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百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1168)

Discloseable Transaction



PANVA GAS HOLDINGS LIMITED

百江燃氣控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8132)

Discloseable Transaction

FURTHER ACQUISITION OF INTERESTS IN ANSHAN CITY GAS

Reference is made to the joint announcement of Sinolink and Panva Gas dated 23 December 2004 and the circulars of Sinolink and Panva Gas both dated 13 January 2005 respectively, in relation to the Previous Asset Transfer Agreement.

Pursuant to the Previous Asset Transfer Agreement, upon the obtaining from relevant PRC government authorities of all necessary approvals for the Previous Asset Transfer Agreement, Anshan City Gas will have become a joint venture company to be named 鞍山百江燃氣有限公司 (“Anshan Panva Gas Co., Ltd.”), and which would be owned as to 51% by Panriver Investments and as to 30% by Shanghai Investment. Before completion of the Previous Asset Transfer Agreement, the parties to such agreement agreed to terminate such agreement.

In view of the termination, the Sinolink Board and the Panva Gas Board wishes to announce that on 22 March 2005, Panriver Investments, a wholly-owned subsidiary of Panva Gas, entered into the Further Asset Transfer Agreement with Anshan City Bureau whereby Panriver Investments agreed to acquire 81% equity interests in Anshan City Gas in the city of Anshan, Liaoning Province, PRC, for a total consideration of RMB111,960,000 (equivalent to approximately HK\$105,622,642). In effect, Panriver Investments has agreed to acquire the 30% equity interests in Anshan City Gas which had previously been agreed to be acquired by Shanghai Investments.

The entering into of the Further Asset Transfer Agreement constitutes a discloseable transaction for Panva Gas under Chapter 19 of the GEM Listing Rules and also constitutes a discloseable transaction for Sinolink under Chapter 14 of the Listing Rules.

Circulars containing further details of the Further Asset Transfer Agreement and other information as respectively required under the GEM Listing Rules and the Listing Rules will be despatched to the respective shareholders of Panva Gas and Sinolink as soon as practicable.

INTRODUCTION

Reference is made to the joint announcement of Sinolink and Panva Gas dated 23 December 2004 and the circulars of Sinolink and Panva Gas both dated 13 January 2005 respectively, in relation to the Previous Asset Transfer Agreement.

Pursuant to the Previous Asset Transfer Agreement, upon the obtaining from relevant PRC government authorities of all necessary approvals for the Previous Asset Transfer Agreement, Anshan City Gas will have become a joint venture company to be named 鞍山百江燃氣有限公司 (“Anshan Panva Gas Co., Ltd.”), and which would be owned as to 51% by Panriver Investments and as to 30% by Shanghai Investment. The date of completion of the Previous Asset Transfer Agreement would also depend on the relevant PRC government authorities granting all necessary approvals. Before completion of the Previous Asset Transfer Agreement, the parties to such agreement agreed to terminate such agreement on 22 March 2005.

After Sinolink and Panva Gas was informed that Shanghai Investment would not participate in the acquisition of interests in Anshan City Gas, the Previous Asset Transfer Agreement was terminated. Sinolink and Panva Gas was further informed that the 30% equity interests in Anshan City Gas which Shanghai Investment had previously agreed to acquire would have been sold to another buyer by Anshan City Bureau. In view of the termination of the above mentioned agreement, the Sinolink Board and the Panva Gas Board made the decision for a further acquisition of interests in Anshan City Gas and wishes to announce that on 22 March 2005, Panriver Investments, a wholly-owned subsidiary of Panva Gas, entered into the Further Asset Transfer Agreement with Anshan City Bureau whereby Panriver Investments agreed to acquire 81% equity interests in Anshan City Gas in the city of Anshan, Liaoning Province, PRC, for a total consideration of RMB111,960,000 (equivalent to approximately HK\$105,622,642). In effect, Panriver Investments has agreed to acquire the 30% equity interests in Anshan City Gas which had previously been agreed to be acquired by Shanghai Investments.

FURTHER ASSET TRANSFER AGREEMENT

Date: 22 March 2005

Parties:

- (i) Anshan City Bureau
- (ii) Panriver Investments

Assets to be acquired:

Anshan City Bureau and ultimate beneficial owners are Independent Third Parties. Subject to the terms and conditions of the Further Asset Transfer Agreement, Anshan City Bureau agreed to sell and Panriver Investments agreed to purchase 81% equity interests in Anshan City Gas in the city of Anshan, Liaoning Province, PRC. Anshan City Gas is currently owned as to 100% by Anshan City Bureau. Upon establishment of the joint venture company, the new company shall be named 鞍山百江燃氣有限公司 (“Anshan Panva Gas Co. Ltd.”), the principal business of which will include the provision of gas fuel, the investment, operations and management of the piped gas network for a period of 30 years to the city of Anshan. Panriver Investments will own 81% equity interests in Anshan Panva Gas and Anshan Panva Gas will become a subsidiary of Panva Gas (and thus an indirect non-wholly owned subsidiary of Sinolink).

Consideration:

In accordance with the terms and conditions of the Further Asset Transfer Agreement, the consideration to be paid by Panriver Investments for 81% equity interests in Anshan City Gas shall be RMB111,960,000 (equivalent to approximately HK\$105,622,642).

The consideration for the 81% equity interests was determined after arms length negotiations between Panriver Investments and Anshan City Bureau, and was determined based on the latest valuation report on the assets of Anshan City Gas as at 30 June 2004 prepared by a qualified PRC property valuer. Even though the valuation report on the assets of Anshan City Gas was made as at 30 June 2004, the same was used in the negotiation for the Previous Asset Transfer Agreement and as such, the Sinolink Board and the Panva Gas Board believe that the same valuation report should be used in the determination of the consideration for the 81% equity interests because such valuation was used in the initial acquisition of the 51% equity interests in Anshan City Gas as described in the previous joint announcement of Sinolink and Panva Gas dated 23 December 2004. The net assets value of Anshan City Gas (excluding land currently leased by Anshan City Gas) was valued at approximately RMB138,220,000 (equivalent to approximately HK\$130,396,226) (as at 30 June 2004).

Terms of payment of consideration:

- a. within 10 Business Days from the Effective Date, Panriver Investments shall pay approximately 30% of the consideration (i.e. the sum of RMB33,588,000 (equivalent to approximately HK\$31,686,792)) to Anshan City Bureau. Pursuant to the Previous Asset Transfer Agreement, Panriver Investments has already paid a sum of RMB21,150,000 (equivalent to approximately HK\$19,952,830) within 10 business days from 23 December 2004 (the date of the Previous Asset Transfer Agreement) leaving a balance of RMB12,438,000 (equivalent to approximately HK\$11,733,962) to be paid within 10 business days from 22 March 2005 (the date of the Further Asset Transfer Agreement). As Shanghai Investment had not made any payment of consideration in accordance with the Previous Asset Transfer Agreement, no double payment has been made for the purposes of payment of consideration in respect of the Further Asset Transfer Agreement.
- b. within 10 Business Days from all necessary governmental approvals having been obtained for the Further Asset Transfer Agreement, Panriver Investments shall pay approximately 40% of the consideration (i.e. the sum of RMB44,784,000 (equivalent to approximately HK\$42,249,056) to Anshan City Bureau; and
- c. the remainder of the consideration shall be paid by Panriver Investments within 10 Business Days after the obtaining the business registration of Anshan Panva Gas. The expected schedule will depend on the relevant PRC government authorities granting the business registration of Anshan Panva Gas.

Effective Date:

The parties have agreed with each other to procure that the Further Asset Transfer Agreement is duly registered with the relevant PRC governmental authorities and upon such condition precedent being satisfied; such date shall be the Effective Date.

FUNDING

The consideration for the 81% equity interests in Anshan City Gas will be financed out of the internal resources of Panva Gas. There will be no material impact on the working capital of Panva Gas.

INFORMATION ON ANSHAN CITY GAS AND ANSHAN CITY BUREAU

Anshan City Bureau is an Independent Third Party and a local government authority responsible for the public welfare of the city of Anshan, Liaoning Province, the PRC. Anshan City Gas is currently a state-owned enterprise incorporated in the PRC, which is currently 100% owned by Anshan City Bureau. Anshan City Bureau is principally engaged in the provision of gas fuel, the investment, operations and management of the piped gas network of the city of Anshan.

Anshan Panva Gas shall have thirty (30) years exclusive operation rights in the city of Anshan from the date of its establishment for provision of gas fuel, the investment, operations and management of the piped gas network to the city of Anshan.

As at 30 June 2004 Anshan City Gas had net assets of approximately RMB138,220,000 (equivalent to approximately HK\$130,396,226). The net losses before and after taxation and extraordinary items for the year ended 31 December 2002 were RMB11,827,000 (equivalent to approximately HK\$11,157,547). The net losses before and after taxation and extraordinary items for the year ended 31 December 2003 were RMB23,419,000 (equivalent to approximately HK\$22,093,396). The net losses before and after taxation and extraordinary items for the year ended 31 December 2004 were RMB19,413,000 (equivalent to approximately HK\$18,314,151).

REASONS FOR ENTERING INTO THE FURTHER ASSET TRANSFER AGREEMENT

Panva Gas is engaged in the downstream operations of the gas sector in the PRC and as part of its strategy in business development, Panva Gas expands through mergers and acquisitions. In the circumstances, the entering into of the Further Asset Transfer Agreement will allow the Panva Gas to consolidate further control of Anshan City Gas at a reasonable consideration. Panriver Investments is an investment holding company and a wholly-owned subsidiary of Panva Gas.

Anshan is the third largest city in the province of Liaoning with a population of approximately 3.6 million people. Such acquisition marks the third city in northeastern PRC after the cities of Changchun and Qiqihar for Panva Gas and is therefore in line with the business strategy of Panva Gas. The Panva Gas Board expects that, with its proven track record in managing this kind of business and the fact that it has 30 years' right of exclusive operation, it would be able to turnaround Anshan Panva Gas and thus make a profit contribution to its shareholders which is expected to be made within two to five years. However, the Panva Gas Board does not expect the Further Asset Transfer Agreement will have any immediate material impact on either the earnings or the assets and liabilities of Panva Gas or Sinolink, upon completion. As mentioned in the joint announcement of Sinolink and Panva Gas dated 23 December 2004 and the circulars of Sinolink and Panva Gas both dated 13 January 2005 respectively, in relation to the Previous Asset Transfer Agreement, since the opportunity has arisen for Sinolink and Panva Gas to increase its investment in Anshan City Gas, the Sinolink Board and the Panva Gas Board believe that its investment in Anshan City Gas will be a good opportunity for investment, even though it has already gained control of 51% equity interests in Anshan City Gas after completion of the Previous Transfer Asset Agreement. The Sinolink Board and Panva Gas Board believe that if it increases its investment from 51% equity interests to 81% equity interests in Anshan City Gas and when Anshan Panva Gas begins to make a contribution to the profits of Sinolink and Panva Gas, such contribution will be more significant.

Sinolink is principally engaged in property development and the sale and distribution of LP Gas and natural gas and the construction of gas pipelines in the PRC.

Both the Sinolink Board and the Panva Gas Board (including their respective independent non-executive directors) believe that the Further Asset Transfer Agreement was entered into upon normal commercial terms. Both the Sinolink Board and the Panva Gas Board (including their respective independent non-executive directors) consider that the terms of the Further Asset Transfer Agreement are fair and reasonable and are in the interests of the respective shareholders of Sinolink and Panva Gas as a whole.

GENERAL

The entering into of the Further Asset Transfer Agreement constitutes a discloseable transaction for Panva Gas under Chapter 19 of the GEM Listing Rules and also constitutes a discloseable transaction for Sinolink under Chapter 14 of the Listing Rules.

Circulars containing further details of the Further Asset Transfer Agreement and other information as respectively required under the GEM Listing Rules and the Listing Rules will be despatched to the respective shareholders of Panva Gas and Sinolink as soon as practicable.

DEFINITIONS

“Anshan City Bureau”	鞍山市公用事業管理局 (“Anshan City Public Utilities Management Bureau”)
“Anshan City Gas”	鞍山市煤氣總公司 (“Anshan City Gas Company”), a limited liability company incorporated in the PRC
“Anshan Panva Gas”	鞍山百江燃氣有限公司 (“Anshan Panva Gas Co. Ltd.”), a limited liability company to be incorporated in the PRC
“Business Day(s)”	means a day (other than a Saturday or a Sunday) on which licensed banks are open for business in the PRC
“Effective Date”	the date on which the Asset Transfer Agreement becomes legally effective under the laws of the PRC
“Further Asset Transfer Agreement”	the asset transfer agreement dated 22 March 2005 entered into between Panriver Investments, Anshan City Bureau and Shanghai Investment in relation to Anshan City Gas
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	Panva Gas and its subsidiaries
“Independent Third Party”	a person or company which is independent of and not connected with any director of Sinolink and Panva Gas, chief executive or substantial shareholder (within the meaning under the Listing Rules) of Sinolink and Panva Gas or any of its subsidiaries or any of their respective associates (within the meaning under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LP Gas”	liquefied petroleum gas
“Panriver Investments”	Panriver Investments Company Limited, a wholly-owned subsidiary of Panva Gas, a limited liability company incorporated in the PRC
“Panva Gas”	Panva Gas Holdings Limited (百江燃氣控股有限公司*) (Stock Code: 8132), a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Growth Enterprise Market of the Stock Exchange
“Panva Gas Board”	the board of directors of Panva Gas
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Previous Asset Transfer Agreement”	the asset transfer agreement dated 23 December 2004 entered into between Panriver Investments, Anshan City Bureau and Shanghai Investment in relation to Anshan City Gas
“RMB”	Renminbi, the lawful currency of the PRC

“Shanghai Investment”	上海建世海嘉投資有限公司 (“Shanghai Jian Shi Hai Jia Investment Co., Ltd”), a limited liability company incorporated in the PRC
“Sinolink”	Sinolink Worldwide Holdings Limited (Stock Code: 1168), a limited liability company incorporated in Bermuda, whose shares are listed on the Main Board of the Stock Exchange
“Sinolink Board”	the board of directors of Sinolink
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
Sinolink Worldwide Holdings Limited
Tang Yui Man, Francis
Chief Executive Officer

By order of the Board
Panva Gas Holdings Limited
Chen Wei
Managing Director

23 March 2005, Hong Kong

As at the date of this announcement, the Sinolink Board and the Panva Gas Board comprise 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

PANVA GAS HOLDINGS LIMITED

Executive Directors:

OU Yaping (Chairman)
TANG Yui Man Francis (Vice Chairman)
CHEN Wei (Managing Director)
LI Fujun
ZHANG Keyu
SHEN Lian Jin

Non-executive Directors:

FOK Kin-Ning, Canning
TO Chi Keung, Simon
(alternate director to FOK Kin-Ning, Canning)

Independent Non-executive Directors:

CHEUNG Hon Kit
LI Xiao Ru
GE Ming

This announcement, for which the directors of Panva Gas Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to Panva Gas Holdings Limited. The directors of Panva Gas Holdings Limited, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: – (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting.

For the purpose of illustration only and unless otherwise stated, the conversion of Renminbi into Hong Kong dollars is stated on the exchange rate of HK\$1.00 = RMB1.06. Such conversion should not be construed as a representation that the amount in question has been, could have been or could be converted at any particular rate or at all.