



To: Business Editor (For immediate release)

**Sinolink Achieves Outstanding Results Through High Value-added Approach**  
**Turnover Up 102 % to HKD 2,327 Million, Net Profit Up 43% to HKD 962 Million**

<b><u>Financial Highlights</u></b>	<b>year ended at 31 December (HK\$ million)</b>		
	<b>2006</b>	<b>2005 (Restated)</b>	<b>Changes</b>
<b>Turnover</b>	<b>2,327</b>	1,154	+102%
<b>Gross Profit</b>	<b>1,215</b>	467	+160%
<b>Net Profit attributable to shareholders</b>	<b>962</b>	671	+43%
<b>Earnings per share-Basic</b>	<b>HK 33.99 cents</b>	HK 28.42 cents	+20%
<b>Final Dividend Per Share (Recommended)</b>	<b>HK 3.5cents</b>	HK 3.5 cents	--
<b>Bonus Shares Issue (Recommended)</b>	<b>1 for every 8 shares</b>	--	--

(Hong Kong, 19 April 2007) – Sinolink Worldwide Holdings Limited (Stock Code: 1168.HK) (“Sinolink” or the “Group”) today announced its annual results for the year ended 31 December 2006 (the “Period”).

During the Period, Sinolink achieved a turnover of HK\$ 2,327 million (2005 (restated): HK\$1,154million), representing an increase of 102% over last period. Gross profit for the Period increased by 160% to HK\$ 1,215 million (2005 (restated): HK\$467 million), and the profit attributable to equity holders of the Group for the Period increased by 43% to HK\$ 962 million (2005 (restated): HK\$671 million). Basic earnings per share for the Period rose by 20% to HK 33.99 cents.

The Board has resolved to declare a final dividend of HK 3.5 cents per share (2005: HK 3.5 cents) in respect of the year ended 31 December 2006. Upon approval by the shareholders of the Company at the forthcoming annual general meeting, the final dividend will be paid on or before 31 May 2007 to shareholders whose names appear on the register of members of the Company on 23 May 2007.

The Board has also recommended a bonus issue of new Shares on the basis of one new Share for every eight existing shares held. Upon approval by the shareholders at the annual general meeting and the Stock Exchange granting the listing of and permission to deal in the bonus Shares, the proposed bonus Shares will be dispatched on or about 31 May 2007 to shareholders whose names

appear on the register of members of the Company on 23 May 2007.

Mr. Ou Yaping, Chairman of Sinolink, said, "We are very pleased to announce the remarkable results for the year ended 31 December 2006. During the Period, the Group successfully completed its reorganization, redirecting our focus and commitment in the property development, investment and management businesses. The sale of the Mangrove West Coast at increasingly high prices underscores our strategy of developing high value added projects and achieving attractive returns. We have every confidence to continue to do so and differentiate our developments from other offerings."

Mr. Ou added that, "Looking forward, the Group intends to capitalize on its brandname and business model, and continue to add to its portfolio of projects. The Group is also planning to increase its investment property portfolio so as to secure a stable income stream and position the Group for capital appreciation while continuing to bring favorable return for our shareholders."

In April 2006, the Group reorganized to focus on the property development, investment and property management businesses by declaring a special interim dividend to be satisfied by way of a distribution in specie of the shares of Enerchina Holdings Limited ("Enerchina") held by the Company in the proportion of 5 Enerchina shares for every 10 shares held by the shareholders of the Company. This brought down the shareholding of the Group in Enerchina from 74.79% to 45.39%. As such, the results and performance of Enerchina is being accounted for in the Group's annual financial statements under the equity accounting method.

## **Business Review**

The outstanding performance is attributable to the strong contributions of the Group's property sales, namely, the sale of units in *The Mangrove West Coast* in Shenzhen, and the gain on disposal of part of the electricity generation and gas fuel businesses.

### *Property Sales*

For the year ended 31 December 2006, the Group recorded a turnover of HK\$2,239.6 million for property sales, representing an increase of 102% as compared to the same period last year. The Group sold a total floor area of approximately 97,559 square meters during the period as compared to 139,600 square meters for the same period last year. Property sales in 2006 were mainly derived from the sale of *The Mangrove West Coast* whilst 2005 property sales were mainly derived from the sale of *The Oasis*.

Gross profit increased by 159% to HK\$1,161.7 million in 2006 as compared to HK\$448.4 million in 2005 as a result of the significantly higher contribution margin and average selling price of *The Mangrove West Coast* as compared to that of *The Oasis*. There was also a significant increase in the average selling price of the *Mangrove West Coast* from RMB21,875 per square meter in 2005 to

RMB28,340 per square meter in 2006, representing an increase of approximately 30% or RMB6,465 per square meter.

#### *Property Rental*

For the year ended 31 December 2006, turnover from the Group's rental properties was HK\$15.3 million, representing an increase of 34% compared to 2005. The investment properties consist of mainly retail space in Sinolink Garden with a total gross floor areas of 23,337 square meters and approximately 3,280 parking spaces.

#### *Properties Under Development*

As at 31 December 2006, the Group has the following properties under development:

- (1) Sinolink Garden Phase Five, *The Oasis Plaza*, is a development project with a total site area of 40,786 square meters and a total gross floor area of 226,231 square meters. The Group intends to develop this development project into a residential and commercial complex. Recently Multiplex Cinema Ltd has already signed on as anchor tenant for the retail complex. Construction works have commenced during the year and is expected to be completed by the second half of 2008;
- (2) Shanghai Bund de Rockefeller Group or *Rock Bund*, is a joint development project with the Rockefeller Group International Inc. The project has a total site area of 18,000 square meters and total gross floor area of 94,080 square meters. The Group intends to redevelop this historical site into an upscale mixed-use neighborhood, with residential, commercial, retail, offices and hotel facilities. This development project is expected to be completed before the 2010 Shanghai World Expo and initial contacts with anchor tenants have already commenced.

#### *Other Strategic Investments*

Following the Group's corporate restructuring, Enerchina and Panva Gas became the major associates of the Group. In 2006, Enerchina's power generation business was still plagued by the problem of high heavy oil price. Thus, Enerchina has commenced the conversion of the power plant to using natural gas, a more economical and environmentally-friendly fuel source. The conversion is progressing as planned and is expected to be completed in 2007.

The year 2006 was a milestone for Panva Gas which acquired equity interests in 10 PRC companies and took assignment of their shareholders loans from Hong Kong and China Gas (China) Limited ("HKCG"). In consideration for the acquisition, Panva Gas issued approximately 773 million new shares to HKCG, which represented approximately 44% of the enlarged share capital of Panva Gas. Henceforth, HKCG has become the largest shareholder of Panva Gas and Enerchina holds approximately 30% interest.

## **Prospects**

The Group believes that the outlook for the property market in China will remain positive despite the Chinese government's introduction of austerity measures in a bid to curb property speculation. However, increasing living standards and urbanization in China will lead to continued demand for housing. Sinolink is particularly well positioned to meet the demand for high-end properties as the economy continues to grow.

In 2007, the Group will continue the sale of *The Mangrove West Coast* in Shenzhen. We believe its proximity to Western Corridor, which is scheduled to open in July 2007, will further boost its sales and prices. The Group's other projects, including its first venture in Shanghai, *Rock Bund*, and *Oasis Plaza* in Shenzhen, are progressing well. The Group will continue to enhance returns by seeking new investment opportunities in Shenzhen, Shanghai and other first-tier cities.

The prospects of the Group's strategic investments in Enerchina and Panva Gas remain buoyant. Together with HKCG, Panva Gas will be able to strengthen its market position and become the leading piped gas operator in the PRC. Panva Gas will also benefit from the financial strength, management experience and operational and technical expertise of HKCG and achieve potential operational synergies. Sinolink expect Enerchina to benefit in its capacity as shareholder of Panva Gas and ultimately generate substantial contributions to the Group. The Group will seek to capitalize on its valuation and enhance returns to the shareholders.

## **About Sinolink Worldwide Holdings Limited (Stock Code: 1168.HK)**

Sinolink Worldwide Holdings Limited is principally engaged in premier property development and management in first tier cities in China, namely Shenzhen and Shanghai. Its main development projects include Sinolink Garden and Mangrove West Coast in Shenzhen and RockBund in Shanghai. The company was listed on the main board of the Stock Exchange of Hong Kong Limited since 1998 and is currently one of the 200 Hang Seng Composite constituent stocks. It is also one of the 86 listed companies in the Hang Seng Mainland Composite.

The Group also has investments in electricity and gas business through its associate companies, Enerchina Holdings Ltd. (Stock Code: 622.HK) and Panva Gas Holdings Limited (Stock Code: 1083.HK).

Company website : [www.sinolinkhk.com](http://www.sinolinkhk.com)

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