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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 2025

The Board of Directors (the “Board”) of Tradelink Electronic Commerce Limited (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 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025 (Unaudited)

		Six months ended 30 June	
		2025	2024
	<i>Note</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Revenue	3	121,045	122,652
Cost of purchases		(10,938)	(10,202)
Staff costs	5(a)	(54,306)	(55,832)
Depreciation	5(b)	(3,915)	(4,710)
Other operating expenses	5(c)	(17,635)	(17,956)
Profit from operations		34,251	33,952
Other net income	6	12,887	11,793
Share of results of an associate		228	258
Profit before taxation	5	47,366	46,003
Taxation	7	(5,593)	(5,310)
Profit for the period		41,773	40,693
Earnings per share (HK cents)	9		
Basic		5.26	5.12
Diluted		5.26	5.12

Details of dividends payable to ordinary 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 2025 (Unaudited)

	Six months ended 30 June	
	2025	2024
	(HK\$'000)	(HK\$'000)
Profit for the period	41,773	40,693
Other comprehensive income for the period (after tax and reclassification adjustments):		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of the operations outside Hong Kong	<u>25</u>	<u>14</u>
Total comprehensive income for the period	<u>41,798</u>	<u>40,707</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025 (Unaudited)

		As at 30 June 2025 Unaudited (HK\$'000)	As at 31 December 2024 Audited (HK\$'000)
	<i>Note</i>		
Non-current assets			
Property, plant and equipment		26,582	25,583
Goodwill		9,976	9,976
Interest in an associate		5,502	5,274
Deferred tax assets	<i>10</i>	639	606
		42,699	41,439
Current assets			
Trade receivables and contract assets	<i>11</i>	14,009	23,872
Other receivables, prepayments and other contract costs	<i>12</i>	20,229	17,265
Taxation recoverable		191	509
Deposits with banks		402,207	376,767
Cash and cash equivalents		51,136	76,285
		487,772	494,698
Current liabilities			
Trade creditors, contract liabilities and other payables	<i>13</i>	150,600	150,170
Taxation payable		5,048	2,401
		155,648	152,571
Net current assets		332,124	342,127
Total assets less current liabilities		374,823	383,566
Non-current liabilities			
Provision for long service payments		2,104	2,104
Deferred tax liabilities	<i>10</i>	2,611	2,275
Other payables	<i>13</i>	300	392
		5,015	4,771
NET ASSETS		369,808	378,795
Capital and reserves			
Share capital	<i>14</i>	296,093	296,093
Reserves		73,715	82,702
TOTAL EQUITY		369,808	378,795

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 (Unaudited)

	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 2024		296,093	7,525	(130)	12	72,704	376,204
Changes in equity for the six months ended 30 June 2024:							
Dividends approved in respect of the previous year		–	–	–	–	(50,062)	(50,062)
Equity-settled share-based transactions		–	38	–	–	–	38
Lapse of share options		–	(2,270)	–	–	2,270	–
Profit for the period		–	–	–	–	40,693	40,693
Other comprehensive income for the period		–	–	14	–	–	14
Total comprehensive income for the period		–	–	14	–	40,693	40,707
As at 30 June 2024 and 1 July 2024		296,093	5,293	(116)	12	65,605	366,887
Changes in equity for the six months ended 31 December 2024:							
Dividends declared in respect of the current year	8	–	–	–	–	(29,401)	(29,401)
Equity-settled share-based transactions		–	41	–	–	–	41
Lapse of share options		–	(895)	–	–	895	–
Profit for the period		–	–	–	–	41,265	41,265
Other comprehensive income for the period		–	–	3	–	–	3
Total comprehensive income for the period		–	–	3	–	41,265	41,268
As at 31 December 2024		<u>296,093</u>	<u>4,439</u>	<u>(113)</u>	<u>12</u>	<u>78,364</u>	<u>378,795</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 (Unaudited) (Continued)

	Share capital <i>Note</i>	Capital reserve	Exchange reserve	Other reserve	Retained profits	Total equity
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
As at 1 January 2025	296,093	4,439	(113)	12	78,364	378,795
Changes in equity for the six months ended 30 June 2025:						
Dividends approved in respect of the previous year	-	-	-	-	(50,857)	(50,857)
Equity-settled share-based transactions	-	72	-	-	-	72
Profit for the period	-	-	-	-	41,773	41,773
Other comprehensive income for the period	-	-	25	-	-	25
Total comprehensive income for the period	-	-	25	-	41,773	41,798
As at 30 June 2025	<u>296,093</u>	<u>4,511</u>	<u>(88)</u>	<u>12</u>	<u>69,280</u>	<u>369,808</u>

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 2025 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 19 August 2025.

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 2024, 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 2024 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 2024 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

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to the interim financial report for the current accounting period. The amendments do not have a material impact on the interim financial report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

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 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 GETS 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, and 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.

4. SEGMENT REPORTING (CONTINUED)

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 2025 and 2024 are set out below.

	Six months ended 30 June 2025			
	E-Commerce (HK\$'000)	Identity Management (HK\$'000)	Other Services (HK\$'000)	Total (HK\$'000)
Disaggregated by timing of revenue recognition				
Point in time	67,600	4,413	8,204	80,217
Over time	16,351	17,218	7,259	40,828
Revenue from external customers	83,951	21,631	15,463	121,045
Inter-segment revenue	–	3,917	4,021	7,938
Reportable segment revenue	83,951	25,548	19,484	128,983
Elimination of inter-segment revenue				(7,938)
Consolidated revenue				121,045
Reportable segment profit	27,554	960	9,652	38,166
Depreciation				(3,915)
Other net income				12,887
Share of results of an associate				228
Consolidated profit before taxation				47,366

4. SEGMENT REPORTING (CONTINUED)

	Six months ended 30 June 2024			
	E-Commerce (HK\$'000)	Identity Management (HK\$'000)	Other Services (HK\$'000)	Total (HK\$'000)
Disaggregated by timing of revenue recognition				
Point in time	67,113	3,157	8,326	78,596
Over time	18,098	19,085	6,873	44,056
Revenue from external customers	85,211	22,242	15,199	122,652
Inter-segment revenue	—	3,915	3,255	7,170
Reportable segment revenue	85,211	26,157	18,454	129,822
Elimination of inter-segment revenue				(7,170)
Consolidated revenue				122,652
Reportable segment profit	27,140	2,393	9,129	38,662
Depreciation				(4,710)
Other net income				11,793
Share of results of an associate				258
Consolidated profit before taxation				46,003

Geographic information

No geographic information is shown as the revenue and operating profit of the Group is substantially derived from activities in the Hong Kong Special Administrative Region (“HKSAR” or “Hong Kong”).

5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

		Six months ended 30 June	
		2025	2024
		(HK\$'000)	(HK\$'000)
	Note		
(a) Staff costs:			
Contributions to defined contribution retirement plan		1,463	1,527
Equity-settled share-based payment expenses		72	38
Salaries, wages and other benefits		52,771	54,267
		<u>54,306</u>	<u>55,832</u>
(b) Depreciation:			
Owned property, plant and equipment		2,868	3,244
Right-of-use assets		1,047	1,466
		<u>3,915</u>	<u>4,710</u>
(c) Other operating expenses:			
Auditors' remuneration		669	657
Directors' fees and emoluments		800	1,067
Facilities management fees		2,460	2,451
Repair and maintenance fees		2,889	2,728
Office rental and utilities		1,880	1,845
Consultancy fees		2,140	1,436
Telecommunication costs		869	856
Promotion and marketing expenses		322	260
Listing expenses		523	539
Legal and professional fees		950	1,099
Service fees to business partners		1,223	993
Impairment loss on trade receivables and contract assets		824	2,129
Others	(i)	<u>2,086</u>	<u>1,896</u>
		<u>17,635</u>	<u>17,956</u>

(i) Others include travelling, insurance, and other office and general expenses.

6. OTHER NET INCOME

	Six months ended 30 June	
	2025	2024
	(HK\$'000)	(HK\$'000)
Interest income	9,478	11,883
Net foreign exchange gain/(loss)	3,409	(90)
	<u>12,887</u>	<u>11,793</u>

7. TAXATION

	Six months ended 30 June	
	2025	2024
	(HK\$'000)	(HK\$'000)
Current tax – Hong Kong Profits Tax	5,290	5,346
Deferred taxation (<i>Note 10</i>)	303	(36)
Income tax expense	<u>5,593</u>	<u>5,310</u>

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2024: 16.5%) to the six months ended 30 June 2025, 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 2024.

8. DIVIDENDS

	Six months ended 30 June	
	2025	2024
	(HK\$'000)	(HK\$'000)
Interim dividend declared after the interim period of HK 3.7 cents per share (2024: HK 3.7 cents per share)	<u>29,401</u>	<u>29,401</u>

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\$41,773,000 (2024: HK\$40,693,000) and the weighted average number of 794,634,000 ordinary shares (2024: 794,634,000 ordinary shares) in issue during the period.

Basic earnings per share is the same as diluted earnings per share as the Company has no dilutive potential shares.

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 2025	(2,275)	606	(1,669)
(Charged)/credited to profit or loss	<u>(336)</u>	<u>33</u>	<u>(303)</u>
As at 30 June 2025	<u><u>(2,611)</u></u>	<u><u>639</u></u>	<u><u>(1,972)</u></u>
		As at 30 June 2025 (HK\$'000)	As at 31 December 2024 (HK\$'000)

Representing:

Deferred tax assets on the consolidated statement of financial position	639	606
Deferred tax liabilities on the consolidated statement of financial position	<u>(2,611)</u>	<u>(2,275)</u>
	<u><u>(1,972)</u></u>	<u><u>(1,669)</u></u>

11. TRADE RECEIVABLES AND CONTRACT ASSETS

		As at 30 June 2025 (HK\$'000)	As at 31 December 2024 (HK\$'000)
	Note		
Trade receivables, net of loss allowance	(a)	11,383	21,259
Contract assets, net of loss allowance	(b)	2,626	2,613
		<u>14,009</u>	<u>23,872</u>

(a) Trade receivables, net of loss allowance

Credit terms offered by the Group to customers are based on individual commercial terms negotiated with customers. Credit periods generally range from one day to one month.

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 2025 (HK\$'000)	As at 31 December 2024 (HK\$'000)
Less than 1 month	4,531	10,854
1 to 3 months	3,754	5,096
3 to 12 months	3,098	5,309
	<u>11,383</u>	<u>21,259</u>

As at 30 June 2025 and 31 December 2024, all of the trade receivables were expected to be recovered within one year. Some of the trade receivables are covered by deposits from customers (see *Note 13(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 2025 and 31 December 2024, all of the 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. TRADE CREDITORS, CONTRACT LIABILITIES AND OTHER PAYABLES

		As at 30 June 2025 (HK\$'000)	As at 31 December 2024 (HK\$'000)
	Note		
Trade creditors	(a)	6,855	7,065
Customer deposits received	(b)	97,763	100,151
Accrued charges and other payables	(c)	23,774	31,289
Contract liabilities		21,315	10,551
Lease liabilities		1,193	1,506
		150,900	150,562
Representing:			
– Non-current		300	392
– Current		150,600	150,170
		150,900	150,562

(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 2025 (HK\$'000)	As at 31 December 2024 (HK\$'000)
Less than 1 month	6,627	6,944
1 to 3 months	161	121
Over 3 months	67	–
	6,855	7,065

(b) Customer deposits received

Customer deposits received are refundable on demand.

(c) Accrued charges and other payables

The amount mainly includes accruals and payables of staff costs and other operating expenses.

14. SHARE CAPITAL

	As at 30 June 2025		As at 31 December 2024	
	Number of	Amounts	Number of	Amounts
	shares	(in '000)	shares	(in '000)
	(in '000)	(HK\$'000)	(in '000)	(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

15. EQUITY-SETTLED SHARE-BASED TRANSACTIONS

Share option scheme

The share option scheme of the Company (the “Share Option Scheme 2014”) was adopted on 9 May 2014 and expired on 8 May 2024. Under the Share Option Scheme 2014, options were granted to eligible persons, including Directors, employees, consultants, business associates or advisers as the Board may identify from time to time (the “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. During the six months ended 30 June 2025 and 2024, no new share options were granted.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

E-Commerce Business Review

For the first half of 2025, the total revenue of our E-Commerce business decreased by 1.5% to HK\$84.0 million (2024: HK\$85.2 million). Revenue from the GETS sub-segment increased by 0.3% to HK\$74.8 million (2024: HK\$74.6 million), while revenue from the Supply Chain Solutions (“SCS”) sub-segment fell by 13.8% to HK\$9.2 million (2024: HK\$10.6 million). The reportable segment profit for the first half of 2025 grew by 1.5% to HK\$27.6 million (2024: HK\$27.1 million).

During the reporting period, Hong Kong experienced a decline in the overall volume of import and export trade declarations, primarily due to geopolitical tensions and uncertainties surrounding tariff policies implemented by the United States. The overall trade declarations market experienced a decrease in transaction volume of 3.7% year-on-year, while our GETS transaction volume declined by 7.4% due to the higher-than-average percentage drop of our two courier clients. Despite these challenges, we leveraged our high-quality services as well as a stable and market-leading customer base to achieve continuous price premium gains. A moderate revenue increase of 0.3% compared with the same period in 2024 was therefore achieved by our GETS sub-segment. As for our SCS sub-segment, revenue from our recurrent maintenance and support (“M&S”) services remained stable. However, project revenue fell by HK\$1.4 million year-on-year due to the sluggish market sentiment and longer-than-expected lead time for customers to confirm orders.

For the remaining year, we are reasonably confident about the steady performance of our GETS sub-segment despite the persistent challenges posed by a highly volatile global trading environment, fuelled by geopolitical tensions and uncertainties associated with potential trade and tariff policy changes by the US and the EU. Regarding the development of Trade Single Window (“TSW”) of the Government of HKSAR (the “Government”), the legislative process to amend the Import and Export Ordinance (Cap. 60, Laws of Hong Kong) to implement TSW (Phase 3) was completed in the first half of 2025. We are closely monitoring the development and are proactively working with relevant government teams to secure as many details about its implementation as possible so that we can promptly formulate strategies to seize related business opportunities, including, for example, serving as a value-added service provider and call-centre service provider. As for the SCS sub-segment, we are optimistic that its performance will improve as a number of new orders are in the pipeline for commencement in the second half of 2025.

In the first half of 2025, we also redeployed resources to develop a next-generation digital platform called “T+” to facilitate our gradual transformation from a GETS provider into a fully-fledged value-added services provider for the trading community in Hong Kong. Our vision is to build T+ as a secure and reliable solutions platform to enhance trade efficiency between Hong Kong and its trading partners around the world. Consequently, we will focus on building the necessary infrastructure and core services of T+ during the second half of 2025.

Overall, we are confident that our E-Commerce segment can perform stably for the whole of 2025 provided there are no significant events that could lead to a downturn in Hong Kong’s external trade performance.

Identity Management (“IDM”) Business Review

For the first six months ended 30 June 2025, our IDM business recorded a revenue of HK\$21.6 million (2024: HK\$22.2 million) and a segment profit of HK\$1.0 million (2024: HK\$2.4 million), representing a year-on-year decline of 2.7% and 59.9% respectively.

During the reporting period, recurrent revenue from M&S services decreased by HK\$1.1 million, while project revenue increased by HK\$0.5 million. In the first half of 2025, our IDM business delivered a performance that remained broadly consistent with the same period in 2024, with operational momentum starting to build noticeably in June. While the overall business environment has remained challenging due to persistent geopolitical uncertainties and intense competition in the IDM market, several strategic and product-led developments have laid a strong foundation for our future growth.

One of our digital certificate solutions was officially endorsed by a leading financial regulator in Hong Kong for remote account opening, underscoring our credibility and technological leadership in secure digital onboarding. We also entered into a significant multi-year commercial arrangement with a government department in Hong Kong in June 2025 for the design, implementation, and issuance of a new type of digital certificate, hence opening up long-term opportunities in the public sector.

Building on our research and development (“R&D”) investments made in 2024, our IDM business has achieved major advancements in digital onboarding and mobile security solutions, with new product enhancements set to hit the market in the third quarter of 2025. These innovations are expected to positively impact our performance by year end, helping to address emerging cybersecurity threats and evolving regulatory demands. While staff costs remained the largest fixed expense due to our ongoing commitment to R&D, the long-term value of these efforts is expected to be realised as newly developed products gain market traction.

For the remainder of 2025, as we will continue to navigate a complex landscape shaped by global events and fast-evolving technologies, we expect the IDM business to remain agile and be well positioned to overcome challenges that arise. We will maintain close engagement with regulators and intensify market outreach to promote our new solutions, particularly those addressing emerging risks such as deepfake manipulation and mobile vulnerabilities. In summary, we anticipate the performance of our IDM business will show clear signs of improvement from the second half of 2025 onwards.

Other Services Business Review

The Other Services business comprises two sub-segments: (1) Smart Point-of-Sales (“PoS”) and related business; and (2) GETS-related services. For the first half of 2025, this segment recorded a revenue of HK\$15.5 million (2024: HK\$15.2 million) and a segment profit of HK\$9.7 million (2024: HK\$9.1 million). Revenue from Smart PoS and related business totalled HK\$4.1 million (2024: HK\$4.8 million), and revenue from GETS-related services amounted to HK\$11.4 million (2024: HK\$10.4 million).

In the first half of 2025, the performance of our Smart PoS and related business declined by approximately 16% year-on-year, primarily due to continued headwinds in the local retail sector. The Hong Kong retail market remained subdued, impacted by broader uncertainties stemming from the ongoing US tariff war and a noticeable shift in consumer spending patterns. The structural changes in consumption behaviour weighed on the retail sentiment, which translated into slower demand for PoS technology across the territory. Despite maintaining strong relationships with our existing clients, the weak economic conditions and intensifying competition in the retail payment space affected device deployments and related services. Recognising these shifts in the retail landscape, the Group has adopted proactive countermeasures – including restructuring and cost control initiatives – to mitigate the adverse impact on profitability and sustain operational efficiency. Our strategy remains focused on retaining customer loyalty, optimising service offerings and prudently managing resources in response to market realities.

For the remainder of 2025, with the recovery of the retail sector remaining uncertain, we will continue to assess evolving market dynamics and explore innovations and strategic collaborations to enhance the competitiveness of our services. With a view to maintaining long-term sustainability, we are actively exploring ways to reposition the Smart PoS offering to better align with new payment behaviours and retail trends in the region. Overall, we anticipate revenue from our Smart PoS and related business to continue trending downwards in the second half of 2025. However, we will strive to improve its profitability through prudent resource management.

Our GETS-related services business comprises primarily our Road Cargo System, paper-to-electronic conversion services for our GETS paper users, provision of trade compliance-related call centre services for the Customs & Excise Department, and collaboration with PAO Bank Limited (“PAObank”) to facilitate their provision of trade financing to local traders. During the reporting period, revenue from services directly linked to GETS remained stable, which aligned with the trend of our GETS business. The revenue increase in this sub-segment was mainly driven by a 73.9% increase in the referral income from our partnership with PAObank amid their modestly growing share of the loan market for the trading community in Hong Kong.

We are cautiously optimistic that those services directly linked to the GETS market will continue to deliver stable results in the second half of 2025, in line with the trend of GETS. We are also confident that the rising trend of referral revenue from PAObank will continue. Hence, we anticipate the performance of our Other Services business will improve for the remainder of 2025, despite ongoing challenges faced by the Hong Kong retail sector.

FINANCIAL REVIEW

The Group’s revenue for the six months ended 30 June 2025 declined by 1.3% to HK\$121.0 million (2024: HK\$122.7 million). 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 2025 decreased by 1.3% to HK\$82.9 million (2024: HK\$84.0 million), mainly attributable to prudent cost control measures. In the first half of 2025, staff costs and other operating expenses fell by 2.7% to HK\$54.3 million and 1.8% to HK\$17.6 million respectively. Conversely, cost of purchases increased by 7.2% to HK\$10.9 million due to the growing number of projects supplying goods to customers. Depreciation expenses for the review period amounted HK\$3.9 million, a decrease of HK\$0.8 million compared with the corresponding period last year.

The Group’s unaudited profit from operations for the six months ended 30 June 2025 increased by 0.9% to HK\$34.3 million (2024: HK\$34.0 million).

During the first six months of 2025, the other net income climbed by 9.3% to HK\$12.9 million (2024: HK\$11.8 million). The increase was due to a turnaround from an exchange loss of HK\$0.1 million in 2024 to an exchange gain of HK\$3.4 million for the period, partially offset by a drop in interest income of 20.2% to HK\$9.5 million (2024: HK\$11.9 million). The Group shared a profit of HK\$0.2 million (2024: HK\$0.3 million) from an associate in the first half of 2025.

The Group's unaudited after tax profit for the first six months of 2025 increased by 2.7% to HK\$41.8 million (2024: HK\$40.7 million).

Given that no share dilution occurred during the period, the Group's basic and diluted earnings per share for the first six months of 2025 were the same at HK 5.26 cents, HK 0.14 cents higher than the HK 5.12 cents recorded in the corresponding period of 2024.

Dividend

The Board has resolved to declare an interim dividend of HK 3.7 cents per share for the six months ended 30 June 2025, the same as the interim dividend for 2024. The interim dividend payout ratio is 70.4% of the profit attributable to ordinary equity shareholders ("Shareholders") of the Company for the period.

Liquidity and Financial Position

As at 30 June 2025, the Group had total cash and bank deposits of HK\$453.3 million (31 December 2024: HK\$453.1 million). During the six months ended 30 June 2025, the Group did not invest in any financial instruments. Before any investment or business opportunity was identified, the cash surplus reserves were parked in bank deposits as a part of the Group's treasury operations to improve the yield of cash surpluses.

The Group's total assets and net assets as at 30 June 2025 amounted to HK\$530.5 million (31 December 2024: HK\$536.1 million) and HK\$369.8 million (31 December 2024: HK\$378.8 million) respectively. The decrease in net assets was mainly due to the distribution of the final dividend for 2024, which amounted to HK\$50.9 million.

As at 30 June 2025, the Group had no borrowings (31 December 2024: Nil).

Save as disclosed above, the Group did not hold any significant financial investment as at 30 June 2025.

Material Acquisitions or Disposals

Save as disclosed elsewhere in this announcement, the Group did not make any material acquisitions or disposals in relation to subsidiaries or associates during the six months ended 30 June 2025.

Capital and Reserves

As at 30 June 2025, the Group's capital and reserves attributable to Shareholders was HK\$369.8 million (31 December 2024: HK\$378.8 million), a decrease of HK\$9.0 million compared with that at the end of 2024 after the distribution of the final dividend for 2024.

Charges on Assets and Contingent Liabilities

As at 30 June 2025, the Group had obtained two bank guarantees totalling HK\$2.2 million (31 December 2024: two bank guarantees of HK\$2.2 million) issued to the Government in accordance with the terms of the contracts entered into with the Government to ensure the Group's performance. These bank guarantees are secured by a charge over deposits totalling HK\$2.2 million (31 December 2024: HK\$2.2 million).

Except for the foregoing, the Group did not have any other charges on its assets.

Capital Commitments

Capital commitments outstanding as at 30 June 2025 not provided for in the financial statements amounted to HK\$0.4 million (31 December 2024: HK\$1.9 million), mainly for purchase of computer equipment for the Group.

Employees and Remuneration Policy

As at 30 June 2025, the Group had 222 employees (30 June 2024: 233), including 186 in Hong Kong and 36 in Guangzhou. Staff-related costs for the period totalled HK\$54.3 million (30 June 2024: HK\$55.8 million). The Group's remuneration policy is to reward all employees in accordance with market rates. In addition to salaries, the Group provides staff benefits such as medical insurance and mandatory provident fund contributions. To motivate and reward staff, the Group has various commission, incentive and bonus schemes to drive performance and growth.

Exposure to Fluctuation in Exchange Rates and Related Hedges

As at 30 June 2025, the Group had no foreign exchange exposure or related hedges, other than its investments in the PRC and Macau incorporated entities, and cash and bank deposits denominated in US dollars.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code (the "CG Code")

The Company is committed to a high standard of corporate governance and the Board believes that good corporate governance is fundamental to effective and proper management of the Company in the interests of its stakeholders. The Company has applied the principles of good corporate governance and made every effort to ensure full compliance with the code provisions (the "Code Provisions") in Part 2 of the CG Code contained in Appendix C1 to the Listing Rules. The Company confirms that it has complied with all applicable Code Provisions during the six months ended 30 June 2025.

The Board

As at the date of this announcement, the Company is led by and controlled through its Board comprising two Executive Directors (“EDs”), three Non-executive Directors (“NEDs”), including the Chairman of the Board, and three Independent Non-executive Directors (“INEDs”). 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 the EDs and service contracts between the Company and the NEDs and INEDs. Each service contract is for a period of three years and can be terminated by the Company or the relevant Director by giving one month’s notice in writing or payment in lieu of notice.

During the six months ended 30 June 2025, two Board meetings were held. The attendance of Directors at the Board meetings was as follows:

	Board meetings attended/ Eligible to attend
Chairman and Non-executive Director	
Dr. LEE Harry Nai Shee, S.B.S., J.P.	2/2
Non-executive Directors	
Dr. LEE Delman	2/2
Mr. YUEN Wing Sang Vincent	2/2
Independent Non-executive Directors	
Mr. CHAK Hubert	2/2
Mr. CHAU Tak Hay ⁽¹⁾	1/1
Ms. CHEUNG Ho Ling Honnus	2/2
Mr. LIN Sun Mo Willy, G.B.S., J.P., FCILT	2/2
Executive Directors	
Mr. YUEN Man Chung, S.B.S. (<i>Chief Executive Officer</i>)	2/2
Mr. CHENG Chun Chung Andrew (<i>Chief Operations Officer</i>)	2/2

Note:

(1) Mr. CHAU Tak Hay retired as an INED with effect from the conclusion of the Company’s annual general meeting held on 16 May 2025.

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

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules to govern its Directors’ dealings in the Company’s securities. Having made specific enquiry, all Directors have confirmed compliance with the required standard set out in the Model Code and its code of conduct regarding Directors’ securities transactions during the six months ended 30 June 2025.

Audit and Governance Committee

The interim results and the interim report for the six months ended 30 June 2025 have not been audited but have been reviewed by the Company’s external auditor, KPMG, and the Audit and Governance Committee of the Board.

OTHER INFORMATION

Interim Dividend

The Board has resolved to declare an interim dividend of HK 3.7 cents per share for the six months ended 30 June 2025 (2024: HK 3.7 cents per share). The interim dividend is expected to be paid on Wednesday, 8 October 2025 to the Shareholders whose names appear on the register of members of the Company on Monday, 22 September 2025. The amount of the interim dividend is 70.4% of the profit attributable to Shareholders for the period.

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

During the six months ended 30 June 2025, 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 of the Company will be closed from Monday, 22 September 2025 to Wednesday, 24 September 2025, both days inclusive, during which period no transfer of shares of the Company will be registered to determine the Shareholders’ entitlement to the interim dividend. 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, at 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, 19 September 2025.

Publication of Interim Results and 2025 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 interim report of the Company for the six months ended 30 June 2025 will be dispatched to Shareholders and published on the aforesaid websites within the prescribed timeline under the Listing Rules.

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

Hong Kong, 19 August 2025

As at the date of this announcement, the Board of the Company comprises

Non-executive Directors: Dr. LEE Harry Nai Shee, S.B.S., J.P. (Chairman), Dr. LEE Delman and Mr. YUEN Wing Sang Vincent;

Independent Non-executive Directors: Mr. CHAK Hubert, Ms. CHEUNG Ho Ling Honnus and Mr. LIN Sun Mo Willy, G.B.S., J.P., FCILT; and

Executive Directors: Mr. YUEN Man Chung, S.B.S. and Mr. CHENG Chun Chung Andrew.