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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Sinolink Worldwide Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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百仕達控股有限公司\*

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SINOLINK WORLDWIDE HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

**GENERAL MANDATES  
TO REPURCHASE SECURITIES  
AND  
TO ISSUE SHARES**

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The notice convening the annual general meeting of the Company to be held at Bowen Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway Road, Hong Kong on Tuesday, 27 May 2003 at 10:30 a.m. is set out on pages 3 to 8 of the annual report of the Company for the year ended 31 December 2002 dated 23 April 2003. Whether or not you propose to attend the meeting, please complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the head office and principal place of business of the Company in Hong Kong at 25th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time for holding of the meeting. Completion and return of the proxy form will not preclude you from attending and voting at the meeting should you so wish.

30 April 2003

\* for identification purpose only

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Bowen Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway Road, Hong Kong on Tuesday, 27 May 2003 at 10:30 a.m., notice of which is set out in the Annual Report;
“AGM Notice”	the notice for convening the AGM as set out on pages 3 to 8 in the Annual Report;
“Annual Report”	the annual report of the Company for the year ended 31 December 2002 dated 23 April 2003;
“Board”	the board of Directors;
“Company”	Sinolink Worldwide Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange;
“Directors”	directors of the Company for the time being;
“Hong Kong”	The Hong Kong Special Administrative Region of The People’s Republic of China;
“Latest Practicable Date”	25 April 2003 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice;
“Repurchase Mandate”	a general mandate to the Directors to exercise the powers of the Company to repurchase (i) Shares up to a maximum of 10 per cent. of the aggregate nominal amount of the share capital of the Company as at the date of passing of Ordinary Resolution no. 4(A) during the period as set out in Ordinary Resolution no. 4(A) subscription rights attached to the Warrants up to 10 per cent. of the total amount of subscription rights attached to the Warrants in issue as at the date of passing of Ordinary Resolution no. 4(B) during the period as set out in Ordinary Resolution no. 4(B);
“Securities”	the Shares and Warrants collectively;

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## DEFINITIONS

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“Share(s)”	fully paid-up share(s) of HK\$0.10 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
“Share Buyback Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities;
“Share Issue Mandate”	a general mandate to the Directors to exercise the powers of the Company to allot and issue shares of the Company during the period as set out in Ordinary Resolution no. 4(C) up to 20 per cent. of the issued share capital of the Company as at the date of passing Ordinary Resolution no. 4(C);
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeover Code”	The Hong Kong Code on Takeovers and Mergers;
“Warrants”	warrant(s) issued by the Company in registered form in units of subscription rights of HK\$1.00 each entitling the holder(s) to subscribe in cash at the subscription price of HK\$1.00 per Share at any time from Friday, 31 May 2002 to Saturday, 29 November 2003 (or such earlier date as provided in the instrument constituting the warrants), both days inclusive; and
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong.

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## LETTER FROM THE BOARD

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百仕達控股有限公司\*

SINOLINK WORLDWIDE HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

*Executive Directors:*

Ou Yaping (*Chairman*)

Tang Yui Man, Francis (*Chief Executive Officer*)

Chen Wei

Law Sze Lai

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Independent Non-Executive Directors:*

Cheung Wing Yui

Tsang Yu Chor, Patrick

Xin Luo Lin

*Head office and principal place  
of business in Hong Kong:*

25th Floor, Vicwood Plaza

199 Des Voeux Road Central

Hong Kong

30 April 2003

*To the Shareholders and Warrantholders*

Dear Sir or Madam,

**GENERAL MANDATES  
TO REPURCHASE SECURITIES  
AND  
TO ISSUE SHARES**

**1. INTRODUCTION**

At the annual general meeting of the Company held on 24 May 2002, resolutions of the Shareholders were passed, amongst other things, giving general unconditional mandates to the Directors to exercise the powers of the Company to:

1. repurchase Shares representing up to 10 per cent. of the aggregate nominal value of the issued share capital of the Company as at that date;
2. repurchase Warrants representing up to 10 per cent. of the total amount of subscription rights attached to Warrants issued pursuant to the resolutions passed as at that date;

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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3. allot, issue and deal with the Shares not exceeding 20 per cent. of the aggregate nominal value of the share capital of the Company in issue as at that date; and
4. extend the general mandate for issuing Shares as mentioned in paragraph (3) above by an amount representing the aggregate nominal amount of any Shares repurchased by the Company pursuant to the general mandate to repurchase shares as mentioned in paragraph (1) above.

The above general mandates shall lapse at the conclusion of the AGM. It is therefore proposed to seek your approval of the Ordinary Resolutions at the AGM to grant new general mandates to the Directors.

The purpose of this circular is to provide you with information regarding the Repurchase Mandate and Share Issue Mandate and to seek your approval of the Ordinary Resolutions relating to these matters at the AGM.

### **2. GENERAL MANDATE TO REPURCHASE SECURITIES**

Ordinary Resolutions will be proposed to grant to the Directors the Repurchase Mandate, details of which are set out in Ordinary Resolutions no. 4(A) and no. 4(B) of the AGM Notice. The securities which may be repurchased pursuant to the Repurchase Mandate are (i) Shares representing up to 10 per cent. of the aggregate nominal amount of the share capital of the Company; and (ii) Warrants representing up to 10 per cent. of the total amount of subscription rights attached to the Warrants in issue as at the date of passing the Ordinary Resolutions approving the Repurchase Mandate

An explanatory statement as required under the Share Buyback Rules, giving certain information regarding the Repurchase Mandate, is set out in the appendix hereto.

### **3. GENERAL MANDATE TO ISSUE SHARES**

Ordinary Resolutions will be proposed to grant to the Directors the Share Issue Mandate, and to authorize an extension of the Share Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate the number of Shares purchased under the Repurchase Mandate, if granted.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are respectively set out in Ordinary Resolutions no. 4(C) and no. 4(D) in the AGM Notice.

### **4. ANNUAL GENERAL MEETING**

The AGM Notice set out in the Annual Report at which Ordinary Resolutions will be proposed to grant to the Directors the Repurchase Mandate and the Share Issue Mandate with effect from the conclusion of the AGM.

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## LETTER FROM THE BOARD

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### 5. ACTION TO BE TAKEN

A proxy form for use at the AGM is to be despatched to you with this circular. Whether or not you propose to attend the AGM, you are requested to complete the proxy form and return it to the head office and principal place of business of the Company in Hong Kong at 25th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM.

### 6. RECOMMENDATION

The Directors believe that the Repurchase Mandate and the Share Issue Mandate are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that you should vote in favour of the Ordinary Resolutions set out in the AGM Notice.

Yours faithfully,  
By Order of the Board  
**TANG YUI MAN, FRANCIS**  
*Executive Director*

*This appendix serves as an explanatory statement, as required under the Share Buyback Rules, to provide information to the Shareholders with regard to the Repurchase Mandate to enable them to make an informed decision as to whether to vote in favour of the Repurchase Mandate. For the purpose of this appendix, the term “Shares” shall mean shares of all classes and securities which carry a right to subscribe for or purchase shares.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,849,437,000 Shares and the amount of subscription rights attached to Warrants issued was 184,877,700 Shares. As at the same date, options to subscribe for 48,371,000 Shares had been granted and were outstanding under the Company’s share option schemes.

Subject to the passing of the Ordinary Resolutions no. 4(A) and no. 4(B) and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 184,943,700 Shares representing not more than 10 per cent. of the issued share capital of the Company at the Latest Practicable Date and a maximum number of Warrants which may be repurchased pursuant to the Repurchase Mandate will be 18,487,770 representing not more than 10 per cent. of the issued Warrant at the Latest Practicable Date.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Securities on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per share and will only be made when the Directors believe that such repurchases are beneficial to the Company and its Shareholders.

## **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and bye-laws of the Company and the applicable laws of Bermuda and the Listing Rules. Under Bermuda law, the amount of capital to be repaid in connection with a share repurchase may only be paid out of the capital paid up on the relevant shares or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on a repurchase may only be paid out of the funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company.

The Directors at present have not decided which proposed source of funding is to be used when the Repurchase Mandate is exercised.



There might be a material adverse effect on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated accounts contained in the Annual Report) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company in the opinion of the Directors are from time to time appropriate for the Company.

#### **4. UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same is applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules, the bye-laws of the Company and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by Shareholders.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders of the Company.

#### **5. TAKEOVER CODE**

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Takeover Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeover Code) could obtain or consolidate control of the Company and become obliged to make a mandatory general offer in accordance with Rule 26 and Rule 32 of the Takeover Code.

As at the Latest Practicable Date, Asia Pacific Promotion Limited together with its associates held 1,250,581,600 Shares, representing in aggregate 67.63 per cent. of the issued share capital of the Company. To the best of knowledge and belief of the Company, no other person, together with his/her associates, was beneficially interested in Shares representing 10% or more of the issued share capital of the Company.

In the event that the Directors exercise the Repurchase Mandate in full, then (if the present shareholdings otherwise remain the same) the shareholdings of Asia Pacific Promotion Limited in the Company would be increased from approximately 67.63% to approximately 75.13%. The Company does not intend to repurchase its Shares which will lead to less than 25% of its issued share capital being held by the public. The Directors are not aware of any consequences which may arise under the Takeover Code as a result of any purchase made under the Repurchase Mandate.

**6. SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months were as follows:—

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2002</b>		
April	0.94	0.70
May	1.24	0.90
June	1.07	0.69
July	0.82	0.58
August	0.83	0.56
September	0.81	0.61
October	0.65	0.53
November	0.60	0.51
December	0.59	0.53
<b>2003</b>		
January	0.69	0.53
February	0.64	0.56
March	0.62	0.48

**7. SECURITIES REPURCHASE MADE BY THE COMPANY**

The Company has not repurchased any of its Securities (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.