assets measured at FVPL:			
– Units in investment funds		**–**	855
– An equity security		**–**	12
Government grants for Employment Support Scheme	*(b)*	**–**	2,021
		10,823	(19,696)

(a) In 2023, the Group successfully applied for funding support from the Research and Development Cash Rebate Scheme, set up by the HKSAR Government. The purpose of the scheme is to reinforce the research culture among business enterprises and encourage them to establish stronger partnership with designated local public research institutions.

(b) In 2022, the Group successfully applied for funding support from the Employment Support Scheme under the Anti-epidemic Fund, set up by the HKSAR Government. The purpose of the funding was to provide financial support to employers to retain their current employees or hire more employees when the business revived. Under the terms of the grant, the Group was required to employ a sufficient number of employees with reference to its proposed employee headcounts in each subsidy month.

7. TAXATION

	Six months ended 30 June **2023** ***(HK$'000)***	2022 *(HK$'000)*
Current tax – Hong Kong Profits Tax	**5,264**	6,414
Deferred taxation *(Note 10)*	**80**	(3,403)
Income tax expense	**5,344**	3,011

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2022: 16.5%) to the six months ended 30 June 2023, except for the Company which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For the Company, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for the Company was calculated at the same basis in 2022.

8. DIVIDENDS

	Six months ended 30 June **2023** *(HK$'000)*	2022 *(HK$'000)*
Interim dividend declared after the interim period of HK 3.7 cents per share (2022: HK 1.83 cents per share)	**29,401**	14,542

9. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK$38,840,000 (2022: HK$14,563,000) and the weighted average number of 794,634,000 ordinary shares (2022: 794,634,000 ordinary shares) in issue during the period.

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of HK$38,840,000 (2022: HK$14,563,000) and the weighted average number of 794,634,000 ordinary shares (2022: 794,932,000 ordinary shares), after adjusting for the effect of the potential dilution from ordinary shares issuable under the Company's share option scheme.

10. DEFERRED TAXATION

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the period are as follows:

Deferred tax arising from:	**Depreciation allowances in excess of related depreciation** ***(HK$'000)***	**Credit loss allowance** ***(HK$'000)***	**Total** ***(HK$'000)***
As at 1 January 2023	**(1,006)**	**137**	**(869)**
Charged to profit or loss	**(80)**	**–**	**(80)**
As at 30 June 2023	**(1,086)**	**137**	**(949)**

	As at 30 June 2023 ***(HK$'000)***	As at 31 December 2022 *(HK$'000)*
Representing:		
Deferred tax assets on the consolidated statement of financial position	**137**	137
Deferred tax liabilities on the consolidated statement of financial position	**(1,086)**	(1,006)
	(949)	(869)

11. TRADE RECEIVABLES AND CONTRACT ASSETS

	Note	**As at 30 June 2023 *(HK$'000)***	As at 31 December 2022 *(HK$'000)*
Trade receivables, net of loss allowance	*(a)*	**27,228**	27,134
Contract assets, net of loss allowance	*(b)*	**10,571**	14,959
		37,799	42,093

(a) Trade receivables, net of loss allowance

Credit terms granted by the Company to customers generally range from one day 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 and net of loss allowance, is as follows:

	As at 30 June 2023 *(HK$'000)*	As at 31 December 2022 *(HK$'000)*
Less than 1 month	**15,971**	13,751
1 to 3 months	**5,438**	8,132
3 to 12 months	**3,442**	4,851
Over 12 months	**2,377**	400
	27,228	27,134

All of the above balances are expected to be recovered within one year and some of them are covered by deposits from customers (see *Note 14(b)*).

(b) Contract assets, net of loss allowance

The Group's contracts include payment schedules which require stage payments over the contract period once milestones are reached. These payment schedules prevent the build-up of significant contract assets.

All of the revenue recognised during the period are from performance obligations satisfied (or partially satisfied) in the current period.

As at 30 June 2023, all of the contract assets are expected to be recovered within one year. As at 31 December 2022, the amount of contract assets expected to be recovered after more than one year was HK$1,901,000 and the remaining contract assets were expected to be recovered within one year.

12. OTHER RECEIVABLES, PREPAYMENTS AND OTHER CONTRACT COSTS

All other receivables, prepayments and other contract costs are expected to be recovered or recognised as expenses within one year.

13. NON-CURRENT ASSETS CLASSIFIED AS ASSETS HELD FOR SALE

On 26 December 2022, the Group entered into an agreement to sell its entire interest of 20% of Guangdong Nanfang Haian Science & Technology Service Company Limited ("Nanfang"), an associate of the Company, at a consideration of RMB6,432,000 (equivalent to approximately HK$7,176,000) to 海華電子企業(中國)有限公司, a subsidiary of the controlling shareholder of Nanfang. As at 30 June 2023 and 31 December 2022, the process of disposal transaction was not completed and as at 30 June 2023 and 31 December 2022, the interest in an associate with the carrying amount of HK$567,000 was classified as assets held for sale.

On 24 July 2023, the process of disposal transaction of the entire interest of 20% of Nanfang to 海華電子企業(中國)有限公司 was completed and gain on disposal of approximately HK$6.8 million is recognised.

14. TRADE CREDITORS, CONTRACT LIABILITIES AND OTHER PAYABLES

	Note	**As at 30 June 2023** ***(HK$'000)***	As at 31 December 2022 *(HK$'000)*
Trade creditors	*(a)*	**6,370**	8,784
Customer deposits received	*(b)*	**108,217**	111,859
Accrued charges and other payables		**21,342**	30,376
Contract liabilities		**22,351**	11,578
Lease liabilities		**2,012**	884
		160,292	163,481
Representing:			
– Non-current		**976**	190
– Current		**159,316**	163,291
		160,292	163,481

(a) Trade creditors

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

	As at 30 June 2023 ***(HK$'000)***	As at 31 December 2022 *(HK$'000)*
Less than 1 month	**6,288**	8,758
1 to 3 months	**82**	26
	6,370	8,784

(b) Customer deposits received

Customer deposits received are refundable on demand.

15. SHARE CAPITAL

	As at 30 June 2023		As at 31 December 2022	
	Number of shares *(in '000)*	**Amounts** *(HK$'000)*	Number of shares *(in '000)*	Amounts *(HK$'000)*
Ordinary shares, issued and fully paid:				
As at 1 January, 30 June and 31 December	**794,634**	**296,093**	794,634	296,093

16. EQUITY-SETTLED SHARE-BASED TRANSACTIONS

Share option scheme

The share option scheme currently in operation was adopted on 9 May 2014 ("the Share Option Scheme 2014"). Under the Share Option Scheme 2014, 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 19 April 2022 and 21 April 2023, 7,400,000 and 6,800,000 share options were granted respectively for HK$1.00 consideration to Directors, senior management and employees of the Group under Share Option Scheme 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

E-Commerce Business Review

In the first half of 2023, our E-Commerce business, which comprises Government Electronic Trading Services ("GETS") and Supply Chain Solutions, achieved total revenue of HK$79.0 million, representing a decrease of 7.8% compared with the revenue of HK$85.6 million for the same period last year. Revenue from our GETS business fell moderately 5.1% from HK$73.7 million last year to HK$70.0 million this year. Our Supply Chain Solutions business recorded a noticeable drop in revenue during the reporting period, down 24.5% from the HK$11.9 million achieved for the same period last year to HK$9.0 million. As most of the operating costs of the E-Commerce segment are fixed and we also incurred additional corporate expenses in the first half year, the reportable segment profit for the first six months of 2023 decreased by 29.4% year-on-year to HK$21.1 million from HK$29.9 million last year. The additional corporate expenses were partly related to the staff and customer expenses incurred in celebration of the Group's 35th anniversary this year.

During the reporting period, Hong Kong's external trade continued to be under pressure due to the further deterioration of the global economy, coupled with still-high inflation and tightened fiscal policies that weakened demand. In the first six months of 2023, the total value of Hong Kong's import and export trade recorded a double-digit contraction. In terms of transaction volume, the overall GETS market shrank by 16.3% compared with the same period last year, which was even worse than the year-on-year decline of 15.4% in 2009 during the global financial crisis. Our Import/Export Trade Declaration Service, which accounted for the bulk of our GETS business, was inevitably adversely affected and experienced a significant drop in business volume. In such an unfavorable operating environment, we were fortunate to record a moderate increase in our average unit price compared with the same period last year. There were two reasons for this. First, it was due to our ability to continue to realize a significant increase in average prices as we renewed contracts with our customers. Second, our major courier customers' have seen their business decline much more than even the market, thereby significantly reducing the negative impact they have had in the past in dragging down our average prices. On the other hand, as air cargo capacity continued to climb since the beginning of the year after the reopening of internal borders, our Electronic Manifest service business under GETS recorded growth, with revenue rising by around 23% in the first six months of 2023. All in all, the decline in the Group's GETS business, although expected, is considered moderate given the unfavorable external environment in the first half of 2023.

The performance of our Supply Chain Solutions business in the E-Commerce segment was rather disappointing for the first six months of 2023. Its revenue amounted to HK$9.0 million, down by 24.5% compared with the HK$11.9 million revenue recorded in the same period last year. While its maintenance and ongoing recurring revenue rose slightly by 4%, the biggest drop was in projects revenue, which recorded a decline of more than 70%. As mentioned in our 2022 Annual Report, since beginning of the year, we have been actively promoting our supply chain solutions to our huge GETS customer base to take advantage of government funding to support digital transformation and Logistics 4.0 for stakeholders in the supply chain. While we have successfully secured verbal greenlights from several such customers during the reporting period, their confirmed orders are still awaiting formal approval for government funding, which requires a lengthy process to complete all formalities. Due to the delay in the receipt of several such new orders and the fact that most of the development work of the projects carried forward from previous years was completed last year, project revenue that could be recorded in the first half of 2023 was mainly derived from one major enhancement project for the Warehouse Management System ("WMS") we previously developed for a repeat customer. In addition, there were a couple of sizable hot projects that we believed would be officially confirmed during the year, but which fell through at the last minute due to various internal issues faced by the customers concerned, ranging from uncertainty in the business outlook to decisions made by their overseas headquarters.

As for the outlook of our E-Commerce segment, in particular the GETS business, for the rest of the year, it will hinge on Hong Kong's external trade environment, which in turn is closely tied to the global economy and particularly the economic activity in China. As widely reported by researchers and analysts, the global economic outlook is still uncertain in the short to medium term amid the financial sector turmoil, high inflation, the ongoing conflict between Russia and Ukraine and three years of COVID-19. While China's economic activity picked up significantly in early 2023 as mobility restrictions were lifted, the growth momentum has slowed since the second quarter, suggesting that the country's recovery remains fragile. According to a recent World Bank update, China's growth outlook faces downside risks. As a result, we expect the GETS market to continue to shrink year-on-year for the remainder of 2023, but expect that benefiting from typically more active trading activity, actual business volumes in the second half of the year would exceed those in the first half of the year. With the upward revisions to our average prices, although transaction volume declined, we remain fairly confident that the contraction in our GETS business would be significantly less than the market for the whole of 2023.

Given that the government has formally confirmed the extension of our existing GETS contract to the end of 2027, which provides certainty for our GETS business for at least the next four years, we will continue to focus on delivering the best possible services that our customers consider to be value for money. In the meantime, we will seek the earliest opportunity to work with the government to address issues of concerns to us and our customers in relation to the Trade Single Window ("TSW"), which they have yet to engage with us on.

The outlook for our Supply Chain Solutions business, on the other hand, is expected to be more positive, with improved results expected for the remainder of the year. In fact, in June, we received another new order from the repeat customer who placed the order for a major WMS enhancement project. The new order relates to the deployment of another WMS to manage the warehouse operations in support of its other retail businesses. In addition, at the time of writing the interim report, we have received a confirmed order for a WMS project from a customer who has just received formal approval for government funding to support the project. We expect to receive several similar orders in the coming months once customers receive approval for the relevant government funding.

In any event, with the expected contraction in the GETS business, which forms the bulk of the E-Commerce segment, we expect the downward trend in the segment's performance to continue through the remainder of the year and to show an overall moderate decline for the whole of 2023.

Identity Management ("IDM") Business Review

For the first six months of 2023, the Group's IDM business delivered amazing results with revenue up 31.9% year-on-year to HK$29.4 million compared to HK$22.3 million for the same period last year. Its reportable segment afforded particularly outstanding performance with profit surging more than 1.7 times to HK$6.6 million from the HK$2.4 million reported last year. Though we have a low base for year-on-year comparison due to the sluggish business last year, the segmental profit achieved for the first six months of 2023 was a same period record high. Amid the fifth wave of COVID-19, our customer and project activities slowed down markedly in 2022, and we took the opportunity to divert and invest a substantial amount of resources into research and development ("R&D") work which have been bringing harvest in 2023. The remarkable increase in our segmental profit was owed to those valuable R&D work done last year, enabling us to secure new projects that were delivered to customers with much resources saved. During the reporting period, our projects including enhancements contributed almost half of the total revenue and generated 44% more revenue year-on-year, whilst the revenue from our maintenance services and support services also increased about 25%. As for our certificate and security token services, during the reporting period, the business volume dropped as expected, in line with the trend since years ago and so the slight revenue increase was purely from the increase in service prices.

Looking closer at our project revenue amounting to HK$15.2 million for the first six months of 2023, our electronic Know-Your-Customer ("eKYC") solutions and Public Key Infrastructure ("PKI") – related projects were the main contributors, accounting respectively for about 45% and 41% of the total. During the reporting period, project revenue growth of our PKI-related projects was particularly impressive, climbing more than 3.5 times against the same period last year. The growth was attributable to a new order for a digital signing solution from a private hospital and a Hardware Security Module ordered by one of our major bank customers for eCheque and soft token management. Also, the PKI-based system we deployed to support one of the disciplined services of the government saw a moderate increase in revenue from some additional hardware upgrade and application enhancement works conducted during the reporting period. As mentioned in our 2022 Annual Report, other than deploying a PKI-based digital signing solution for a private hospital to help it go paperless and adopt electronic medical record management, several other private hospitals expressed interest to deploy such a similar solution. We had since received an order from one of them and made a rather handsome work-in-progress project revenue which contributed to our PKI-related project revenue growth. As for our eKYC projects, with extensive R&D work done last year to upgrade our digital onboarding solutions, we received a couple of orders from existing customers for our upgraded eKYC solution.

Regarding the outlook of the business segment for the remainder of the year, we are reasonably confident that it will stay on the upward trend that started in the first half year. Aware of the growing general interest in digital signatures, together with our hardware partner, we have actively mounted marketing activities to raise awareness of the benefits of digital signature applicable in different scenarios in different industries. Leveraging the unique position of the group company Digi-Sign Certification Services Limited ("Digi-Sign") as the only commercial Recognized Certificate Authority under the Laws of Hong Kong, we are one of the few market players capable of providing a PKI-based solution that can generate secure and legally binding digital signatures using digital certificates issued by Digi-Sign. Our solution has not only captured the interest of the healthcare sector, but also of government departments/statutory bodies, security and audit industries, which share the need for digital document signing as part of their document management process to enhance operational efficiency and data security. We are seizing the opportunity to sell to these organizations/institutes and are pursuing a couple of hot prospects, one of which is a statutory body. Our upgraded digital onboarding solution has had new features added and one of them supports China ID and e-passport (ICAO standard). We are receiving an increasing number of enquiries from financial institutions hoping to adopt digital onboarding solution that can facilitate their business with mainlanders visiting Hong Kong. The demand for such a solution has noticeably increased since travelling between Hong Kong and the Mainland returned to normal. Among the several hot prospects who are looking for such solutions, subject to clarification of security issues with relevant authorities, we are hopeful that the order from one of them, which is an international bank, would be confirmed shortly.

Given the strong momentum gathered in first half of the year and the solid leads we have on hand, we are reasonably optimistic about our IDM business achieving considerable growth for the year 2023.

Other Services Business Review

For the first half of 2023, despite that our Other Services business segment recorded a drop in revenue of 5.6% year-on-year, its reportable segmental profit increased by 8.6%. During the reporting period, the total revenue from Other Services comprising Smart PoS and related business and GETS-related services business was HK$16.6 million, down by a slight 5.6% compared to the HK$17.6 million for the same period last year. As for reportable segmental profit, for reasons explained below, it rose 8.6% from HK$9.3 million last year to HK$10.1 million this year.

Although the retail market recovered gradually and slowly after all COVID-19 related restrictions were lifted early in the year, the revenue for our Smart Point of Sales ("PoS") and related business for the first six months of 2023 dropped 10.9% from HK$5.8 million in the same period last year to HK$5.1 million. The decline was mainly from the drop in sales of Smart PoS device. As our major bank customer still had on hand stock of Smart PoS they had ordered from us last year, the number of devices they ordered from us during the reporting period was only halved of that in the same period last year. On the other hand, with the major project of developing and deploying a payment solution that involved around 400 Smart PoS devices for a renowned enterprise in the service sector largely completed last year, during the reporting period, the rental and support service revenue we received from this customer was only marginally higher than that from developing the project in the same period last year.

In the first six months of 2023, our GETS-related services business recorded revenue of HK$11.5 million, down 3.0% compared to HK$11.8 million in the same period last year. Our GETS-related services business tying closely to our GETS business was inevitably affected by the sluggish GETS market and Hong Kong external trading environment during the reporting period. That said, there were a few GETS-related services business which performed rather well or did not shrink as much as the GETS market. The former included our own Road Cargo System ("ROCARS") and call centre services offered to Customs & Excise Department's ROCARS, both of which were benefiting from cross-border cargo trucking activity resuming after Mainland China reopened her border early in the year. Also, for reasons we explained in our previous reports, as our paper-to-electronic service for GETS has a sturdy market, its performance was relatively more stable than the GETS business. Furthermore, we have been awarded the government tender to provide call centre services for TSW documents (Phases 1 and 2). To support operation of this call centre, which commenced in May 2023, we did receive a one-off development and set up fee and we would continue to receive ongoing call service charges from the Government. All in all, though the revenue from our partnership with PingAn OneConnect Bank ("PAOB") dropped considerably due to the weakened lending market caused by a high interest rate environment, revenue of our GETS-related services business declined only by a slight 3.0%, less than that of the GETS business.

During the reporting period, as our major bank customer of our Smart PoS business did not order as many devices as last year, our cost of purchases reduced substantially. Furthermore, since the major project for the renowned service enterprise was completed, we achieved some staff cost saving. As such, while revenue of the segment declined, segmental profit rose.

The outlook of our Other Services business for the rest of the year would hinge on the performance of Hong Kong's retail market and external trade activity. Generally speaking, we believe it would largely follow the trend in the first half year with some slight improvement of GETS-related services business given that trade activities typically pick up in the second half year. Moreover, there is a good chance for some increase in revenue from our partnership with PAOB in the second half year, as we expect a slightly more favorable lending market with signs of global economy recovery. As for our Smart PoS and related business, without the substantial amount of major project development revenue recorded in second half 2022, revenue of the business this year will not be as impressive. We will continue to collect rental and support service revenue from the project, but the revenue gap will still be significant. While we are hopeful of receiving more Smart PoS orders from our bank customers, the full-year revenue for 2023 might still see a slight decline. All in all, for the entire 2023, we expect a moderate drop in the result of our Other Services business, similar to that in the first half year.

Financial Review

The Group's revenue for the six months ended 30 June 2023 was HK$124.9 million, a drop of 0.4% or HK$0.5 million over the corresponding period last year. Revenue of our IDM segment increased, whereas revenue of the E-Commerce segment and Other Services segment declined. The discussion and analysis of the Group's business performance during the period are set out in the section headed "Management Discussion and Analysis – Business Review".

The Group's operating expenses before depreciation for the first half of 2023 were HK$87.2 million, up by 3.9% or HK$3.3 million from HK$83.9 million for the same period in 2022. The increased revenue from supplies of goods to customers for projects raised the cost of purchases by 34.4% or HK$3.2 million to HK$12.4 million. Staff costs were HK$58.9 million in the first half of 2023, a decrease of 0.2% or HK$0.1 million when compared to the same period last year. The other operating costs at HK$16.0 million in the first half of 2023 were higher than the amount at HK$15.7 million in same period last year by 1.5%. Depreciation charges for the six months ended 30 June 2023 increased by HK$0.1 million to HK$4.4 million as compared to the corresponding period last year.

The Group's profit from operations for the review period in 2023 was HK$33.4 million, a decrease of HK$3.9 million or 10.6% as compared to the same period in 2022.

During the first six months of 2023, the Group recorded other net income of HK$10.8 million as compared to other net loss of HK$19.7 million recorded in the corresponding period in 2022. The turnaround was mainly attributable to (1) the absence of fair value loss on investments in financial investments in the first half of 2023 (loss of HK$25.9 million was recognised in corresponding period in 2022); and (2) the increase in interest income of HK$8.2 million in the first half of 2023 from time deposits of proceeds of financial investments disposed of in 2022 and rising interest rates. During the six months ended 30 June 2023, the Group did not invest in any financial instruments.

As at 30 June 2023, the disposal transaction of Nanfang was not completed and thus the Group classified the interest in Nanfang as assets held for sale. The Group did not share any result of Nanfang during the first six months of 2023. On 24 July 2023, the disposal transaction of Nanfang was completed and gain on disposal of approximately HK$6.8 million is recognised.

The Group's unaudited after tax profit for the first six months of 2023 was HK$38.8 million which was more than 2.6 times of HK$14.6 million of the same period last year. The good performance of the Group for the six months ended 30 June 2023 was due to the adverse investment environment causing a significant drop in unaudited after tax profit for the six months ended 30 June 2022 which formed a low base for comparison with the same period this year.

Given no dilution of shares during the period, our basic and diluted earnings per share for the first six months of 2023 were the same at HK 4.89 cents, higher than that for 2022 at HK 1.83 cents by HK 3.06 cents.

Dividend

The Board has resolved to declare an interim dividend of HK 3.7 cents per share (2022: HK 1.83 cents per share) for the six months ended 30 June 2023 to shareholders, an increase of HK 1.87 cents per share. The interim dividend payout ratio is 75.7% of the Group's profit for the period. The interim dividend payout ratio is close to the ratios for the previous years at about 75% generally.

Liquidity and Financial Position

As at 30 June 2023 the Group had total cash and bank deposits of HK$417.3 million (31 December 2022: HK$436.5 million). Before any investment or business opportunities were identified, the cash surplus reserves were parked in bank deposits as a part of our treasury operations to improve the yield of the Group's cash surpluses.

Total assets and net assets of the Group as at 30 June 2023 amounted to HK$510.6 million (31 December 2022: HK$532.6 million) and HK$344.6 million (31 December 2022: HK$364.4 million) respectively. The decrease in net assets was mainly due to the distribution of the 2022 final and special dividends at the total amount of HK$59.0 million.

As at 30 June 2023, the Group had no borrowings (31 December 2022: Nil).

Material acquisitions or disposals

Saved as disclosed elsewhere in this results announcement, the Group did not have any material acquisitions or disposals in relations to subsidiaries during the period ended 30 June 2023.

Capital and Reserves

As at 30 June 2023, the capital and reserves attributable to shareholders was HK$344.6 million (31 December 2022: HK$364.4 million), a decrease of about HK$19.8 million from the end of 2022 after the distribution of the 2022 final and special dividends.

Charges on Assets and Contingent Liabilities

As at 30 June 2023, the Group has obtained two bank guarantees totaling HK$2.2 million (31 December 2022: two bank guarantees of HK$2.2 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 are secured by a charge over deposits totaling HK$2.2 million (31 December 2022: HK$2.2 million).

Other than the foregoing, the Group did not have any other charges on its assets.

Capital Commitments

Capital commitments outstanding as at 30 June 2023 not provided for in the financial statements amounted to HK$3.2 million (31 December 2022: HK$1.9 million), mainly in respect of the purchase of computer equipment for the Group.

Employees and Remuneration Policy

As at 30 June 2023, the Group employed 244 staff (30 June 2022: 263), of which 210 are in Hong Kong and 34 in Guangzhou. The related staff costs for the period came to HK$58.9 million (30 June 2022: HK$59.0 million). The Group's remuneration policy is that all employees are rewarded on the basis of market levels. In addition to salaries, the Group provides staff benefits including medical insurance and contribution to staff's mandatory provident fund. To motivate and reward staff, the Group has various commission, incentive and bonus schemes to drive performance and growth. The Company operates a share option scheme to reward the performance of staff at senior vice president grade and above.

Exposure to Fluctuation in Exchange Rates and Related Hedges

As at 30 June 2023, other than its investments in the PRC and Macau incorporated entities, and cash and bank deposits denominated in US dollars, the Group had no foreign exchange exposure and related hedges.

CORPORATE GOVERNANCE

Compliance with Corporate Governance Code

The Company is committed to a high standard of corporate governance practices and every effort is made to ensure full compliance with the code provisions in the Corporate Governance Code (the "Code") set out in Part 2 of Appendix 14 of the Listing Rules. The Company confirms that it has complied with all code provisions during the six months ended 30 June 2023.

The Board

Currently, the Company is led by and controlled through its Board which comprises three Executive Directors ("ED"), four Non-executive Directors ("NED"), including the Chairman of the Board, and five Independent Non-executive Directors ("INED"). The Board oversees the overall management and operations of the Company with the objective of enhancing shareholder value.

There are employment contracts between the Company and its ED and service contracts between the Company and its NED and INED.

During the six months ended 30 June 2023, the Company convened two Board meetings.

All Directors attended the Board meeting held on 20 March 2023. The Directors reviewed and approved, among other things, the 2022 annual results, the 2022 annual report, amendments to Terms of Reference of the Remuneration Committee ("RC") and share option allocations for eligible staff for 2022. During the aforesaid meeting, the Directors also reviewed and approved RC's recommendations regarding: (1) the formulation of performance targets and/or clawback mechanism for the share options to be granted; (2) the salary increase for 2023, performance bonus and share options for the Chief Executive Officer ("CEO") for 2022; (3) the remuneration packages of the senior management (other than the CEO) for 2023; and (4) the staff incentive bonus (other than the CEO) for 2022 and staff incentive funding approach for 2023. The Corporate Governance Committee's recommendations regarding the downsizing and diversity of the Board and its implementation plan had also been reviewed and approved by the Directors during the said meeting.

In that meeting, the Directors also considered and discussed factors relating to the independence of a long-serving INED, Mr. Chung Wai Kwok, Jimmy, who had served the Board for more than nine years, and the recommendations of the Nomination Committee, the retirement of Mr. HO Lap Kee, Sunny, M.H., J.P. as an INED after the conclusion of the Company's annual general meeting held on 12 May 2023 ("2023 AGM") and the nomination of Mr. LIN Sun Mo, Willy, GBS, J.P., FCILT as an INED.

Ten Directors attended the Board meeting held on 30 June 2023 and in the meeting, the Directors reviewed and discussed, among other things, the annual update on the cyber security implementation in the Group and the Shareholders Communication Policy and noted the timetable for the 2023 interim results announcement of the Company. Dr. LEE Nai Shee, Harry, S.B.S., J.P., a NED and the Chairman of the Board, and Mr. LEE Delman, a NED were unable to attend because of overseas engagements.

The attendance of Directors in Board meetings of the Company during the six months ended 30 June 2023 is as follows:

	Board meetings attended/Eligible to attend
Chairman and Non-executive Director	
Dr. LEE Nai Shee, Harry, S.B.S., J.P. (1)	1/2
Executive Directors	
Mr. TSE Kam Keung *(CEO)*	2/2
Mr. CHENG Chun Chung, Andrew *(Chief Technology Officer)*	2/2
Ms. CHUNG Shun Kwan *(Chief Operations Officer)*	2/2
Non-executive Directors	
Dr. LEE Delman (2)	1/2
Mr. YING Tze Man	2/2
Mr. YUEN Wing Sang, Vincent	2/2
Independent Non-executive Directors	
Mr. CHAK Hubert	2/2
Ms. CHAN Chi Yan	2/2
Mr. CHAU Tak Hay	2/2
Mr. CHUNG Wai Kwok, Jimmy	2/2
Mr. HO Lap Kee, Sunny, M.H., J.P. (3)	1/1
Mr. LIN Sun Mo, Willy, GBS, J.P., FCILT (4)	1/1

Notes:

(1) Dr. LEE Nai Shee, Harry, S.B.S., J.P. was unable to attend the Board meeting on 30 June 2023 due to overseas engagements.

(2) Dr. LEE Delman was unable to attend the Board meeting on 30 June 2023 due to overseas engagements.

(3) Mr. HO Lap Kee, Sunny, M.H., J.P. retired as a member of the Board after the conclusion of the 2023 AGM.

(4) Mr. LIN Sun Mo, Willy, GBS, J.P., FCILT became a member of the Board after the conclusion of the 2023 AGM.

Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code")

The Company has adopted the Model Code and, having made specific enquiry of all Directors, confirms that all Directors have complied with the required standards as set out in the Model Code throughout the six months ended 30 June 2023.

Audit Committee

The interim results and the interim financial report for the six months ended 30 June 2023 have not been audited but have been reviewed by the Company's external auditor, KPMG, and the Audit Committee of the Company.

OTHER INFORMATION

Interim Dividend

The Board has resolved to declare an interim dividend of HK 3.7 cents per share (2022: HK1.83 cents per share) for the six months ended 30 June 2023 to shareholders whose names appear on the register of members of the Company on 25 September 2023. Dividend will be paid to shareholders on or around 6 October 2023. The interim dividend payout ratio is about 75% of the Group's profit for the period.

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

During the six months ended 30 June 2023, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities.

Closure of Register of Members

The register of members will be closed from Monday, 25 September 2023 to Wednesday, 27 September 2023, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration, no later than 4:30 p.m. on Friday, 22 September 2023.

Publication of Interim Results and Interim Report

This interim results announcement is published on the respective websites of the Company (www.tradelink.com.hk) and HKEXnews (www.hkexnews.hk). The 2023 interim report of the Company for the six months ended 30 June 2023 will be dispatched to shareholders and published on the aforesaid websites in due course.

Shareholders are given the option to receive corporate communications in website version or in printed form by giving reasonable notice to the Company or to the Company's share registrar. For enhanced efficiency, costs saving and environmental protection, shareholders are encouraged to choose to receive website version of corporate communications.

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

Hong Kong, 22 August 2023

As at the date of this announcement, the Board of the Company comprises
***Non-executive Directors*:** Dr. LEE Nai Shee, Harry, S.B.S., J.P. (Chairman), Dr. LEE Delman, Mr. YING Tze Man and Mr. YUEN Wing Sang, Vincent;
***Executive Directors*:** Mr. TSE Kam Keung, Mr. CHENG Chun Chung, Andrew and Ms. CHUNG Shun Kwan; and
***Independent Non-executive Directors*:** Mr. CHAK Hubert, Mr. CHAU Tak Hay, Ms. CHAN Chi Yan, Mr. CHUNG Wai Kwok, Jimmy and Mr. LIN Sun Mo, Willy, GBS, J.P., FCILT.