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百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporation in Bermuda with limited liability)
(Stock Code: 1168)



ENERCHINA HOLDINGS LIMITED

威華達控股有限公司*

(Incorporation in Bermuda with limited liability)
(Stock Code: 622)

ACQUISITION OF SHARES IN ENERCHINA HOLDINGS LIMITED

BY

SMART ORIENT INVESTMENTS LIMITED

(A WHOLLY OWNED SUBSIDIARY OF

SINOLINK WORLDWIDE HOLDINGS LIMITED)

AND

UNCONDITIONAL MANDATORY GENERAL OFFERS

BY

MORGAN STANLEY DEAN WITTER ASIA LIMITED

ON BEHALF OF

SINOLINK WORLDWIDE HOLDINGS LIMITED

TO ACQUIRE ALL THE ISSUED SHARES OF

AND FOR CANCELLATION OF ALL OUTSTANDING OPTIONS OF

ENERCHINA HOLDINGS LIMITED

(OTHER THAN THOSE SHARES HELD BY SINOLINK WORLDWIDE HOLDINGS LIMITED

AND PARTIES ACTING IN CONCERT WITH IT)

AND

MAJOR TRANSACTION OF

SINOLINK WORLDWIDE HOLDINGS LIMITED

FINANCIAL ADVISER TO SINOLINK WORLDWIDE HOLDINGS LIMITED

Morgan Stanley

Sinolink wishes to announce that on 3 December 2004, Smart Orient, a wholly owned subsidiary of Sinolink, had acquired an additional 298,642,000 shares in Enerchina, representing 13.04% of the total issued share capital of Enerchina as at the date of this announcement, from four independent parties at an aggregate consideration of HK\$188,144,460, or HK\$0.63 per Enerchina Share. Following the Acquisition, Sinolink is interested in 50.10% of the voting rights in Enerchina. Therefore, Sinolink and parties acting in concert with it are obliged under Rule 26 of the Takeovers Code to make unconditional mandatory general offers to acquire all the issued and to be issued Enerchina Shares (other than those held by Sinolink and parties acting in concert with it) and for the cancellation of all Options.

For each Share under the Share Offer..... HK\$0.63 in cash

For each Option under the Option Offer HK\$0.63 less the Option Exercise Price in cash

The Share Offer Price is the same as the price per Share under the Acquisition and represents a premium of approximately 6.8% to the closing price of HK\$0.59 per Share quoted on the Stock Exchange on 2 December 2004, being the last trading day before suspension in trading of the Shares on the Stock Exchange. The Share Offer Price also represents a premium of approximately 18.9% to the average closing price of HK\$0.53 per Share for the last 30 trading days before suspension in trading of the Shares on the Stock Exchange and a premium of approximately 5% of the audited consolidated net tangible asset value of the Enerchina Group of approximately HK\$0.60 per Share as at 31 December 2003.

The Share Offer Price of HK\$0.63 per Share values the entire issued share capital of Enerchina at HK\$1,443,288,360.

As at the date of this announcement, Enerchina has 115,062,000 outstanding Options. The exercise in full of the outstanding Options would result in the issue of an additional 115,062,000 Shares. The Option Offer Price shall be HK\$0.63 less the Option Exercise Price in cash for cancellation of each Option.

Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin, the common directors of Sinolink and Enerchina, and other Enerchina Directors, hold Options in Enerchina. Each of Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin and other Enerchina Directors has given an unconditional and irrevocable undertaking to Sinolink that (1) he will not exercise the Options held by him before the end of the Offer Period (as defined in the Takeovers Code) for the Offers; and (2) he will not accept the Option Offer for the Options held by him.

The Acquisition and the Offers constitute a major transaction for Sinolink under the Listing Rules.

None of the Vendors is a connected person of Sinolink within the meaning of the Listing Rules and the Acquisition is not a connected transaction for Sinolink under the Listing Rules.

As Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin, the common directors of Sinolink and Enerchina, and other Enerchina Directors have given their respective irrevocable undertakings not to accept the Option Offer for the Options held by them respectively, the Offers do not constitute connected transaction for Sinolink.

Atlantic Cay International Limited and Warburg Pincus Ventures L.P., shareholders of Enerchina holding 404,548,779 Enerchina Shares and 110,975,598 Enerchina Shares respectively, have given an unconditional and irrevocable undertaking to Sinolink that they will not accept the Share Offer for the Enerchina Shares respectively held by them. Each of Warburg Pincus Ventures International, L.P. and Warburg Pincus Equity Partners, L.P. is interested in 50% of the issued share capital of Atlantic Cay International Limited. Atlantic Cay International Limited and Warburg Pincus Ventures L.P. are independent of Sinolink and not parties acting in concert with Sinolink.

Sinolink will despatch a circular containing, inter alia, details of the Acquisition and the Offers to the Sinolink Shareholders within 21 days of the date of this announcement or such other period as may be approved by the Stock Exchange to provide them with information relating to the Acquisition and the Offers.

No Sinolink Shareholder has any material interest in the Acquisition and the Offers and accordingly no Sinolink Shareholder is required to abstain from voting if a general meeting is to be convened for the approval of the Acquisition and the Offers as a major transaction. Accordingly, Asia Pacific Promotion Limited, owning 58.96% of the issued share capital of Sinolink, has given written approval for the Acquisition and the Offers as a major transaction in accordance with Rule 14.44 of the Listing Rules.

The Composite Document and the acceptance and transfer forms will be despatched to Enerchina Shareholders within 21 days of the date of this announcement or such other period as may be approved by the Executive.

Dealings in Enerchina Shares and Sinolink Shares on the Stock Exchange were suspended from 9:34 a.m. on 3 December 2004 at the request of Enerchina and Sinolink, respectively. The trading volume in Enerchina Shares recorded on the Stock Exchange on 3 December 2004 corresponded exactly to the acquisition by Smart Orient of 298,642,000 Enerchina Shares pursuant to the Acquisition. Applications have been made for the resumption of dealings in Enerchina Shares and Sinolink Shares on the Stock Exchange with effect from 9:30 a.m. on 7 December 2004.

THE ACQUISITION

On 3 December 2004, Smart Orient, a wholly owned subsidiary of Sinolink, acquired from the Vendors an additional 298,642,000 shares in Enerchina, representing 13.04% of the total issued share capital of Enerchina as at the date of this announcement.

Acquisition Consideration

The Acquisition Consideration was HK\$0.63 per Share and represented:

- (i) a premium of approximately 6.8% to the closing price of HK\$0.59 per Share quoted on the Stock Exchange on 2 December 2004, being the last trading day before suspension in trading of the Shares on the Stock Exchange;
- (ii) a premium of approximately 10.5% to the average closing price of HK\$0.57 per Share for the last 10 trading days before suspension in trading of the Shares on the Stock Exchange;
- (iii) a premium of approximately 18.9% to the average closing price of HK\$0.53 per Share for the last 30 trading days before suspension in trading of the Shares on the Stock Exchange;
- (iv) a premium of approximately 23.5% to the average closing price of HK\$0.51 per Share for the three months before suspension in trading of the Shares on the Stock Exchange;
- (v) a premium of approximately 28.6% to the average closing price of HK\$0.49 per Share for the six months before suspension in trading of the Shares on the Stock Exchange;
- (vi) a premium of approximately 5.0% of the audited consolidated net tangible asset value of the Group of approximately HK\$0.60 per Share as at 31 December 2003 (based on the audited consolidated net tangible asset value of approximately HK\$456,045,000 and 762,762,968 Shares in issue as at 31 December 2003); and
- (vii) a premium of approximately 31.3% of the unaudited consolidated net tangible asset value of the Group of approximately HK\$0.48 per Share as at 30 June 2004 (based on the unaudited consolidated net tangible asset value of approximately HK\$1,092,037,000 and 2,288,288,904 Shares in issue as at 30 June 2004).

The Sinolink Directors consider that the terms of the Acquisition are fair and reasonable and in the interests of Sinolink and the Sinolink Shareholders as a whole. The Acquisition Consideration was arrived at after arm's length negotiations between the parties involved with reference to the historical trading price of Enerchina Shares.

The aggregate Acquisition Consideration was HK\$188,144,460 and was satisfied by Sinolink by cash using existing internal cash resources.

Reasons for the Acquisition

Enerchina is principally engaged in electricity generation and supply in the PRC. Its key asset is the Fuhuade Power Plant in Shenzhen which is strategically located in Dapeng Town, Shenzhen, 10 kilometres from the proposed Guangdong liquefied natural gas port. Enerchina recently completed an expansion of the installed capacity of the Fuhuade Power Plant from 305 megawatts to 480 megawatts and is currently undergoing further expansion to 665 megawatts, which is expected to be completed by the first half of 2005. The fuel source of the Fuhuade Power Plant will be changed from fuel oil to liquefied natural gas/natural gas, upon completion of the Guangdong liquefied natural gas terminal. This is expected to result in an increase in operational efficiency and an improvement in operating margins. Enerchina is also conducting feasibility studies to further increase the installed capacity of the Fuhuade Power Plant to 1,000 megawatts along with the on-going exercise to divest non-core business.

The Sinolink Directors consider that the Acquisition provides an opportunity for Sinolink to gain control of a high quality and value-enhancing asset. The Sinolink Directors believe that, in line with the economic development and growth in China, demand for electricity will continue its upward trend. In light of the commencement of full operation, the ongoing expansion and the opportunity to improve the efficiency and returns of the Fuhuade Power Plant, the Sinolink Directors believe the Acquisition gives Sinolink a good opportunity to increase its interest in Enerchina and thus enhance the Sinolink Group's earning base. The Sinolink Directors consider that the terms and conditions of the Offer to be fair and reasonable and are in the interests of Sinolink and Sinolink Shareholders as a whole.

Save pursuant to the Offers and as to maintain sufficient public float in Enerchina, Sinolink has no current intention either to increase or to decrease its shareholding in Enerchina. Sinolink Directors will review such intention from time to time.

THE OFFERS

Following the Acquisition, Sinolink and the parties acting in concert with it owns an aggregate 1,147,680,775 Shares, representing approximately 50.10% of the voting rights in Enerchina. Therefore, Sinolink and parties acting in concert with it are obliged under Rule 26 of the Code to make unconditional mandatory general offers to acquire all the issued and to be issued Enerchina Shares (other than those held by Sinolink and parties acting in concert with it) and for the cancellation of all Options.

On behalf of the Offeror, Morgan Stanley will make the unconditional mandatory general offers on the following bases:

For each Share under the Share Offer HK\$0.63 in cash
For each Option under the Option Offer HK\$0.63 less the Option Exercise Price in cash

Comparisons of Value

The Share Offer

The Share Offer Price of HK\$0.63 per Share represents:

- (i) a premium of approximately 6.8% to the closing price of HK\$0.59 per Share quoted on the Stock Exchange on 2 December 2004, being the last trading day before suspension in trading of the Shares on the Stock Exchange;
- (ii) a premium of approximately 10.5% to the average closing price of HK\$0.57 per Share for the last 10 trading days before suspension in trading of the Shares on the Stock Exchange;
- (iii) a premium of approximately 18.9% to the average closing price of HK\$0.53 per Share for the last 30 trading days before suspension in trading of the Shares on the Stock Exchange;
- (iv) a premium of approximately 23.5% to the average closing price of HK\$0.51 per Share for the three months before suspension in trading of the Shares on the Stock Exchange;
- (v) a premium of approximately 28.6% to the average closing price of HK\$0.49 per Share for the six months before suspension in trading of the Shares on the Stock Exchange;
- (vi) a premium of approximately 5.0% of the audited consolidated net tangible asset value of the Group of approximately HK\$0.60 per Share as at 31 December 2003 (based on the audited consolidated net tangible asset value of approximately HK\$456,045,000 and 762,762,968 Shares in issue as at 31 December 2003); and
- (vii) a premium of approximately 31.3% of the unaudited consolidated net tangible asset value of the Group of approximately HK\$0.48 per Share as at 30 June 2004 (based on the unaudited consolidated net tangible asset value of approximately HK\$1,092,037,000 and 2,288,288,904 Shares in issue as at 30 June 2004).

The Share Offer Price is the same as the price per Share under the Acquisition.

The Share Offer Price represents the highest price paid by the Offeror, or parties acting in concert with it for the Shares within six months prior to this announcement.

Atlantic Cay International Limited and Warburg Pincus Ventures L.P., shareholders of Enerchina holding 404,548,779 Enerchina Shares and 110,975,598 Enerchina Shares respectively, have given an unconditional and irrevocable undertaking to Sinolink that they will not accept the Share Offer for the Enerchina Shares respectively held by them. Each of Warburg Pincus Ventures International, L.P. and Warburg Pincus Equity Partners, L.P. is interested in 50% of the issued share capital of Atlantic Cay International Limited. Atlantic Cay International Limited and Warburg Pincus Ventures L.P. are independent of Sinolink and not parties acting in concert with Sinolink.

The Option Offer

The Option Offer Price represents the difference in value between the Share Option Price and the Option Exercise Price of the outstanding Options.

As at the date of this announcement, the Company has 115,062,000 outstanding Options. The exercise period of the Options is from 24 May 2000 to 19 October 2015. The exercise price of the Options ranges from HK\$0.44 to HK\$0.55. The exercise in full of the Options would result in the issue of an additional 115,062,000 Shares. Save for the Options, there are currently no other options, warrants or other securities issued by the Company that carry a right to subscribe for or which are convertible into Shares.

The Share Offer Price, the Option Offer Price and the terms of the Offers have been reached after careful consideration by the directors of the Offeror, taking into account, among other things, the historical trading price of the Shares.

Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin are common directors of the Offeror and the Company. Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin and other Enerchina Directors hold Options in Enerchina. Each of Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin and other Enerchina Directors has given an unconditional and irrevocable undertaking to Sinolink that (1) he will not exercise the Options held by him before the end of the Offer Period (as defined in the Takeovers Code) for the Offers; and (2) he will not accept the Option Offer for the Options held by him.

Highest and lowest prices

During the six-month period immediately preceding the date of this announcement, the highest and lowest closing prices of the Shares quoted on the Stock Exchange were HK\$0.60 per Share on 29 November 2004 and 30 November 2004 and HK\$0.37 per Share on 18 June 2004, respectively.

Total consideration

As at the date of this announcement, the Company has 2,290,933,904 Shares in issue. Based on the Share Offer Price, the entire issued share capital of the Company is valued at approximately HK\$1,443,288,360. Based on the Option Offer Price, the outstanding 115,062,000 Options is valued at approximately HK\$72,489,060.

As at the date of this announcement, the Offeror and the parties acting in concert with it held 1,147,680,775 Shares. Based on a total of 627,728,752 Shares held by parties other than the Offeror and parties acting in concert with it and other than Atlantic Cay International Limited and Warburg Pincus Ventures L.P., and a total of 26,900,000 Options held by the Optionholders other than Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin and other Enerchina Directors, the consideration payable by the Offeror pursuant to the Share Offer and the Option Offer, if both are accepted in full, is approximately HK\$395,469,114 and HK\$5,111,000, respectively.

All of the 81,586,000 Options which can be exercised during the Offer Period (as defined in the Takeovers Code) are held by Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin and other Enerchina Directors, who have each undertaken not to exercise the Options during the Offer Period (as defined in the Takeovers Code) and not to accept the Option Offer.

If none of the Enerchina Shareholders and Optionholders accepts the Share Offer and the Option Offer respectively, the aggregate consideration paid by Sinolink is HK\$188,144,460, being the Acquisition Consideration.

Based on a total of 627,728,752 Shares held by parties other than the Offeror and parties acting in concert with it and other than Atlantic Cay International Limited and Warburg Pincus Ventures L.P., and 26,900,000 Options held by the Optionholders other than Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin and other Enerchina Directors, if both the Share Offer and Option Offer are accepted in full, the aggregate consideration (including the Acquisition Consideration) will be HK\$588,724,574.

Terms of the Offers

Under the terms of the Share Offer, the Shares will be acquired by the Offeror fully paid and free from all liens, charges, pledges, encumbrances and any other third-party rights or interests of any nature whatsoever and together with all rights, benefits, and entitlements attaching and accruing thereto as of the date of this announcement including the right to receive all dividends, rights and distribution declared, paid or made on or after the date of this announcement.

Under the terms of the Option Offer, the Options together with all rights attaching thereto will be entirely cancelled and renounced.

Independent financial advice

The Offeror has obtained independent financial advice from Commerzbank that the making of the Offers is in the interests of the Offeror's shareholders.

Stamp duty

The Offeror will pay seller's ad valorem stamp duty arising in connection with acceptances of the Share Offer, amounting to HK\$1.00 for every HK\$1,000 or part thereof of the consideration payable in respect of the relevant acceptance, which the Enerchina Shareholders who accept the Share Offer will be liable to pay and be deducted from the proceeds due to such Enerchina Shareholders under the Share Offer.

Interests of the Offeror and parties acting in concert with it in the Company

The holdings of the Offeror and parties acting in concert with it of Shares and Options as at the date of this announcement (taking into account the Shares acquired pursuant to the Acquisition) can be summarised as follows:

Name	Capacity	Number of Shares	Approximate percentage of the issued share capital
Smart Orient Investments Limited	Beneficial owner	575,792,809	25.13%
Sinolink Worldwide Holdings Limited	Beneficial owner and interest of controlled corporation	1,147,680,775 (Note)	50.10%
Asia Pacific Promotion Limited	Interest of controlled corporation	1,147,680,775 (Note)	50.10%
Mr. Ou Yaping and family	Interest of controlled corporation	1,147,680,775 (Note)	50.10%

Note: This number of Shares represents the aggregate of: (a) 571,887,966 Shares held directly by Sinolink (taking into account the Shares acquired pursuant to the Acquisition); and (b) the number of Shares in which Smart Orient Investments Limited is interested in as disclosed above.

Name	Number of Options	Approximate percentage of the existing issued share capital
Mr. Ou Yaping	2,288,000	0.10%
Mr. Tang Yiu Man Francis	22,880,000	1.00%
Mr. Xin Luo Lin	2,288,000	0.10%
Mr. Davin A. MacKenzie	2,288,000	0.10%
Mr. Sun Qiang Chang	26,250,000	1.15%
Mr. Xiang Ya Bo	22,880,000	1.00%
Mr. Leng Xuesong	5,000,000	0.22%
Mr. Xu Xinghai	2,000,000	0.09%
Mr. Lu Yungang	2,288,000	0.10%

Save as disclosed above, no connected person (as defined in the Listing Rules) of the Offeror and no party acting in concert (as defined in the Takeovers Code) with the Offeror is a Shareholder or an Optionholder as at the date of this announcement.

There was no other dealing in the Shares by the Offeror or any party acting in concert with it in the six months immediately before the date of this announcement, save in relation to the Acquisition and the non-concert party dealings of Morgan Stanley and persons controlling, controlled by or under the same control as Morgan Stanley.

Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin are the common directors of the Offeror and the Company. Each of Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin and other Enerchina Directors has given an unconditional and irrevocable undertaking to Sinolink that (1) he will not exercise the Options held by him before the end of the Offer Period (as defined in the Takeovers Code) for the Offers; and (2) he will not accept the Option Offer for the Options held by him.

The Enerchina Independent Board Committee will be established to advise the Enerchina Shareholders on the terms of the Offers. An independent financial adviser will be appointed to advise the Enerchina Independent Board Committee in relation to the Offers.

Information about the Sinolink Group

The Offeror is listed on the Main Board of the Stock Exchange and is owned as to approximately 58.96% by Asia Pacific Promotion Limited. Asia Pacific Promotion Limited is the single largest shareholder of the Offeror and is wholly-owned by Mr. Ou and his family. The Offeror is principally engaged in: (i) property development and investment; (ii) pipeline construction, liquefied petroleum gas and natural gas distribution, transportation, storage, distribution and sales of liquefied petroleum gas and natural gas; and (iii) electricity generation and supply operations.

Information about the Enerchina Group

The issued Shares are listed on Main Board of the Stock Exchange. The Group's principal business is electricity generation and supply in the PRC.

The audited consolidated turnover for the two years ended 31 December 2003 were approximately HK\$115,245,000 and HK\$559,797,000 respectively. The audited net profit (loss) for the two years ended 31 December 2003 were approximately HK\$(85,697,000) and HK\$57,466,000, respectively. The audited consolidated net assets of the Company as at 31 December 2002 and 31 December 2003 were approximately HK\$280 million and HK\$661 million, respectively.

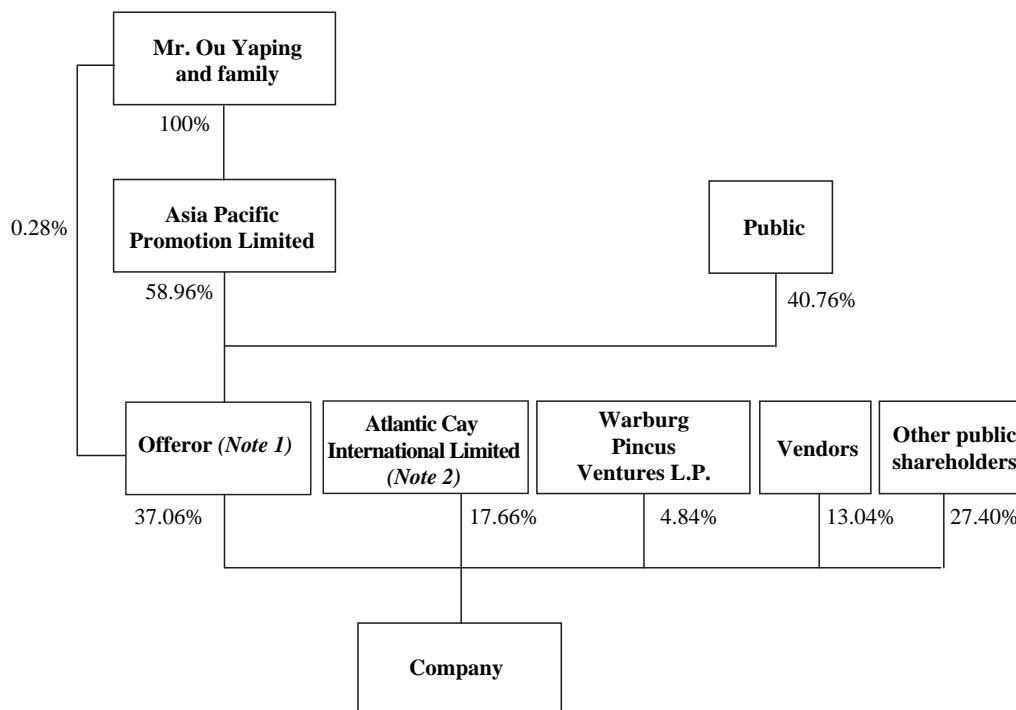
Set out below are the audited net profit (loss) recorded by the Company for the two years ended 31 December 2003:

	2003 HK\$'000	2002 HK\$'000
Profit (loss) before taxation	98,116	(81,662)
Income taxes	(8,899)	(111)
Profit (loss) before minority interests	89,217	(81,773)
Minority interests	(31,751)	(3,924)
Net profit (loss) for the year	57,466	(85,697)

Based on the register maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance, the shareholding structures of the Company immediately before the Acquisition and immediately after the Acquisition are illustrated in the following table and charts:

	Number of Shares immediately before the Acquisition	Approximate percentage shareholding in the Company immediately before the Acquisition	Number of Shares immediately after the Acquisition	Approximate percentage shareholding in the Company immediately after the Acquisition
The Offeror	849,038,775	37.06%	1,147,680,775	50.10%
Warburg Pincus & Co.	515,524,377	22.50%	515,524,377	22.50%
Public Enerchina Shareholders	926,370,752	40.44%	627,728,752	27.40%
Total issued Shares	<u>2,290,933,904</u>	<u>100%</u>	<u>2,290,933,904</u>	<u>100%</u>

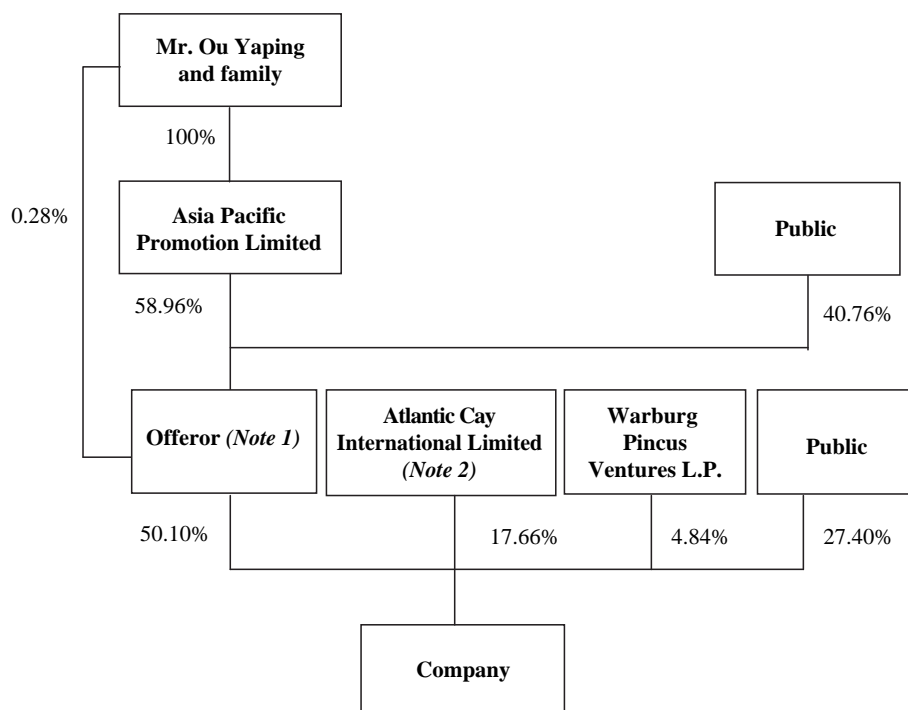
The shareholding structure of the Company immediately before the Acquisition is as follows:



Note 1: including the interest of Smart Orient

Note 2: Each of Warburg Pincus Ventures International, L.P. and Warburg Pincus Equity Partners, L.P. is interested in 50% of the issued share capital of Atlantic Cay International Limited

The shareholding structure of the Company immediately after the Acquisition is as follows:



Note 1: including the interest of Smart Orient

Note 2: Each of Warburg Pincus Ventures International, L.P. and Warburg Pincus Equity Partners, L.P. is interested in 50% of the issued share capital of Atlantic Cay International Limited

Intention of the Offeror

The Sinolink Directors do not intend to make any change to the existing business and management of the Enerchina Group except that Sinolink may nominate additional persons to the Board and the management in accordance with business needs. It is envisaged by the directors of the Offeror that the future direction of the Group will continue to focus on the business of electricity generation and supply in the PRC. The Offeror intends to hold its interest in the Company as a long term investment.

Save pursuant to the Offers and as to maintain sufficient public float in Enerchina, Sinolink has no current intention either to increase or to decrease its shareholding in Enerchina. Sinolink Directors will review such intention from time to time.

Tentative timetable of the Offers

Offer announcement.....	6 December, 2004
Despatch of Composite Document.....	before 28 December, 2004
	or such later date as approved by the Executive
First Closing Date	18 January, 2005 if Composite Document
	despatched on 28 December, 2004 (or
	21 days after the Composite Document is despatched)

Maintaining the listing of the Company

It is the intention of the directors of the Offeror to maintain the listing of the Shares on the Main Board of the Stock Exchange after the close of the Offers. In this regard, the Offeror does not intend to apply any right which may be available to it to acquire compulsorily any Shares not acquired under the Share Offer after closing of the Offers, and the directors of the Offeror will undertake to the Stock Exchange that appropriate steps will be taken to ensure that not less than 25% of public float exists for the Shares.

The Stock Exchange has stated that, if at the close of the Offers, less than 25% of the issued Shares are held by the public, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- that there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares. In this connection, it should be noted that upon completion of the Offers, there may be insufficient public float for the Enerchina Shares and therefore, trading in the Enerchina Shares may be suspended until a prescribed level of public float is attained.

The directors of the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure sufficient public float exists in the Shares.

Facility Agreement

On 6 December 2004, the Offeror as borrower entered into the Facility Agreement with the Lender in respect of a loan facility of up to HK460 million, secured over all the assets of the Offeror. The Facility shall be repaid in full 9 months after the date of the Facility Agreement. The purpose of the Facility is, among others, to finance the Offers.

Morgan Stanley is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers. The Offers will be financed by, inter alia, the Facility and the Offeror's internal resources.

MAJOR TRANSACTION

The Acquisition and the Offers constitute a major transaction for Sinolink under the Listing Rules.

None of the Vendors is a connected person of Sinolink within the meaning of the Listing Rules and the Acquisition is not a connected transaction for Sinolink under the Listing Rules. To the best of the Sinolink Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors and their respective ultimate beneficial owners are third parties independent of Sinolink and independent of connected persons of Sinolink.

As Mr. Ou, Mr. Tang, Mr. MacKenzie and Mr. Xin, the common directors of Sinolink and Enerchina, and other Enerchina Directors, have given their respective irrevocable undertakings not to accept the Option Offer for the Options held by them respectively, the Offers do not constitute connected transactions for Sinolink under the Listing Rules.

Sinolink will despatch a circular containing, inter alia, details of the Acquisition and the Offers to the Sinolink Shareholders within 21 days of the date of this announcement or such other period as may be approved by the Stock Exchange to provide them with information relating to the Offers.

As Mr. Ou has given an irrevocable undertaking not to accept the Option Offer for the Options held by him, Mr. Ou and Asia Pacific Promotions Limited do not, by virtue of the Options held by Mr. Ou, have a material interest in the Offers under Rule 14.46 of the Listing Rules. Furthermore Mr. Ou (along with Mr. Tang, Mr. Xin and Mr. MacKenzie) will not form part of the Enerchina Independent Board Committee to advise the Enerchina Shareholders in respect of the terms of the Offers. Accordingly no Sinolink Shareholder has any material interest in the Acquisition and the Offers and no Sinolink Shareholder is required to abstain from voting if a general meeting is to be convened for the approval of the Acquisition and the Offers as a major transaction. On this basis, Asia Pacific Promotion Limited, owning 1,374,222,000 Sinolink Shares, representing 58.96% of the issued share capital of Sinolink, has given written approval for the Acquisition and the Offers as a major transaction in accordance with Rule 14.44 of the Listing Rules.

GENERAL

According to Rule 8.2 of the Takeovers Code, an offer document containing, inter alia, the details of the Offers and the acceptance and transfer forms, will be despatched to Enerchina Shareholders within 21 days of the date of this announcement. The Executive's consent is required for any extension of such period.

Under Rule 2.1 of the Takeovers Code, a board which receives an offer should retain a competent independent financial adviser to advise the board as to whether the offer is, or is not, fair and reasonable and to establish an independent committee of the board to discharge the board's responsibilities in relation to the offer. The Enerchina Independent Board Committee will be established and an independent financial adviser will be appointed to advise the Enerchina Independent Board Committee.

The Composite Document and the acceptance and transfer forms will be despatched to the Enerchina Shareholders within 21 days of the date of this announcement or such other period as may be approved by the Executive.

Further announcements will be made by the Offeror and/or the Company as and when appropriate, in accordance with the Takeovers Code and the Listing Rules.

Dealings in the Enerchina Shares and the Sinolink Shares on the Stock Exchange were suspended from 9:34 a.m. on 3 December 2004 at the request of the Company and the Offeror, respectively. The trading volume in Enerchina Shares on the Stock Exchange on 3 December 2004 corresponded exactly to the Acquisition. Applications have been made for the resumption of dealings in the Enerchina Shares and the Sinolink Shares on the Stock Exchange with effect from 9:30 a.m. on 7 December 2004.

DEFINITIONS

"Acquisition"	the acquisition by Smart Orient from the Vendors for 298,642,000 Enerchina Shares on 3 December 2004
"Acquisition Consideration"	HK\$0.63 per Enerchina Share, being the consideration paid by Sinolink for the Acquisition
"Board"	the board of Enerchina Directors
"Commerzbank"	Commerzbank AG, a bank incorporated in Germany, acting through its Hong Kong Branch, which is an authorised institution registered with the Hong Kong Monetary Authority licensed to carry out types 1, 4 and 6 regulated activities (as set out in Schedule 5 of the SFO), the independent financial adviser to the Offeror in respect of the Offers
"Company"	Enerchina Holdings Limited (Stock code: 622), a company incorporated in Bermuda whose shares are listed on the Main Board of Stock Exchange
"Composite Document"	the composite document containing the formal offer document of the Offeror and the board circular of the Company to be issued jointly by the Offeror and the Company in connection with the Offers
"Enerchina Directors"	the directors, including independent non-executive directors, of the Company

“Enerchina Independent Board Committee”	the committee of Enerchina Directors, to be formed to advise the Enerchina Shareholders in respect of the terms of the Offers
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate of the Executive Director
“Facility”	a secured loan facility of up to HK\$460 million in aggregate secured over all the assets of the Offeror, provided by Morgan Stanley Senior Funding Inc. to the Offeror subject to the terms and on the conditions set out in the Facility Agreement
“Facility Agreement”	the facility agreement dated 6 December 2004 and made between Morgan Stanley Senior Funding Inc. as Lender and the Offeror as borrower in relation to the Facility
“First Closing Date”	the date stated in the Composite Document as the first closing date of the Offers
“Group” or “Enerchina Group”	the Company and its subsidiaries (as defined in the Companies Ordinance (Cap. 32 of the Laws of Hong Kong))
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lender”	Morgan Stanley Senior Funding Inc., a company incorporated in Delaware, as lender under the Facility Agreement
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Morgan Stanley”	Morgan Stanley Dean Witter Asia Limited, a company incorporated in Hong Kong which is licensed for Type 1 regulated activity (dealing with securities), Type 4 regulated activity (advising on securities), Type 6 regulated activity (advising on corporate finance) and Type 7 regulated activity (providing automated trading services) under the Securities and Futures Ordinance
“Mr. MacKenzie”	Mr. Davin A. MacKenzie, an independent non-executive director of the Offeror and an independent non-executive director of the Company
“Mr. Ou”	Mr. Ou Yaping, the Chairman and an executive director of the Offeror and the Vice Chairman and an executive director of the Company
“Mr. Tang”	Mr. Tang Yui Man Francis, the Chief Executive Officer and an executive director of the Offeror and an executive director of the Company
“Mr. Xin”	Mr. Xin Luo Lin, an independent non-executive director of the Offeror and an independent non-executive director of the Company
“Offers”	the Share Offer and the Option Offer
“Offeror” or “Sinolink”	Sinolink Worldwide Holdings Limited (Stock Code: 1168), a company incorporated in Bermuda with limited liability whose shares are listed on the main board of the Stock Exchange
“Offeror Group” or “Sinolink Group”	the Offeror and its subsidiaries (as defined in the Companies Ordinance (Cap. 32 of the Laws of Hong Kong))
“Option Exercise Price”	an amount between HK\$0.44 to HK\$0.55 (inclusive), subject to adjustment, being the price at which the holders of Options may subscribe for new Shares on the terms of the Options
“Option Offer”	the mandatory unconditional cash offer to be made by Morgan Stanley on behalf of the Offeror to cancel all the Options at the Option Offer Price
“Option Offer Price”	being HK\$0.63 less the Option Exercise Price per Option
“Optionholders”	holders of the Options
“Options”	an aggregate of 115,062,000 outstanding options granted by the Company under the share option schemes of the Company adopted on 26 July 1993 and 14 May 2002, each conferring on the grantee the right to subscribe for one new Share at the Option Exercise Price
“PRC”	the People’s Republic of China, excluding for the purposes of this announcement, Hong Kong, Macau and Taiwan
“Securities and Futures Ordinance” or “SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“SFC”	the Securities and Futures Commission

“Share(s)” or “Enerchina Share(s)”	share(s) of HK\$0.01 each in the capital of the Company
“Share Offer”	the mandatory unconditional cash offer to be made by Morgan Stanley on behalf of the Offeror to acquire all the issued Shares other than those held by the Offeror and parties acting in concert with it at the Share Offer Price
“Share Offer Price”	being HK\$0.63 per Share
“Shareholders” or “Enerchina Shareholders”	holders of the Enerchina Shares
“Sinolink Directors”	the directors, including independent non-executive directors of, Sinolink
“Sinolink Shareholders”	holders of the Sinolink Shares
“Sinolink Share(s)”	share(s) of HK\$0.10 each in the capital of Sinolink
“Smart Orient”	Smart Orient Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of Sinolink
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendors”	Pacific Sun Investment Ltd., Jayhawk China Fund (Cayman), Ltd., Neon Liberty Capital Management, LLC, and Waddell & Reed Financial Inc., all being investment funds, and which held 16,854,000, 173,146,000, 85,383,000 and 23,259,000 Enerchina Shares respectively immediately before the Acquisition

By Order of the Board of
Sinolink Worldwide Holdings Limited
OU Yaping
Chairman

By Order of the Board of
Enerchina Holdings Limited
SUN Qiang Chang
Chairman

Hong Kong, 6 December 2004

The directors of the Company jointly and severally accept full responsibility for the accuracy of information relating to the Enerchina Group contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions expressed by the Company in this announcement relating to the Enerchina Group have been arrived at after due and careful consideration and that there are no other facts relating to the Enerchina Group not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than that relating to the Enerchina Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions expressed in the announcement (other than those expressed by the Company) have been arrived at after due and careful consideration and that there are no other facts not contained in this announcement (other than that relating to the Enerchina Group), the omission of which would make any statement in this announcement misleading.

* For identification purpose only

At the date of this announcement, the boards of the Offeror and the Company comprise respectively of:

SINOLINK WORLDWIDE HOLDINGS LIMITED

Executive Directors:

OU Yaping (*Chairman*)
TANG Yui Man Francis (*Chief Executive Officer*)
CHEN Wei
LAW Sze Lai

Independent Non-executive Directors:

LI Zhi Xiang
XIN Luo Lin
Davin A. MACKENZIE

ENERCHINA HOLDINGS LIMITED

Executive Directors:

SUN Qiang Chang (*Chairman*)
OU Yaping (*Vice chairman*)
XIANG Ya Bo
TANG Yui Man Francis
LENG Xuesong
XU Xinghai

Independent Non-executive Directors:

XIN Luo Lin
LU Yungang
Davin A. MACKENZIE

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