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百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Connected Transaction

Acquisition of 30% interest in power supply business

The Directors are pleased to announce that on 7th December, 2001, Shenzhen Sinolink has entered into an agreement with Xiehe in respect of its acquisition of 30% of the equity interest in Fuhuade from Xiehe for a cash consideration of RMB20,000,000 (equivalent to approximately HK\$18,709,074). Fuhuade is currently held as to 30% by Xiehe and 70% by Sinolink Electric Power. The consideration of the Acquisition was determined after arm's length negotiations by reference to the audited accounts of Fuhuade in the year 2000 issued by Shenzhen Caixin Certified Public Accountants, an independent accountant in the PRC.

In view of the fact that Xiehe is a substantial shareholder of Fuhuade, a subsidiary of the Company, Xiehe is a connected person under the Listing Rules. The acquisition constitutes a connected transaction for the Company pursuant to the Listing Rules. As the consideration for the Acquisition does not exceed the higher of HK\$10,000,000 or 3%, but exceed HK\$1,000,000 or 0.03%, of the NTA, the Company is only required, pursuant to the Listing Rules, to include the details of the Acquisition in the next published annual report of the Company.

AGREEMENT DATED 7TH DECEMBER, 2001

Purchaser: Shenzhen Sinolink

Vendor: Xiehe

Assets to be acquired: 30% of the entire equity interest in Fuhuade.

CONSIDERATION

The cash Consideration of RMB20,000,000 (equivalent to approximately HK\$18,709,074) was arrived at after arm's length negotiations between the parties by reference to the audited accounts of Fuhuade in the financial year ended 31st December, 2000 issued by Shenzhen Caixin Certified Public Accountants, an independent professional accountant in the PRC.

The Consideration shall be satisfied in the following manners:-

1. Within 3 days from the date of signing of the Agreement and the Agreement having been certified at the Shenzhen Notarial Office in the PRC, Shenzhen Sinolink shall pay a sum of RMB6,000,000 (equivalent to approximately HK\$5,612,722) to Xiehe being the deposit (the "Deposit"). The Deposit shall be regarded as part payment of the Consideration after fulfillment of all the conditions precedent as stated in the Agreement;
2. Within 5 days from the date of completion of the registration procedure of the change in shareholding structure of Fuhuade at the relevant Industrial and Commercial Administrative Bureau in the PRC as contemplated in the Acquisition and after the fulfillment of the conditions precedent as stated in the Agreement, Shenzhen Sinolink shall pay a sum of RMB10,000,000 (equivalent to approximately HK\$9,354,537 as second instalment (the "Second Instalment"); and
3. On completion of the announcement of the Acquisition and such date shall be no later than 20th February, 2002, Shenzhen Sinolink shall pay a sum of RMB4,000,000 (equivalent to approximately HK\$3,741,815), being the balance of the Consideration, to Xiehe (the "Balance").

CONDITIONS PRECEDENT

- (1) Shenzhen Sinolink shall pay the Second Instalment and the Balance upon certain conditions having been fulfilled within 5 days from the date on which the Agreement becoming effective and such conditions shall be fulfilled on or before 31st December, 2001. These conditions include, inter alia, the followings:-
 - (i) Qualified PRC legal advisors of Xiehe confirms in its legal opinion (the "PRC Opinion") that (a) the Acquisition complies with all applicable PRC law, rules and regulations, and other relevant requirements, approval and consent have been fulfilled and obtained; (b) Xiehe legally and beneficially owns 30% equity interests in the registered capital in Fuhuade (in addition, Fuhuade has all licences, certificates of approval, certificates of ownership and other documents of title

necessary to operate within its scope of business, and such licences, certificates of approval, certificates of ownership and documents of title were issued by relevant government authorities and are effective, binding and enforceable under the PRC law); and (c) inter alia, the matters stated in sub-paragraphs (ii) & (iii) below.

- (ii) All the interests under the project of "replace the small generating unit with large one and technological reform program" (the "Project") have been vested in Fuhuade, including but not limited to rights to invest and construct, to operate and to receive income and in particular, the right to replace a LM5000ST/G generator with capacity of 47MN in Xiehe Power Plant. In the PRC Opinion, it is required to list all requisite documents of approvals and confirm that such documents of approvals have been obtained in accordance with the PRC laws and regulations; and all responsibilities and obligations of Fuhuade under the Project, including the scope of investment, the time of contribution and all obligations and contingent liabilities under contracts with third parties have to be fully disclosed therein.
 - (iii) Xiehe has provided Shenzhen Sinolink with valid documents to prove the ownership of the assets relating to the Acquisition and all relevant procedures have been fulfilled, confirmed and approved in accordance with applicable PRC laws and regulations. If the equity interest held by Xiehe in Fuhuade is non state-owned property, the PRC legal advisors of Xiehe has to confirm such in its legal opinion;
 - (iv) The PRC legal advisor of Xiehe confirms in its legal opinion that all the conditions precedent in the Agreement having been fully complied with and the form and contents of the legal opinion are to the satisfaction of Shenzhen Sinolink.
- (2) In the event that any of the conditions precedent in the Agreement is not fulfilled on or before 31st December, 2001 and Shenzhen Sinolink does not waive any such conditions precedent, the Agreement shall terminate. If the Agreement is terminated, the Company will make further announcement in this respect . All obligations and responsibilities of both parties to the Agreement shall immediately cease to have effect and the Agreement shall no longer be binding on either party. Xiehe shall not demand any payment from Shenzhen Sinolink pursuant to the Agreement. If Shenzhen Sinolink has paid to Xiehe the Deposit, Xiehe had to refund the amount equivalent to the amount of the Deposit to Shenzhen Sinolink not later than 5 days from the date of termination of the Agreement. The refund of the Deposit shall not affect any rights of Shenzhen Sinolink to other claims and compensation under applicable rules and regulations.

INFORMATION ON FUHUADE

Fuhuade is a sino-foreign equity joint venture established in the PRC with an operation period of 30 years commencing from November 1994. Fuhuade operates Dapeng Power Plant and is engaged in the business of electricity generation and supply. All electricity generated by the three generating units at Dapeng Power Plant is to be sold to Shenzhen Power Supply Bureau for on-grid onward transmission to public end-users. The amount of electricity supplied by Dapeng Power Plant will be determined by reference to the daily electricity demand curves recorded by Shenzhen Power Supply Bureau.

The audited net profits before and after taxation of Fuhuade for the financial year ended 31st December, 1999 were RMB14,477,839 (equivalent to approximately HK\$13,543,349) and RMB13,757,942 (equivalent to approximately HK\$12,869,918) respectively and the audited net loss before and after taxation for the financial year ended 31st December, 2000 was RMB22,431,078 (equivalent approximately HK\$20,983,235).

The audited net asset value of Fuhuade as at 31st December, 2000 was RMB184,688,984 (equivalent to approximately HK\$172,767,993). The Consideration represents a 64% discount as compared to the relevant portion of the audited net asset value of Fuhuade as at 31st December, 2000.

REASONS FOR THE ACQUISITION

The principal activities of the Group are property development, electricity supply operations and the sale and distribution of Liquefied Petroleum Gas.

As the major shareholder of Fuhuade, the Group knows the strong growth potential of the future electricity generation and supply market in Shenzhen and it believes the Acquisition will enlarge the earning bases of the Group.

After the implementation of the Project, Fuhuade may enjoy economies of scale and the efficiency on operation of Fuhuade will be enhanced. Fuhuade may also enjoy the benefit from the expansion of electricity generation business by enlarging its output capacity through building of a combined cycle power plant in Fuhuade as mentioned in the announcement of the Company dated 8th October, 2001.

The Consideration shall be funded by internal resources of the Purchaser.

The Directors consider that the terms and conditions of the Agreement are fair and reasonable as far as the independent shareholders of the Company are concerned.

CONNECTED TRANSACTION

In view of the fact that Xiehe is a substantial shareholder of Fuhuade, a subsidiary of the Company, Xiehe is a connected person under the Listing Rules. The Acquisition constitutes a connected transaction for the Company pursuant to the Listing Rules.

As the Consideration does not exceed the higher of HK\$10,000,000 or 3%, but exceed the higher of HK\$1,000,000 or 0.03%, of the NTA pursuant to Rule 14.25 of the Listing Rules, the Company is only required, pursuant to the Listing Rules, to include details of the Acquisition in the next published annual report of the Company.

DEFINITIONS

"Acquisition"	the acquisition of 30% equity interest in Fuhuade from Xiehe by Shenzhen Sinolink
"Agreement"	the agreement dated 7th December, 2001 entered into between Shenzhen Sinolink and Xiehe in respect of the Acquisition
"Company"	Sinolink Worldwide Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"Consideration"	RMB20,000,000 (equivalent to approximately HK\$18,709,074), being the consideration for the Acquisition
"Directors"	directors of the Company, including independent non-executive directors
"Hong Kong"	The Hong Kong Special Administrative Region of the People's Republic of China
"Fuhuade"	Shenzhen Fuhuade Electricity Co., Ltd., a sino-foreign equity joint venture company incorporated in the People's Republic of China which is indirectly held as to 70% by the Company and 30% by Xiehe
"Group"	the Company and its subsidiaries

"Liquefied Petroleum Gas"	a generic name for propane and butane or their mixture which is in liquid form under moderate pressure. Propane and butane are hydrocarbons created as a by-product of oil refining or from natural gas production. LPG is commonly used as a fuel for air and water heating in rural homes, as a fuel for cooking, barbecues and recreational vehicles, and as a transportation fuel
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"NTA"	the audited net tangible asset of the Company as at 31st December, 2000 together with the unaudited profit of the Company for the six months ended 30th June, 2001
"Shenzhen Sinolink"	深圳百仕達實業有限公司 (Shenzhen Sinolink Enterprises Co., Ltd.), a sino-foreign equity joint venture established in Shenzhen, the PRC, in which the Company has an indirect equity interest of 80%. The remaining 20% is owned by Shenzhen Power Supply Services Corporation
"Sinolink Electric Power"	Sinolink Electric Power Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. Its principal activity is investment holding.
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Xiehe"	深圳協和電力有限公司 (Shenzhen Xiehe Power Company Limited), a sino-foreign equity joint venture established in Shenzhen, the PRC, the substantial shareholder of which is Shenzhen Power Supply Services Corporation holding approximately 35% of the interest in Xiehe
"Xiehe Power Plant"	the power plant operated and owned by Xiehe

For the purpose of this announcement, unless otherwise indicated, the exchange rates at HK\$1 = RMB\$1.069 have been used, where applicable, for purpose of illustration only and not constitute a representation that any amount have been, could have been or may be exchanged.

By order of the Board
Sinolink Worldwide Holdings Limited
Yim Chun Leung
Company Secretary

Hong Kong, 10th December, 2001

* *for identification only*

Website: <http://www.irasia.com/listco/hk/sinolink>

Please also refer to the published version of this announcement in the South China Morning Post.