



Sinolink Worldwide Holdings Limited
Announces 2002 annual results
Profit surges by 152%

To : Financial Editor

<For immediate release>

Financial Highlights

For the year ended December 31

	2002	2001	Change
	HK\$'000	HK\$'000	
Turnover	1,525,406	1,527,305	-0.12%
Profit before taxation	389,245	183,672	+1.12 times
Profit attributable to shareholders	294,429	116,971	+1.52 times
Earnings per share - basic	16.17 cents	7 cents	+1.31 times

[April 23, 2003 - Hong Kong] Sinolink Worldwide Holdings Limited ("Sinolink" or the "Group"; stock code: 1168) today announced the final results for the year ended 31 December, 2002. The Group recorded a turnover of HK\$1,525,406,000, representing a slight decrease of 0.12% from previous year. Profit attributable to shareholders amounted to HK\$294,429,000, representing a significant increase of 152% as compared to 2001. It was mainly attributable to the remarkable progress of the Group's gas fuel business, especially in city piped gas business as well as retail sector growth. The Board of Directors declared no payment of final dividend for the year.

Mr. Ou Yaping, Chairman of Sinolink said, “The Group’s ‘proactive development plan’ set in early 2002 has come to rewarding fruition. The spin-off of Panva Gas Holdings Limited (“Panva Gas”; stock code: 8132) and the acquisition of Enerchina Holdings Limited (“Enerchina”, formerly known as SilverNet; stock code: 622) gave further proof that the Group has become a consolidated enterprise apart from being a property development company.”

Mr. Ou Yaping added, “The admission as 1 of 200 constituent stocks in the Hang Seng Composite Index and 1 of 86 constituent stocks in the Hang Seng Mainland Composite Index has favoured the Group for future expansion.”

Property Development

During the year under review, turnover amounted to HK\$311,997,000, mainly derived from the sale of Sinolink Garden Phase Three, Mandarin House. Sinolink Garden Phase Four, The Oasis, is currently under construction with a GFA of approximately 387,800 m². It is estimated that the total percentage of completion will reach 45% by the end of 2003.

The Group has commenced the construction of Sinolink No.8, which offers 230 units, covering a GFA of 33,000 m². Presales started in October 2002 and the property is expected to be completed in December 2003.

Mangrove West Coast completed its initial design phase and has commenced construction in December 2002. Mangrove West Coast is an over 1,300-unit project covering a GFA of approximately 255,300 m². It is expected that the foundation works and the construction of the underground chambers will be completed in 2003.

During the year, the Group was awarded the tender for a piece of land in a famous resort area, Dameisha in Shenzhen. The project is expected to house a five-star resort hotel with 130 rooms and a 7,000 m² shopping complex, covering a GFA of 22,000 m². The project is named ‘Huxin Island’ and is expected to commence construction in 2003.

In addition to develop different projects concurrently, the Group is planning to increase its land bank by between 300,000m² - 400,000m² in 2003.

Gas Fuel Business

For the year ended 31 December 2002, the Group's Gas Fuel business, operated by Panva Gas recorded a turnover of approximately HK\$1,150,322,000 representing an increase of approximately 14% compared to last year. The gross profit margin increased substantially from 12.7% for the year ended 31 December 2001 to 22.8% for the year ended December 2002. This is a direct reflection of the Group's dedication in expanding the higher return retail business and the significant progress of the Group's city piped gas business.

During the year, Hutchison Whampoa Limited ("Hutchison"; stock code: 13) through its wholly subsidiary, Hutchison Whampoa Limited, acquired a 6.4% interest and exchangeable note of Panva Gas for a consideration of HK\$250,000,000 and has become the second largest shareholder of Panva Gas. The acquisition illustrated Hutchison's confident in the management expertise of Panva Gas as well as strategies in the PRC gas fuel market.

As at 31 December 2002, the Group's retail end-user customers included approximately 1,500,000 households using gas in cylinders and 97,000 households using piped gas.

With city piped gas supply currently at such low penetration rates in the PRC, the Group is planning to put efforts in the development of city piped gas projects through mergers and acquisitions. As demonstrated in other developed countries, the Group believes that piped gas will co-exist with cylinders in the PRC. Thereby, the Group will continue to develop its cylinder retail business.

Electricity Generation

The disposal of the Group's electricity business was completed in May 2002. Prior to the disposal, the electricity business recorded a turnover of HK\$40,474,000, which is in line with that of last year. The electricity business recorded an operating profit of HK\$14,301,000, which is carried out by the Group's associated company, Enerchina. Due to certain reorganisations in Enerchina, a loss (after netting off the profit generated from the electricity business) of HK\$22,749,000 was shared by the Group during the year.

The installed capacity of the power plant will increase to 285 megawatts when the new generator is operational in the second quarter of 2003. The Group is conducting feasibility studies on expansion of its electricity output capacity to 1,000 megawatts in order to tap continual growth in demand.

Mr. Ou Yaping concluded, "With the Hong Kong economy going into further distress, this provides an excellent opportunity for the Group to utilize its strong financial resources and unique management expertise to seek acquisition projects. Mergers and acquisitions are among the ways through which the Group can expand and maximize shareholder value."

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Company Profile

Sinolink Worldwide Holdings Limited is a conglomerate, which is principally engaged in 3 main business activities in the PRC namely, i) property development and investment; ii) liquefied petroleum gas and natural gas distribution, pipeline construction, transportation, storage, wholesale and retail business; iii) electricity generation and supply business.

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