

**[For Immediate Release]**



**Sinolink Worldwide Holdings Limited Announced  
2002 Interim Results  
Profit Attributable to Shareholders Surged 129%**

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**A Solid Business Foundation to Commit and Develop into a More  
Comprehensive and Diversified Enterprise**

**Financial Summary**

	For the six months ended June 30		
	<b>2002</b>	<b>2001</b>	Change
	<b>HK\$ '000</b>	<b>HK\$ '000</b>	
Turnover	686,193	735,043	-6.65%
Profit before taxation	193,775	82,164	+135.84%
Profit attributable to shareholders	151,600	66,183	+129.06%
Earnings per share			
– basic	HK 8.47cents	HK 3.96 cents	+113.89%
Interim dividend	HK 3 cents	HK 3 cents	--

(September 18, 2002 – Hong Kong) – Sinolink Worldwide Holdings Limited (“Sinolink” or the “Group”; stock code: 1168) is proud to announce today its interim results for the six months ended June 30, 2002.

During the period under review, turnover reached HK\$686,193,000 million, representing a slight decrease of 6.65% from the corresponding period of last year. Profit attributable to shareholders amounted to HK\$151,600,000, representing a dramatic increase of 129% as compared to the corresponding period in 2001. The profit increase is attributable to the Group’s gas business, especially in its city piped gas business, which recorded overwhelming growth, as well as its retail market share that continued to expand. Earnings per share increased from HK 3.96 cents per share in 2001 to HK 8.47 cents.

The Board of Directors declared the payment of an interim dividend of HK 3 cents for the six months ended June 30, 2002. The interim dividend for 2001 was HK 3 cents per share.

Commenting on the 2002 interim results, Mr. Ou Yaping, Chairman of the Group, said, "Accomplishing impressive results for the first half of 2002 is an indication that the Group's three core businesses of property development and investment holdings, the gas business and the electricity business continuously bring value to the investors and will develop at a promising pace. Under the guidance of management and the dedication of staff, coupled with flexible and innovative marketing strategies and brand name effect, the Group is approaching a new chapter in its commitment to becoming a diversified and comprehensive enterprise that grows and benefits from the expanding and growing China economy."

### **Property Development**

Capitalizing on the encouraging growth of the PRC property market, the Group has focused on developing high-quality property projects and diversify property categories. During the period under review, turnover was similar to that of the previous year and amounted to HK\$134,539,000. The turnover was mainly derived from the sale of Sinolink Garden Phase Three, Mandarin House, is currently in its final stages of construction. The occupation permit is expected to be obtained by November 2002. Sinolink Garden Phase Four, The Oasis, is currently in its initial design phase and is expected to commence construction by the end of this year. The Oasis has a total site area of 94,176 sq.m. and a GFA of approximately 388,000 sq.m..

Sinolink No.8 which is situated within the estate of Sinolink Gardens, has already commenced construction with its foundation already completed. Sinolink No.8 is expected to be a 230 units development covering a GFA of 33,300 sq.m. and a 2,500 sq.m commercial development. The property is expected to commence sales before the end of this year.

The initial design phase has already been completed for Mangrove West Coast and construction is expected to commence by October of this year. The total investment for Mangrove West Coast is budgeted at approximately RMB 1.5 billion (including land cost of RMB780 million) for the construction of 1,303 units covering a GFA of approximately 249,300 sq.m., a club house with GFA of 3,000 sq.m. and a kindergarten with GFA of approximately 3,000 sq.m..

The Group has strived to increase its land reserve. During the period under review, the Group successfully tendered for a piece of land in a resort area in Dameisha, Shenzhen with RMB 50,168,000. The project is expected to house a five star resort hotel with 130 rooms and a shopping complex of 7,000 sq.m.. The total site area of the project is approximately 18,600 sq.m. and a GFA of approximately 22,000 sq.m.. This new development site will be called "Huxin Island" (「湖心島」).

Looking into the future, the Group will continue to speed up the development pace of its property business, increase property categories and create a living culture to provide customers with quality homes to realize their dreams of a quality lifestyle.

### **Gas Business**

Panva Gas Holdings Limited ("Panva Gas"; stock code: 8132), which is approximately 71% owned by Sinolink, recorded a 9% decrease in turnover due to a 28% decrease in the sales price of LP gas from the corresponding period of last year. In fact, during the period under review, the Group witnessed an evident increase in the volume of LP gas sold when compared to the same period last year. Profit attributable to shareholders increased by approximately 20 times to amount to HK\$60,940,000, while gross profit margin reached 24.22% and represented a dramatic climb from the 6.7% recorded for the corresponding period of last year. The increase in the gross profit margin is a direct reflection of the Group's dedication in expanding the higher return retail business and in the significant progress of the Group's city piped gas business.

On May 14, 2002, Hutchison Whampoa Limited ("Hutchison") acquired a 6.4% interest in Panva Gas from the Group and conditionally agreed to subscribe for an exchangeable note to be issued by the Group that can be converted into another 6.4% interest in Panva Gas. The transaction reflected Hutchison's view and confidence in the enormous potentials of the PRC gas fuel market, as well as the Group's effective and efficient operations and management and the business development strategies of the Group.

As at the end of 30 Jun 2002, the Group's retail end-user customers increased to approximately 1,376,000 households, among which there are approximately 1,325,000 households that use gas in cylinders and approximately 51,000 households that use piped gas, representing an increase of approximately 175,000 households and approximately 31,000 households respectively. The Group has already established a solid foundation to grasp the rising demand of piped gas. Most important of all, the Group will solidify its brand name effect to speed up its market penetration as well as to further develop its city piped gas business.

Looking into the future, the Group aims to aggressively expand its city piped gas project through mergers and acquisitions. As demonstrated by other developed countries, the Group believes that piped gas will co-exist with cylinders in the PRC. As such, the Group will continue to expand and develop its gas in cylinder retail business, alongside the development of the piped gas business.

### **Electricity Business**

The disposal of the Group's electricity business was completed in May this year. Prior to the disposal, the electricity business recorded a turnover of approximately HK\$40,474,000, same as those in the corresponding period last year.

The Group is currently expanding the facilities of the power plant. It is expected by the fourth quarter of 2002, electricity generation capacity will increase four-fold and reach 285 megawatts. At the same time, the Group will strive to lower its operational cost and explore cooperation opportunities with other power plants, so as to increase efficiency and satisfy the huge electricity demand in Guangdong Province.

Mr Ou concluded, 'As we become SilverNet's largest shareholder, the Group has a very clear business structure and organization. Sinolink focuses on property development and investment holding, Panva Gas focuses on the gas fuel business and SilverNet focuses on electricity generation. This clear structure enables us to enhance and focus our resources. Each management group can focus on a particular operation and utilise capital more wisely. The Group's corporate value has been enhanced and we have also realized the mission of maximizing shareholders' value.'

**Company Background**

Sinolink Worldwide Holdings Limited is a conglomerate enterprise, which is principally engaged in three 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 and iii) electricity generation and supply business.

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