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ENERCHINA HOLDINGS LIMITED

威華達控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 622)



百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1168)

JOINT ANNOUNCEMENT CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF MASTER AGREEMENT

The board of Enerchina and Sinolink jointly announce that on 19 May 2008, Enerchina entered into a Master Agreement with Sinolink for the purpose of regulating the Continuing Connected Transactions, namely, leasing of the properties by Enerchina Group from Sinolink Group, for a fixed term of three years commencing from 1 April 2008.

Enerchina and Sinolink are owned as to approximately 35.50% and 47.50% respectively by Asia Pacific Promotion Limited. Therefore, Asia Pacific Promotion Limited is a substantial shareholder of Enerchina and Sinolink and thus a connected person of both Enerchina and Sinolink under the Listing Rules. As Asia Pacific Promotion Limited owns more than 30% in both Enerchina and Sinolink, Enerchina and Sinolink are the associates of Asia Pacific Promotion Limited under the Listing Rules. Accordingly, the Master Agreement between Enerchina and Sinolink constitutes continuing connected transaction for both Enerchina and Sinolink under Chapter 14A of the Listing Rules.

As the relevant percentage ratios for the Master Agreement calculated on an annual basis with aggregation of the consideration under the License Agreement are more than 0.1% and less than 2.5% for both Enerchina and Sinolink, in accordance with Rule 14A.34 of the Listing Rules, the Master Agreement is only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules and is exempted from the independent shareholders' approval requirements.

* for identification purpose only

As the aggregate consideration of the Licence Agreement was HK\$567,540, which was less than HK\$1,000,000 and 2.5% of all the relevant percentage ratios for both Enerchina and Sinolink, in accordance with Rule 14A.31 of the Listing Rules, the Licence Agreement was exempted from all the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

THE MASTER AGREEMENT

Sinolink and Enerchina Resources Limited, an indirect wholly owned subsidiary of Enerchina had in the past entered into license agreement for the use of certain property of Sinolink for a period from the 1 January 2008 to the 31 March 2008 pursuant to a licence agreement dated 2 January 2008 (“**License Agreement**”) at a consideration of a total licence fee of HK\$189,180.11 per month. It is envisage that members of the Enerchina Group and members of the Sinolink Group will in the future enter into lease arrangement with each other in respect of Sinolink Properties, Enerchina and Sinolink, therefore, agreed to enter into the Master Agreement on 19 May 2008 to regulate the Continuing Connected Transactions. The Master Agreement has a term of three years commencing on 1 April 2008 and expiring by the end of March 2011. During the term of the Master Agreement, the parties agree that any member of Enerchina Group may enter into Individual Lease Agreements as lessee with any member of Sinolink Group as lessor from time to time in relation to Sinolink Properties upon and subject to the terms and conditions as may be agreed between the relevant parties, provided that:

- (i) Comply with all the laws, rules, regulations (including the Listing Rules of the Stock Exchange of Hong Kong Limited) and any terms of the head lease or land granted in relation to the Sinolink Properties as the case maybe;
- (ii) The terms must be fixed for a period of not exceeding 31 March 2011;
- (iii) If the Individual Lease Agreement is in relation to an owned property of the Sinolink Properties, the consideration of each Individual Lease Agreement related to properties owned by Sinolink Group shall be of market value as certified by an independent valuer;
- (iv) If the Individual Lease Agreement is in relation to a lease property of the Sinolink Properties, the consideration of each Individual Lease Agreement related to properties lease by Sinolink Group to Enerchina Group shall be calculated with reference to the head lease, provided always that the rental per square feet of the sub-lease such shall not exceed the rental per square feet under the head lease;

- (v) the annual aggregate amount of the rental and/or any other fees payable by Enerchina as lessee and the aggregate annual rental or/and other fees receivable by Sinolink as lessor under any and all the Individual Lease Agreements shall not exceed the annual cap amount of HK\$5,000,000.

Pursuant to the Master Agreement, it is agreed, inter alia, that the aggregate rental and/or fees payable by Enerchina as lessee and the aggregate annual rental or/and other fees receivable by Sinolink as lessor under all the Individual Master Agreement(s) to be entered into from time to time, for each of the financial years ending 31 December 2008, 2009, 2010 and 2011 shall be subject to an annual cap amount of HK\$3,750,000, HK\$5,000,000, HK\$5,000,000 and HK\$1,250,000 respectively.

The relevant percentage ratios for the Master Agreement calculated on an annual basis by reference to the aggregate sum of rents and/or other fees payable under all the Individual Lease Agreements for the year ending 31 December 2008 is expected to be more than 0.1% but less than 2.5% for both Enerchina and Sinolink.

Also, the relevant percentage ratios for the Master Agreement calculated on an annual basis by reference to the aggregate sum of rents and/or other fees payable under all the Individual Lease Agreements for the year ending 31 December 2008 and the aggregate consideration under the License Agreement which had to be aggregated and included in the calculation of the relevant percentage ratio is expected to be more than 0.1% but less than 2.5% for both Enerchina and Sinolink.

As the aggregate consideration of the Licence Agreement was HK\$567,540, which was less than HK\$1,000,000 and 2.5% of all the relevant percentage ratios for both Enerchina and Sinolink, in accordance with Rule 14A.31 of the Listing Rules, the Licence Agreement was exempted from all the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

Save as the abovementioned Licence Agreement, there is no other transaction which would require to be aggregated with the subject transaction under Listing Rule 14A.25.

Accordingly, the Master Agreement is only subject to the reporting and announcement requirements as set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempted from the independent shareholders' approval requirement of the Listing Rules in accordance with Rule 14A.34 of the Listing Rules.

REASONS FOR THE TRANSACTIONS

The reason for and benefits for Enerchina and Sinolink for entering into the Master Agreement are that their group members can then utilize the properties owned or lease by them, and they are expected to save administrative cost which is beneficial to both Enerchina and Sinolink. Both companies can enjoy economies of scale which may not be available if they source individually on their own.

The terms of the Master Agreement were determined after arm's length negotiations between the parties. The directors of both Enerchina and Sinolink (including the independent non-executive directors of Enerchina and Sinolink) are of the opinion that the terms and the proposed annual caps of the Master Agreement are entered into (i) in the ordinary and usual course of business of Enerchina and Sinolink ; (ii) on normal commercial terms; and (iii) on terms and the proposed annual caps that are fair and reasonable and in the interests of Enerchina, Sinolink and their shareholders as a whole.

LISTING RULES

Enerchina and Sinolink are owned as to approximately 35.50% and 47.50% respectively by Asia Pacific Promotion Limited. Therefore, Asia Pacific Promotion Limited is a substantial shareholder of Enerchina and Sinolink and thus a connected person of both Enerchina and Sinolink under the Listing Rules. As Asia Pacific Promotion Limited owns more than 30% in both Enerchina and Sinolink, Enerchina and Sinolink are the associates of Asia Pacific Promotion Limited under the Listing Rules. Accordingly, the Master Agreement between Enerchina and Sinolink constitutes continuing connected transaction for both Enerchina and Sinolink under Chapter 14A of the Listing Rules.

The aggregate annual rental or/and other fees payable by Enerchina as lessee and the aggregate annual rental or/and other fees receivable by Sinolink as lessor under all the Individual Lease Agreements for each of the financial years ending 31 December 2008, 2009, 2010 and 2011 shall be subject to an annual cap amount of HK\$3,750,000, HK\$5,000,000, HK\$5,000,000 and HK\$1,250,000 respectively.

The annual caps of Enerchina and Sinolink are further illustrated by the table below:

	2008	2009	2010	2011
Enerchina as lessee	HK\$3,750,000	HK\$5,000,000	HK\$5,000,000	HK\$1,250,000
Sinolink as lessor	HK\$3,750,000	HK\$5,000,000	HK\$5,000,000	HK\$1,250,000

The cap amounts are determined with reference to terms of the Licence Agreement which expired on 31 March 2008 and such existing lease which will result in an annual amount of more than HK\$2.2 million receivable by Sinolink as lessor and payable by Enerchina as lessee. References are also made to the amount of Sinolink Properties which is/will be available for rental to Enerchina in different jurisdiction under the Master Agreement. Such available space for rental, as confirmed by Enerchina and Sinolink, will certainly be more than double than those under the current Licence Agreement.

As the relevant percentage ratios for the Master Agreement calculated on an annual basis with aggregation of the consideration under the License Agreement are more than 0.1% and less than 2.5% for both Enerchina and Sinolink, in accordance with Rule 14A.34 of the Listing Rules, the Master Agreement is only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules and is exempted from the independent shareholders' approval requirement.

GENERAL

Enerchina is an investment holding company and its subsidiaries are principally engaged in power generation business in the PRC. Asia Pacific Promotion Limited and Sinolink own approximately 35.50% and 1.25% of the issued share capital of Enerchina respectively as at the date of this announcement.

Sinolink is an investment holding company and its subsidiaries are principally engaged in the business of property development, property investment and provision of management services. Asia Pacific Promotion Limited owns approximately 47.50% of the issued share capital of Sinolink as at the date of this announcement.

DEFINITIONS

Unless otherwise defined, the following expressions shall have the following meanings in this announcement:

“Asia Pacific Promotion Limited”	Asia Pacific Promotion Limited, a company solely owned by Mr. Ou Yaping and incorporated in British Virgin Island with limited liability
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Continuing Connected Transactions”	The Individual Lease Agreements between Enerchina Group and Sinolink Group as regulated by the Master Agreement
“Enerchina”	Enerchina Holdings Limited (stock code: 622), a company incorporated in Bermuda and the issued shares of which are listed on the Main Board of the Stock Exchange
“Enerchina Group”	Enerchina and its subsidiaries
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Individual Lease Agreement”	The individual lease agreements entered into between Sinolink Group and Enerchina Group under the Master Agreement and that such terms and conditions shall satisfy and comply with all the conditions as set out in the Master Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Licence Agreement”	The licence agreement entered into between Sinolink and Enerchina Resources Limited, in regard to the use of one-third of the total floor area of 28th Floor of the Commercial Development of Vicwood Plaza, No.199 Des Voeux Road Central, Hong Kong from 1 January 2008 to 31 March 2008, dated 2 January 2008

“Master Agreement”	the master agreement entered into between Enerchina and Sinolink for the purpose of regulating the Continuing Connected Transactions, namely, leasing of the properties by Enerchina Group from Sinolink Group dated 19 May 2008
“PRC”	People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sinolink”	Sinolink Worldwide Holdings Limited (Stock code: 1168), an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Sinolink Group”	Sinolink and its subsidiaries
“Sinolink Properties”	Owned and lease properties of Sinolink Group in Hong Kong, PRC and other jurisdictions, which includes other properties acquire or lease by Sinolink Group after the date herein
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	Per cent

By Order of the Board
Enerchina Holdings Limited
Chen Wei
Chief Executive Officer

By Order of the Board
Sinolink Worldwide Holdings Limited
Tang Yui Man Francis
Chief Executive Officer

Hong Kong, 19 May 2008

As at the date of this announcement, the executive directors of Enerchina are Mr. Ou Yaping (Chairman), Mr. Chen Wei (Chief Executive Officer), Mr. Xiang Ya Bo, Mr. Tang Yui Man Francis and the non-executive director is Mr. Sun Qiang Chang (Non-executive Vice Chairman) and the independent non-executive directors are Mr. Davin A. Mackenzie, Mr. Lu Yungang and Mr. Xin Luo Lin.

As of the date of this announcement, the executive directors of Sinolink are Mr. Ou Yaping (Chairman), Mr. Tang Yui Man Francis (Chief Executive Officer), Mr. Chen Wei and Mr. Li Ningjun and the non-executive director is Mr. Law Sze Lai and the independent non-executive directors are Mr. Davin A. Mackenzie, Mr. Tian Jin and Mr. Xin Luo Lin.