



百仕達控股有限公司*
SINOLINK WORLDWIDE HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT OF 2000 RESULTS

RESULTS

The board of directors (the "Directors") of Sinolink Worldwide Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2000, together with the comparative figures for the corresponding year, as follows:

	NOTES	2000 HK\$'000	1999 HK\$'000
Turnover	1	1,518,830	744,421
Cost of sales		(1,373,418)	(615,019)
Gross profit		145,412	129,402
Other revenue	2	32,128	33,585
Distribution costs		(37,080)	(14,175)
Administrative expenses		(99,529)	(87,039)
Other operating expenses		(1,363)	(1,848)
Profit from operations		39,568	59,925
Finance costs		(5,326)	(10,715)
Share of results of associates		222	(1,488)
Profit from ordinary activities before taxation		34,464	47,722
Taxation	3	(7,049)	(5,736)
Profit before minority interests		27,415	41,986
Minority interests		(6,385)	(5,980)
Net profit for the year	4	21,030	36,006
Dividends	5	—	—
Profit for the year, retained		21,030	36,006
Earnings per share	6	HK\$	HK\$
Basic		0.014	0.024
Diluted		0.014	0.023

Notes:

(1) Turnover

	2000 HK\$'000	1999 HK\$'000
Sales of completed properties/ development properties	349,580	180,159
Revenue from electricity supply operations	80,837	139,584
Revenue from LPG business	1,059,729	412,708
Others (Note)	28,684	11,970
	1,518,830	744,421

Note: Others include income from decoration, interior design work and property management services.

(2) Other Revenue

	2000 HK\$'000	1999 HK\$'000
Interest on bank deposits	27,455	31,678
Rental income under operating leases	1,358	1,907
Dividend income	108	—
Deposits forfeited	734	—
Sundry	2,473	—
	32,128	33,585

(3) Taxation

	2000 HK\$'000	1999 HK\$'000
The tax charge comprises:		
Profit for the year		
The People's Republic of China ("PRC"), excluding Hong Kong	7,049	5,736

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in, nor is derived from, Hong Kong.

Pursuant to relevant laws and regulations in the PRC, certain of the Group's PRC subsidiaries established in the PRC are exempted from paying income tax for the first two years starting from its first profitable year of operations, followed by a 50 per cent. reduction from the third to fifth year. Provision for PRC income tax is provided for with reference to the applicable tax rates on the estimated assessable profits of those subsidiaries for the year.

Deferred taxation has not been provided for in the financial statements as there were no significant timing differences arising during the year or at the balance sheet date.

(4) Net profit for the year

Of the Group's net profit for the year of HK\$21,030,000 (1999: HK\$36,006,000), a profit of HK\$76,000 (1999: a loss of HK\$8,153,000) has been dealt with in the financial statements of the Company.

(5) Dividends

No dividend is proposed and paid during the year (1999: Nil).

(6) Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	2000 HK\$'000	1999 HK\$'000
Earnings for the purposes of basic earnings per share	21,030	36,006
Effect of dilutive potential shares:		
Interest on convertible notes	2,767	2,412
Earnings for the purposes of diluted earnings per share	23,797	38,418
Weighted average number of shares for the purposes of basic earnings per share	1,520,000,000	1,520,000,000
Effect of dilutive potential ordinary shares:		
Convertible notes	122,629,000	122,629,000
Weighted average number of shares for the purposes of diluted earnings per share	1,642,629,000	1,642,629,000

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for both 1999 and 2000.

SPECIAL INTERIM DIVIDEND

A special interim dividend was declared on 4 April 2001 to be satisfied by way of transfer of 15,200,000 shares of Panva Gas Holdings Limited ("Panva Gas") in the proportion of approximately 20 shares of Panva Gas for every 2,000 shares of the Company held.

REVIEW OF OPERATIONS

For the year ended 31 December 2000, the Group's turnover amounted to approximately HK\$1,518,830,000, an increase of 104% compared with 1999. Profit attributable to shareholders amounted to approximately HK\$21,030,000. As at 31 December 2000, the Group's consolidated net asset value was HK\$1,199,188,000, or HK\$0.79 per share, cash on hand amounted to HK\$656,074,000 and borrowings of HK\$284,276,000, resulting in a debt-to-equity ratio of 23.7%.

PROPERTY DEVELOPMENT

Driven by strong economic growth and supportive government measures, the real estate market in the PRC continued to bristle with activities during 2000. Shenzhen Special Economic Zone ("Shenzhen"), whose economy developed more rapidly due to its proximity to the Hong Kong Special Administrative Region ("Hong Kong"), became a major benefactor. The Group has been engaged in property development in Shenzhen for many years, and is renowned for being a developer of high quality properties with a well-trained professional team. It is upon this solid foundation that the Group is seeking further expansion in property development, investment and management.

During the year, the Group's property development business reported a turnover of approximately HK\$350,000,000, represent an increase of 94% as compared with 1999. During the year, the Group sold 387 residential units.

Liquefied Petroleum Gas ("LPG") Business

The Group's LPG business performed well during the year. Fluctuations in international oil price caused no hindrance to the Group's determined direction of expansion in the LPG market. Such efforts have more than offset the impact on sales brought by increased production costs, enabling the LPG business to grow by 1.5 times in turnover compared to 1999. The achievement clearly reflected the Group's strength in managing and operating the LPG business and highlighted the strong growth of LPG consumption in the PRC.

During the year, the LPG business continued to expand its wholesale and retail networks in the Yangzi River region and southwestern China. As a result, it enjoyed significant growth in both market share and turnover. In order to strengthen the retail base in eastern China, a joint venture was formed with Nanjing LPG Company. The Group has a 55% interest in the joint venture, Nanjing Panva LPG Company Ltd., which commenced business in October 2000. As at 31 December 2000, the LPG business had more than 150 retail outlets, with 800,000 registered customers. It sold 430,000 tonnes of LPG products during the year.

Panva Gas, the holding company of the Group's LPG business, began another new chapter following its successful listing on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 20 April 2001. It is expected that the Group will record an exceptional profit from the listing, which will be accounted for in the Group's 2001 results.

As the Group still maintains approximately 78% interest in Panva Gas, it will continue to benefit from growth and expansion contributed by Panva Gas.

Electricity Generation

During the year, fluctuations in international oil price have driven up the production costs of Shenzhen Fuhuae Electric Power Co., Ltd. ("Fuhuae"). This coincided with the subsidiary's revamping of its two generating units to switch from light diesel fuel to the less expensive heavy diesel fuel, and the regular overhaul of the second generating unit - both attributed to a decline in Fuhuae's electricity output. As a result, Fuhuae recorded a loss in 2000.

PROSPECTS

Property Business

Demand for better housing is soaring in the PRC, buoyed by a growing economy and rising living standards. Being the PRC's earliest and most developed special economic zone, Shenzhen has the advantage of being governed under a relatively comprehensive legal system that includes clear rules and regulations for the property sector. It is against this background that Sinolink Garden, the Group's premium property in Shenzhen, is becoming increasingly attractive to both Mainland residents and Hong Kong citizens.

The Group has a strong presence in Shenzhen. Apart from Sinolink Garden, the Group's land bank also comprises 320,000 square metres of land to be available from the transformation of the Yinhu cable site in the Luohu district.

The Group believes that the PRC's imminent entry to the World Trade Organization ("WTO"), the deepening of its economic reforms, and the possible hosting of the 2008 Olympic Games in Beijing, are all positive factors that would stimulate further growth in the PRC property market. The Group will take advantage of its established brandname, professional management and strong financial resources to seek expansion for its real estate business. Apart from Shenzhen, considerations will be given to property development and investment projects in other major cities such as Beijing and Shanghai.

LPG Business

Following its listing, Panva Gas will be in a better position to pursue market expansion and to increase the number of end-users for its retail business. It will allocate more resources to reinforce "PANVA" as a brand name for environmentally friendly and safe fuel products with high quality services. In addition, Panva Gas will consider the possibility of expanding its sales and LPG pipe-line networks in the PRC. Given the PRC's rapid economic growth, strong government commitment to environmental protection, and continuous rise in living standard, LPG as an environmentally friendly, safe and modern domestic fuel will enjoy huge demand. Over the last 10 years, demand for LPG has grown by 20% annually on average in the PRC, and the Group believes this high growth rate will be sustained. Panva Gas has taken advantage of the growth to further increase its market share and to provide the Group with favourable returns and opportunities.

Electricity Generation

Following careful review of the power supply market in the PRC and the prospects of Fuhuae, the Group has in April 2001 entered into an agreement in principle (the "Agreement") with a third party (the "Buyer") to dispose of the entire interest in Sinolink Industrial Limited, a company indirectly owned 70% of Fuhuae. Pursuant to the Agreement, the Group received a deposit of RMB10,000,000 from the Buyer on 12 April 2001. The Group anticipates that completion of the transaction will result in another exceptional profit for the Group, which will be accounted for in the Group's 2001 results. The Group will actively seek for other good return investments to replace the electricity generation business for both turnover and profit contributions.

CONCLUSION

Even without taking into account the entry to WTO as a catalyst for further growth, the PRC's economy is still expected to grow by approximately 7% a year. Equipped with a senior management team that is highly experienced in conducting business in the PRC, and strong financial resources for development, the Group is well prepared to grasp the opportunities ahead and provide shareholders with satisfactory returns.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

PUBLICATION OF ANNUAL REPORT

A detailed results announcement of the Group for the year ended 31 December 2000 containing all the information required by the paragraphs 45(1) to 45(3) of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") will be published on the website of the Stock Exchange of Hong Kong Limited in due course.

By Order of the Board
OU Yaping
Chairman

Hong Kong, 24 April 2001

* The Chinese name is for identification purpose only.

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Aberdeen Room, Level 3, JW Marriott Hotel, Pacific Place, 88 Queensway, Hong Kong on Friday, 25 May, 2001 at 11:00 a.m. for the following purposes:—

- To receive and consider the financial statements and the directors' and auditors' reports of the Company for the year ended 31 December, 2000;
- To re-elect the retiring directors and to authorise the board of directors to fix the remuneration of directors;
- To re-appoint auditors and to authorise the board of directors to fix their remuneration; and
- As special business, to consider and, if thought fit, to pass with or without amendments, the following resolutions as Ordinary Resolutions of the Company:—

ORDINARY RESOLUTIONS

A. "THAT:—

- subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of all classes and securities which carry a right to subscribe or purchase shares of the Company on The Stock Exchange of Hong Kong Limited ("Stock Exchange") or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and regulations and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- the aggregate nominal amount of the shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
- for the purposes of this Resolution, "Relevant Period" means the period from the passing of this Resolution until whichever is the earliest of:—
 - the conclusion of the next annual general meeting of the Company;
 - the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
 - the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting."

B. "THAT:—

- subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares in the Company upon the exercise of the subscription rights attaching to any warrants of the Company or the exercise of the conversion rights attaching to any existing convertible

notes of the Company (iii) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time; or (iv) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution and the said approval shall be limited accordingly; and

- for the purpose of this Resolution, "Relevant Period" means the period from the passing of this Resolution until whichever is the earliest of:—
 - the conclusion of the next annual general meeting of the Company;
 - the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
 - the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting."

"Rights Issue" means an offer of shares in the capital of the Company open for a period fixed by the directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).

- "THAT subject to the passing of Ordinary Resolution No. 4A set out in the notice convening this meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to Ordinary Resolution No.4B set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No.4A set out in the notice convening this meeting, provided that such amount of shares shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution."

- To transact any other business if necessary.

By Order of the Board
YIM Chun Leung
Company Secretary

Hong Kong, 24 April 2001.

Principal place of business:—

25th Floor, Vicwood Plaza,
199 Des Voeux Road Central,
Hong Kong.

Notes:

- Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- To be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch shares registrar in Hong Kong, Central Registration Hong Kong Limited, at Rooms 1901-05, 19th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- Completion and delivery of the form of proxy will not preclude a shareholder from attending and voting at the meeting if the member so desires.
- An explanatory statement as required by the Rules Governing the Listing of Securities on the Stock Exchange in connection with the proposed repurchase mandate under Resolution 4A above will be dispatched to members together with the 2000 Annual Report of the Company.