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If you are in any doubt as to any aspect of this circular or as to the action to be taken, 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 to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1168)

DISCLOSEABLE TRANSACTION

FURTHER ACQUISITION OF INTERESTS IN ANSHAN CITY GAS COMPANY

13 April 2005

* For identification purpose only

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DEFINITIONS

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

“Anshan City Bureau”	鞍山市公用事業管理局 (“Anshan City Public Utilities Management Bureau”)
“Anshan City Gas”	鞍山市煤氣總公司 (“Anshan City Gas Company”), a limited liability company incorporated in the PRC
“Anshan Panva Gas”	鞍山百江燃氣有限公司 (“Anshan Panva Gas Co. Ltd.”), a limited liability company to be incorporated in the PRC
“Asset Transfer Agreement”	the asset transfer agreement dated 23 December 2004 entered into between Panriver Investments, Anshan City Bureau and Shanghai Investment in relation to Anshan City Gas
“Board”	the board of directors of the Company
“Business Day(s)”	means a day (other than a Saturday or a Sunday) on which licensed banks are generally open for business in the PRC
“Company”	Sinolink Worldwide Holdings Limited (Stock Code: 1168), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the directors of the Company
“Effective Date”	the date on which the Further Asset Transfer Agreement is duly registered with the relevant PRC governmental authorities
“Enerchina”	Enerchina Holdings Limited (Stock Code: 622), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Further Asset Transfer Agreement”	the asset transfer agreement dated 22 March 2005 entered into between Panriver Investments, Anshan City Bureau and Shanghai Investment in relation to Anshan City Gas
“GEM”	the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Third Party”	a person or company which is independent of and not connected with any director of the Company and Panva Gas, chief executive or substantial shareholder (within the meaning under the Listing Rules) of the Company and Panva Gas or any of its subsidiaries or any of their respective associates (within the meaning under the Listing Rules)
“Latest Practicable Date”	8 April 2005, 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
“LP Gas”	liquefied petroleum gas
“Panriver Investments”	Panriver Investments Company Limited, a wholly-owned subsidiary of Panva Gas, being a limited liability company incorporated in the PRC
“Panva Gas”	Panva Gas Holdings Limited (Stock Code: 8132), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Panva Gas Board”	the board of directors of Panva Gas
“PRC”	the People’s Republic of China
“Previous Asset Transfer Agreement”	the asset transfer agreement dated 23 December 2004 entered into between Panriver Investments, Anshan City Bureau and Shanghai Investment in relation to Anshan City Gas
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai Investment”	上海建世海嘉投資有限公司 (“Shanghai Jian Shi Hai Jia Investment Co., Ltd”), a limited liability company incorporated in the PRC
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1168)

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 HM11

Bermuda

Independent Non-executive Directors:

LI Zhi Xiang

XIN Luo Lin

Davin A. MACKENZIE

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

28th Floor, Vicwood Plaza

199 Des Voeux Road Central

Hong Kong

13 April 2005

To the shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION

FURTHER ACQUISITION OF INTERESTS IN ANSHAN CITY GAS COMPANY

INTRODUCTION

Reference is made to the joint announcement of the Company and Panva Gas dated 23 December 2004 and the circulars of the Company and Panva Gas both dated 13 January 2005 respectively, in relation to the Previous Asset Transfer Agreement.

Pursuant to the Previous Asset Transfer Agreement, upon the obtaining from relevant PRC government authorities of all necessary approvals for the Previous Asset Transfer Agreement, Anshan City Gas will have become a joint venture company to be named 鞍山百江燃氣有限公司 ("Anshan Panva Gas Co., Ltd."), and which would be owned as to 51% by Panriver Investments and as to 30% by Shanghai Investment. The date of completion of the Previous Asset Transfer Agreement would also depend on the relevant PRC government authorities granting all necessary approvals. Before completion of the Previous Asset Transfer Agreement, the parties to such agreement agreed to terminate such agreement on 22 March 2005.

* For identification purpose only

LETTER FROM THE BOARD

After the Company and Panva Gas was informed that Shanghai Investment would not participate in the acquisition of interests in Anshan City Gas, the Previous Asset Transfer Agreement was terminated. The Company and Panva Gas was further informed that the 30% equity interests in Anshan City Gas which Shanghai Investment had previously agreed to acquire would have been sold to another buyer by Anshan City Bureau. In view of the termination of the above mentioned agreement, the Board and the Panva Gas Board made the decision for a further acquisition of interests in Anshan City Gas. On 23 March 2005, the Board and the Panva Gas Board jointly announced that Panriver Investments (a wholly owned subsidiary of Panva Gas) and Anshan City Bureau had on 22 March 2005 entered into the Further Asset Transfer Agreement in relation to the further acquisition by Panriver Investments of interests in the share capital of Anshan City Gas at a total consideration of RMB111,960,000 (equivalent to approximately HK\$105,622,642). In effect, Panriver Investments has agreed to acquire the 30% equity interests in Anshan City Gas which had previously been agreed to be acquired by Shanghai Investments.

The entering of the Further Asset Transfer Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. The purpose of this circular is therefore to provide you with further information relating to the Further Asset Transfer Agreement and with other information as required under the Listing Rules.

FURTHER ASSET TRANSFER AGREEMENT

Date: 22 March 2005

Parties: (i) Anshan City Bureau
(ii) Panriver Investments

To the best of the knowledge, information and belief of the Board and having made all reasonable enquiries, Anshan City Bureau (and its ultimate beneficial owners) are Independent Third Parties and not connected persons (as defined in the Listing Rules) to the Company.

Assets to be acquired:

Anshan City Bureau and its ultimate beneficial owners are Independent Third Parties. Subject to the terms and conditions of the Further Asset Transfer Agreement, Anshan City Bureau agreed to sell and Panriver Investments agreed to purchase 81% equity interests in Anshan City Gas in the city of Anshan, Liaoning Province, PRC. Anshan City Gas is currently owned as to 100% by Anshan City Bureau. Upon establishment of the joint venture company, the new company shall be named 鞍山百江燃氣有限公司 (“Anshan Panva Gas Co. Ltd.”), the principal business of which will include the provision of gas fuel, the investment, operations and management of the piped gas network for a period of 30 years to the city of Anshan. Panriver Investments will own 81% equity interests in Anshan Panva Gas and Anshan Panva Gas will become a subsidiary of Panva Gas (and thus an indirect non-wholly owned subsidiary of the Company).

LETTER FROM THE BOARD

Consideration:

In accordance with the terms and conditions of the Further Asset Transfer Agreement, the consideration to be paid by Panriver Investments for 81% equity interests in Anshan City Gas shall be RMB111,960,000 (equivalent to approximately HK\$105,622,642).

The consideration for the 81% equity interests was determined after arms length negotiations between Panriver Investments and Anshan City Bureau, and was determined based on the latest valuation report on the assets of Anshan City Gas as at 30 June 2004 prepared by a qualified PRC property valuer. Even though the valuation report on the assets of Anshan City Gas was made as at 30 June 2004, the same was used in the negotiation for the Previous Asset Transfer Agreement and as such, the Board and the Panva Gas Board believe that the same valuation report should be used in the determination of the consideration for the 81% equity interests because such valuation was used in the initial acquisition of the 51% equity interests in Anshan City Gas as described in the previous joint announcement of the Company and Panva Gas dated 23 December 2004. The net assets value of Anshan City Gas (excluding land currently leased by Anshan City Gas) was valued at approximately RMB138,220,000 (equivalent to approximately HK\$130,396,226).

Terms of payment of consideration:

- a. within 10 Business Days from the Effective Date, Panriver Investments shall pay approximately 30% of the consideration (i.e. the sum of RMB33,588,000 (equivalent to approximately HK\$31,686,792) to Anshan City Bureau. Pursuant to the Previous Asset Transfer Agreement, Panriver Investments has already paid a sum of RMB21,150,000 (equivalent to approximately HK\$19,952,830) within 10 business days from 23 December 2004 (the date of the Previous Asset Transfer Agreement) leaving a balance of RMB12,438,000 (equivalent to approximately HK\$11,733,962) to be paid within 10 business days from 22 March 2005 (the date of the Further Asset Transfer Agreement). As Shanghai Investment had not made any payment of consideration in accordance with the Previous Asset Transfer Agreement, no double payment has been made for the purposes of payment of consideration in respect of the Further Asset Transfer Agreement.
- b. within 10 Business Days from all necessary governmental approvals having been obtained for the Further Asset Transfer Agreement, Panriver Investments shall pay approximately 40% of the consideration (i.e. the sum of RMB44,784,000 (equivalent to approximately HK\$42,249,056) to Anshan City Bureau; and
- c. the remainder of the consideration shall be paid by Panriver Investments within 10 Business Days after the obtaining the business registration of Anshan Panva Gas. The expected schedule will depend on the relevant PRC government authorities granting the business registration of Anshan Panva Gas.

LETTER FROM THE BOARD

Effective Date:

The parties have agreed with each other to procure that the Further Asset Transfer Agreement is duly registered with the relevant PRC governmental authorities and upon such condition precedent being satisfied; such date shall be the Effective Date.

FUNDING

The consideration for the 81% equity interests in Anshan City Gas will be financed out of the internal resources of Panva Gas. There will be no material impact on the working capital of Panva Gas.

INFORMATION ON ANSHAN CITY GAS AND ANSHAN CITY BUREAU

Anshan City Bureau is an Independent Third Party and a local government authority responsible for the public welfare of the city of Anshan, Liaoning Province, the PRC. Anshan City Gas is currently a state-owned enterprise incorporated in the PRC, which is currently 100% owned by Anshan City Bureau. Anshan City Bureau is principally engaged in the provision of gas fuel, the investment, operations and management of the piped gas network of the city of Anshan.

Anshan Panva Gas shall have thirty (30) years exclusive operation rights in the city of Anshan from the date of its establishment for provision of gas fuel, the investment, operations and management of the piped gas network to the city of Anshan.

As at 30 June 2004 Anshan City Gas had net assets of approximately RMB138,220,000 (equivalent to approximately HK\$130,396,226). The net losses before and after taxation and extraordinary items for the year ended 31 December 2002 were RMB11,827,000 (equivalent to approximately HK\$11,157,547). The net losses before and after taxation and extraordinary items for the year ended 31 December 2003 were RMB23,419,000 (equivalent to approximately HK\$22,093,396). The net losses before and after taxation and extraordinary items for the year ended 31 December 2004 were RMB19,413,000 (equivalent to approximately HK\$18,314,151).

REASONS FOR ENTERING INTO THE ASSET TRANSFER AGREEMENT

Panva Gas is engaged in the downstream operations of the gas sector in the PRC and as part of its strategy in business development, Panva Gas expands through mergers and acquisitions. In the circumstances, the entering into of the Further Asset Transfer Agreement will allow the Panva Gas to consolidate further control of Anshan City Gas at a reasonable consideration. Panriver Investments is an investment holding company and a wholly-owned subsidiary of Panva Gas.

Anshan is the third largest city in the province of Liaoning with a population of approximately 3.6 million people. Such acquisition marks the third city in northeastern PRC after the cities of Changchun and Qiqihar for Panva Gas and is therefore in line with the business strategy of Panva Gas. The Panva Gas Board expects that, with its proven track record in managing this kind of business and the fact that it has 30 years' right of exclusive operation, it would be able to turnaround Anshan Panva Gas and thus make a profit contribution to its shareholders which is expected to be made within two to five years.

LETTER FROM THE BOARD

However, the Panva Gas Board does not expect the Further Asset Transfer Agreement will have any immediate material impact on either the earnings or the assets and liabilities of the Company or Panva Gas, upon completion. As mentioned in the joint announcement of the Company and Panva Gas dated 23 December 2004 and the circulars of the Company and Panva Gas both dated 13 January 2005 respectively, in relation to the Previous Asset Transfer Agreement, since the opportunity has arisen for the Company and Panva Gas to increase its investment in Anshan City Gas, the Board and the Panva Gas Board believe that its investment in Anshan City Gas will be a good opportunity for investment, even though it has already gained control of 51% equity interests in Anshan City Gas after completion of the Previous Transfer Asset Agreement. The Board and the Panva Gas Board believe that if it increases its investment from 51% equity interests to 81% equity interests in Anshan City Gas and when Anshan Panva Gas begins to make a contribution to the profits of the Company and Panva Gas, such contribution will be more significant.

The Company is principally engaged in property development, the sale and distribution of LP Gas and natural gas and the construction of gas pipelines and the supply of electricity in the PRC.

The Board and the Panva Gas Board (including their respective independent non-executive directors) believe that the Further Asset Transfer Agreement was entered into upon normal commercial terms. In addition, the Board and the Panva Gas Board (including their respective independent non-executive directors) consider that the terms of the Further Asset Transfer Agreement are fair and reasonable and are in the interests of the respective shareholders of the Company and Panva Gas as a whole.

GENERAL

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

Your attention is drawn to the general information as set out in the appendix to this circular.

Yours faithfully,
By Order of the Board
Tang Yui Man Francis
Chief Executive Officer

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement contained herein misleading.

2. DISCLOSURE OF DIRECTORS’ INTEREST

As at the Latest Practicable Date, the interests of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Appendix 10 of the Model Code for Securities Transactions by Directors of Listed Companies as contained in the Listing Rules, were as follows:

(a) Long positions in Shares and underlying Shares

Name of Directors	Capacity	Interests in Shares			Interest in underlying Shares pursuant to share options	Aggregate interest	Approximate percentage of the Company’s issued share capital
		Family interest	Corporate interest	Total interest in Shares			
Chen Wei	Beneficial owner	–	–	–	12,000,000	12,000,000	0.51%
Law Sze Lai	Beneficial owner	–	–	–	8,000,000	8,000,000	0.34%
Ou Yaping	Beneficial owner and interest of controlled corporation	6,475,920	1,374,222,000 (Note)	1,380,697,920	–	1,380,697,920	58.83%
Tang Yui Man Francis	Beneficial owner	–	–	–	19,000,000	19,000,000	0.81%
Davin A. Mackenzie	Beneficial owner	–	–	–	2,000,000	2,000,000	0.09%
Xin Luo Lin	Beneficial owner	–	–	–	2,000,000	2,000,000	0.09%

Note: These Shares are held by Asia Pacific Promotion Limited (“Asia Pacific”), a company incorporated in the British Virgin Islands, which is legally and beneficially owned by Mr. Ou Yaping, the chairman of the Company

(b) Directors’ interests or short positions in shares of associated corporations

Name of Directors	Name of associated corporations	Capacity	Nature of interest	Total interest in shares long positions/ (short positions)	Interest in underlying shares pursuant to share options	Aggregate interest/(short positions)	Approximate percentage of the issued share capital of associated corporations
Chen Wei	Panva Gas	Beneficial owner	Personal	4,160,000	8,040,000	12,200,000	1.29%
Law Sze Lai	Enerchina	Beneficial owner	Personal	540,000	540,000	540,000	0.02%
Davin A. Mackenzie	Enerchina	Beneficial owner	Personal	–	2,288,000	2,288,000	0.10%
Ou Yaping	Panva Gas	Interest of controlled corporation, other and beneficial owner	Corporate/ Personal	556,871,587 (Note 1)	3,600,000	560,471,587	59.48%
				(19,230,769) (Note 2)	–	(19,230,769)	(2.04%)
	Enerchina	Interest of controlled corporation, other and beneficial owner	Corporate/ Personal	1,428,782,211 (Note 3)	2,288,000	1,431,070,211	62.47%
Tang Yui Man, Francis	Panva Gas	Beneficial owner	Personal	5,440,000	3,960,000	9,400,000	1.00%
	Enerchina	Beneficial owner	Personal	–	22,880,000	22,880,000	1.00%
Xin Luo Lin	Enerchina	Beneficial owner	Personal	–	2,288,000	2,288,000	0.10%

Notes:

- The 556,871,587 shares represent the aggregate of: (i) 381,298,462 shares held by Kenson Investment Limited (“Kenson”), a wholly-owned subsidiary of the Company. 58.56% interests of the Company are held by Asia Pacific. Mr. Ou Yaping is the sole beneficial owner of Asia Pacific. Mr. Ou Yaping is deemed under the SFO to be interested in these shares; (ii) 6,081,600 shares held by Asia Pacific directly. The entire issued share capital of Asia Pacific are legally and beneficially held by Mr. Ou Yaping; and (iii) 169,491,525 shares held by Supreme All Investments Limited (“Supreme All”). 100% interests of Supreme All are held by the Company, Mr. Ou Yaping is deemed under the SFO to be interested in these shares. Out of these 556,871,587 shares, 550,789,987 shares have been pledged with Morgan Stanley by the Company.

2.

Kenson is under an obligation to transfer 19,230,769 shares to Hutchison International Limited (“Hutchison International”) upon full exchange of a HK\$62,500,000 redeemable note (the “Note”) held by Hutchison International in accordance with the terms and conditions of the Note.
3.

The 1,428,782,211 shares in Enerchina represent the aggregate of: (i) the 852,989,402 shares held by the Company (Mr. Ou Yaping through his wholly-owned company, Asia Pacific, holds approximately 58.56% of the existing issued share capital of the Company and is therefore deemed to be interested in all the shares in which the Company is interested); and (ii) the 575,792,809 shares held by Smart Orient Investments Limited (“Smart Orient”). 100% interests of Smart Orient are held by the Company. Mr Ou is deemed under the SFO to be interested in these shares. Out of these 1,428,782,211 shares, 1,147,680,775 shares have been pledged with Morgan Stanley by the Company.

(c) Directors’ right to acquire Shares

(i) Interest in options to subscribe for Shares

Pursuant to the Company’s share option scheme, the Company has granted options to subscribe for Shares in favour of certain Directors, the details of which are as follows:

Name of Director	Date of grant	Exercise period	Exercise price HK\$	Number of Shares subject to outstanding options as at Latest Practicable Date	Approximate percentage of the Company’s issued share capital
Chen Wei	28.12.2004	31.12.2005-24.05.2012	1.126	3,600,000	0.15%
	28.12.2004	30.06.2006-24.05.2012	1.126	3,600,000	0.15%
	28.12.2004	31.12.2006-24.05.2012	1.126	4,800,000	0.21%
Law Sze Lai	28.12.2004	31.12.2005-24.05.2012	1.126	2,400,000	0.10%
	28.12.2004	30.06.2006-24.05.2012	1.126	2,400,000	0.10%
	28.12.2004	31.12.2006-24.05.2012	1.126	3,200,000	0.14%
Davin A. Mackenzie	28.12.2004	31.12.2005-24.05.2012	1.126	600,000	0.03%
	28.12.2004	30.06.2006-24.05.2012	1.126	600,000	0.03%
	28.12.2004	31.12.2006-24.05.2012	1.126	800,000	0.03%
Tang Yui Man, Francis	28.12.2004	31.12.2005-24.05.2012	1.126	5,700,000	0.24%
	28.12.2004	30.06.2006-24.05.2012	1.126	5,700,000	0.24%
	28.12.2004	31.12.2006-24.05.2012	1.126	7,600,000	0.33%
Xin Luo Lin	28.12.2004	31.12.2005-24.05.2012	1.126	600,000	0.03%
	28.12.2004	30.06.2006-24.05.2012	1.126	600,000	0.03%
	28.12.2004	31.12.2006-24.05.2012	1.126	800,000	0.03%

Notes:

- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- These options represent personal interests held by the Directors as beneficial owners.

(ii) Interest in options to subscribe for shares of associated corporations

Name of Directors	Name of associated corporations	Date of grant	Exercise period	Exercise price HK\$	Number of share options held
Chen Wei	Panva Gas	04.04.2001	01.01.2003-03.04.2011	0.475	1,800,000
		04.04.2001	01.01.2004-03.04.2011	0.475	1,800,000
		13.11.2001	13.11.2002-13.02.2007	0.940	1,440,000
		19.11.2004	31.12.2005-30.03.2011	3.500	900,000
		19.11.2004	31.12.2006-30.03.2011	3.500	900,000
		19.11.2004	31.12.2007-30.03.2011	3.500	1,200,000
Davin A. Mackenzie	Enerchina	20.10.2004	20.10.2005-19.10.2015	0.500	2,288,000
Ou Yaping	Panva Gas	04.04.2001	01.01.2003-03.04.2011	0.475	1,800,000
		04.04.2001	01.01.2004-03.04.2011	0.475	1,800,000
	Enerchina	09.06.2004	09.06.2004-08.06.2014	0.440	2,288,000
TangYui Man, Francis	Panva Gas	13.11.2001	13.11.2002-13.02.2007	0.940	960,000
		19.11.2004	31.12.2005-30.03.2011	3.500	900,000
		19.11.2004	31.12.2006-30.03.2011	3.500	900,000
		19.11.2004	31.12.2007-30.03.2011	3.500	1,200,000
	Enerchina	09.06.2004	09.06.2004-08.06.2014	0.440	22,880,000
Xin Luo Lin	Enerchina	09.06.2004	09.06.2004-08.06.2014	0.440	2,288,000

Notes:

- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- These options represent personal interests held by the Directors as beneficial owners.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be entered in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to Appendix 10 of the Model Code for Securities Transactions by Directors of Listed Companies.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to the Directors and chief executive of the Company, the following persons or corporations (not being Directors or chief executive of the Company), had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital, were as follows:

(i) Long positions and short positions in Shares and underlying Shares

Name of Shareholders	Capacity	Interest in Shares	Approximate percentage of the Company's issued share capital
Asia Pacific	Beneficial owner	1,374,222,000 (Note 1)	58.56%
Value Partners Limited	Investment manager	120,000,000 (Note 2)	5.11%
Cheah Cheng Hye	Interest of controlled corporation	120,000,000 (Note 2)	5.11%
Pope Asset Management, LLC	Investment manager	116,958,800	4.98%

Notes:

1.

These Shares are held by Asia Pacific, a company incorporated in the British Virgin Islands, which is legally and beneficially owned by Mr. Ou Yaping, the chairman of the Company.

2. These 120,000,000 Shares are held by Value Partners Limited, a company which is held by 31.82% by Mr. Cheah Cheng Hye. Accordingly, Mr. Cheah Cheng Hye is deemed to be interested in these Shares.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any other person who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or had any options in respect of such capital.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or was proposing to enter, into a service contract with any member of the Group who does not expire or is not determinable by the relevant member of the Group within one year without compensation (other than statutory compensation).

5. COMPETING INTERESTS

So far as the Directors are aware, none of the Directors or their respective associates have any interest in any business which competes or is likely to compete with the business of the Group.

6. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, no member of the Group is engaged in any litigation or arbitration proceedings of material importance and there is no litigation or claims of material importance known to the Directors to be pending or threatened by or against the Company or any member of the Group.

7. GENERAL

- (a) The secretary of the Company is Mr. Lo Tai On, member of the Hong Kong Institute of Certified Public Accountants.
- (b) The qualified accountant of the Company is Ms. Tiong Check Hiong, Jacqueline, certified public accountant in Hong Kong.
- (c) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The head office and principal place of business of the Company is situated at 28th Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited situated at Shops 1712-1716, 17th Floor, Hopewell centre, 183 Queen's Road East, Hong Kong.
- (e) The English text of this circular shall prevail over the Chinese text in case of inconsistency.