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百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)



PANVA

PANVA GAS HOLDINGS LIMITED

百江燃氣控股有限公司*

(incorporated in the Cayman Islands with limited liability)

JOINT ANNOUNCEMENT

ISSUE OF EXCHANGEABLE
REDEEMABLE NOTE AND
DISCLOSEABLE TRANSACTION

DISPOSAL OF SHARES
BY SUBSTANTIAL SHAREHOLDER

<p>The board of directors (the “Board”) of Sinolink Worldwide Holdings Limited (“Sinolink” or the “Company”) has noted the recent increases in the price and trading volume of the shares of Sinolink and wish to state that they are not aware of any reasons for such increases. Save as disclosed below, Sinolink confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.</p> <p>The Board of Sinolink wishes to announce that, Kenson Investment Limited (“Kenson”), a wholly-owned subsidiary of Sinolink, entered into an agreement dated 14th May, 2002 to dispose of 38,461,538 existing shares in Panva representing about 6.4% of the issued share capital of Panva (the “Disposal”) to Hutchison International Limited (“Hutchison International”), a wholly owned subsidiary of Hutchison Whampoa Limited (“Hutchison”) for a consideration of HK\$125 million, equivalent to approximately HK\$3.25 per share (the “Disposal Agreement”). The total consideration of HK\$125 million has been paid in cash and the disposal has been completed immediately after the signing of the Disposal Agreement.</p> <p>On the same date, Kenson, Sinolink and Option Perfect Limited (“Subscriber”), a wholly owned subsidiary of Hutchison entered into a conditional exchangeable redeemable note subscription deed (“the Deed”) whereby Kenson agreed to issue an exchangeable redeemable note with a face value of HK\$125 million (“Exchangeable Note”) to the Subscriber. Upon exchange of the Exchangeable Note into existing shares of Panva and on the assumption that no further shares of Panva were issued prior to such exchange, Hutchison’s interest in Panva will increase from approximately 6.4% to approximately 12.8% of the issued share capital of Panva.</p> <p>The Disposal Agreement, the Deed and the issue of the Exchangeable Note constitute a discloseable transaction for Sinolink.</p> <p>Trading in the securities of Sinolink and Panva on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) were suspended at the request of Sinolink and Panva with effect from 3:50 p.m. and 3:19 pm respectively on 14th May, 2002 pending release of this announcement. Sinolink and Panva have made applications for the resumption of trading in the securities of Sinolink and Panva with effect from 9:30 a.m. on 15th May, 2002.</p> <p>Panva is principally engaged in the sale and distribution of natural gas and Liquefied Petroleum Gas (“LP Gas”) in the Eastern, Central and Southwest regions of the People’s Republic of China (“PRC”). The Group’s main activities include the sale of LP Gas in bulk and in cylinders, the provision of piped natural gas and LP Gas, and the sale of natural gas and LP Gas household appliances. Panva was listed on the Growth Enterprise Market of the Stock Exchange on 20th April, 2001.</p> <p>Panva is a 77.93% owned subsidiary of Sinolink through Kenson with 2.01% held by Asia Pacific Promotion Limited, a company controlled by Mr. Ou Yaping, the chairman and managing director of Sinolink and the chairman of Panva. The remaining 20.06% is held by the public.</p> <p>A circular containing, among other things, further details of the disposal, the Deed and the issue of the Exchangeable Note will be despatched to the shareholders of Sinolink as soon as practicable.</p> <p>This press notice appears for information only and does not constitute an invitation or offer to acquire, purchase or subscribe the securities of Sinolink or Panva.</p>
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THE DISPOSAL AGREEMENT

Date

14th May, 2002

Parties

Vendor: Kenson, a wholly owned subsidiary of Sinolink

Purchaser: Hutchison International

Shares to be disposal of

38,461,538 existing shares in Panva representing approximately 6.4% of the issued share capital of Panva as at the date of the Disposal Agreement.

Consideration

The total consideration of HK\$125 million for the disposal of approximately 6.4% interest in Panva was determined based on arm’s length negotiations with reference to the average closing price of shares of Panva for the five trading days immediately preceding the date of the Disposal Agreement of HK\$3.92 per share.

Completion took place immediately after the signing of the Disposal Agreement on 14th May, 2002 and the total consideration of HK\$125 million, equivalent to approximately HK\$3.25 per share in Panva, was paid in cash.

THE DEED

Date

14th May, 2002

Parties

Company: Kenson

Guarantor: Sinolink

Subscriber: Option Perfect Limited, a wholly owned subsidiary of Hutchison

Conditions of the Deed

Completion of the Deed is conditional upon, inter alia,:

- the Subscriber obtaining a legal opinion from Bermuda lawyers in respect of Sinolink;
- the Subscriber obtaining a legal opinion from BVI lawyers in respect of Kenson; and
- the Subscriber obtaining a legal opinion from HK lawyers in respect of certain matters relating to the Deed.

Principal terms

The Company agreed to issue and the Subscriber agreed to subscribe the Exchangeable Note at HK\$125 million subject to the terms and conditions of the Exchangeable Note. Subject to the fulfilment of certain conditions precedent, completion shall take place within 60 days from the date of the Deed, i.e. 13th July, 2002.

EXCHANGEABLE NOTE

Principal terms:

Issuer:	Kenson
Guarantor:	Sinolink
Subscriber:	Option Perfect Limited, a wholly owned subsidiary of Hutchison
Principal amount:	HK\$125 million
Interest:	2% per annum, payable semi-annually
Exchange price:	HK\$3.25 per share in Panva
Exchange period:	The Exchangeable Note may be exchanged in whole or in part into existing shares of Panva at any time up to two years following the date of the issue of the Exchangeable Note
Minimum exchange amount:	Not less than HK\$1,000,000 per conversion on each exchange
Maturity date:	Second anniversary of the date of issuance of the Exchangeable Note where any unexchanged portion of the Exchangeable Note will be redeemed at its principal amount together with all interests accrued
Transfer:	The Exchangeable Note is transferable in denominations of not less than HK\$2,500,000
Listing:	No listing will be sought for the Exchangeable Note

The exchange price represents a discount of approximately of 22.16% over the latest closing price as of 14th May, 2002 being the last day of trading before the publication of this announcement and a discount of approximately 11.02% over the ten trading day average price based on the closing prices of the ten trading days immediately

preceding the date of this announcement. Upon exchange of the Exchangeable Note into existing shares of Panva and on the assumption that no further shares of Panva were issued prior to such exchange, Hutchison’s interest in Panva will increase from approximately 6.4% to approximately 12.8% of the issued share capital of Panva.

Upon transfer of the Exchangeable Note by the noteholder, Sinolink will notify Panva of all transfers. Panva will notify the Stock Exchange immediately upon becoming aware of any transfer to a connected person or any associate of a connected person.

Information on Sinolink and Panva

Sinolink

Sinolink, a company listed on the main board of the Stock Exchange, is principally engaged in property development, electricity supply operations and the sale and distribution of natural gas and LP Gas. The audited consolidated net asset value as at 31st December, 2001 was approximately HK\$1,276 million and the audited consolidated profit before and after tax for the year ended 31st December, 2001 was approximately HK\$127 million and HK\$117 million respectively.

Panva

Panva, a company listed on the Growth Enterprise Market of the Stock Exchange, is principally engaged in the sale and distribution of natural gas and LP Gas in the PRC. As at 31st December, 2001, the audited consolidated net asset value was approximately HK\$131 million and the audited consolidated profit before and after tax for the year ended 31st December, 2001 was approximately HK\$31.6 million and HK\$31.6 million respectively and the unaudited profit before and after tax for the three months ended 31st March, 2002 was approximately HK\$28.8 million and HK\$28.7 million respectively. The audited consolidated profit before and after tax for the year ended 31st December, 2000 was approximately HK\$1.2 million and HK\$0.8 million respectively.

Reasons for the disposal

Kenson directly holds approximately 71.53% of the issued share capital of Panva after the Disposal and approximately 65.13% of the issued share capital of Panva after full exchange of the Exchangeable Note by the Subscriber. Sinolink entered into the Disposal Agreement and the Deed relating to the issue of the Exchangeable Note to further strengthen the shareholding structure of Panva in order to facilitate the expansion of Panva and to take full advantage of the business opportunities available in the gas industry in the PRC. In addition, the proceeds from the two transactions will further strengthen the financial position of Sinolink for the development of its business.

Intended use of proceeds from the disposal

The Board of Sinolink intends to use the gross proceeds from the Disposal as general working capital for Sinolink.

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General

A circular containing, among other things, further details of the disposal and the issue of the Exchangeable Note will be despatched to the shareholders of Sinolink as soon as practicable.

Mr. Canning Fok Kin-ning (“Mr. Fok”) managing director of Hutchison, has agreed to join the board of directors of Panva. Mr. Simon To Chi Keung managing director of Hutchison Whampoa (China) Limited, has agreed to become an alternate director to Mr. Fok. Panva will make further announcement upon such formal appointments being effected. There will be no change in the existing business plan of Panva.

Trading in the securities of Sinolink and Panva on the Stock Exchange were suspended at the request of Sinolink and Panva with effect from 3:50 p.m. and 3:19 pm respectively on 14th May, 2002 pending release of this announcement. Sinolink and Panva have made applications for the resumption of trading in the securities of Sinolink and Panva with effect from 9:30 a.m. on 15th May, 2002.

By order of the board of SINOLINK WORLDWIDE HOLDINGS LIMITED Ou Yaping <i>Chairman</i>	By order of the board of PANVA GAS HOLDINGS LIMITED Chen Wei <i>Managing Director</i>
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14th May, 2002, Hong Kong

* *For identification purpose only*

This announcement, for which the directors of Panva Gas Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to Panva Gas Holdings Limited. The directors of Panva Gas Holdings Limited, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:— (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the website of Panva Gas at www.panva-gas.com.

Website: http://www.irasia.com/listco/hk/sinolink
http://www.panva-gas.com

Please also refer to the published version of this announcement in South China Morning Post, Hong Kong Economic Times and Hong Kong Economic Journal.