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WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 278)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF PROPERTY**

The Board of Directors of Wah Ha Realty Company Limited (the “Company”) announces that on 26 August 2010, the Company entered into a Provisional Agreement for Sale and Purchase (the “Provisional Agreement”) with the Purchaser, an Independent Third Party, in relation to the Disposal of the property located at Factory Flat C on 12th Floor, Wah Ha Factory Building, No. 8 Shipyard Lane, Hong Kong (the “Property”) for a Selling Price of HK\$21,840,000. The Selling Price was determined after arm’s length negotiation and was based on normal commercial terms.

The Disposal constitutes a Discloseable Transaction of the Company under Chapter 14 of the Listing Rules.

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The Provisional Agreement

Date: 26 August 2010

Purchaser: Sinoease Enterprises Limited or its Nominee(s)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Purchaser and its ultimate beneficial owner are Independent Third Parties not connected with the Company and its connected persons (as defined in the Listing Rules). Its principal business activity is property investment.

Vendor: Wah Ha Realty Company Limited

Property: Factory Flat C on 12th Floor, Wah Ha Factory Building, No. 8 Shipyard Lane, Hong Kong. Its gross floor area is approximately 4,200 square feet. The property is in vacant possession.

Basis of Sale: Upon completion, the Property will be sold on "as is" basis.

Consideration: HK\$21,840,000

The Selling Price was determined based on the current market price of the properties in the same area after arm's length negotiation between the Vendor and the Purchaser, an Independent Third Party.

Terms of Payment: (a) an initial deposit of HK\$1,008,000 was paid by the Purchaser to the Vendor upon signing of the Provisional Agreement;

(b) the balance of deposit of HK\$1,176,000 shall be paid by the Purchaser to the Vendor upon signing of the Formal Agreement for Sale and Purchase on or before 14 September 2010; and

(c) HK\$19,656,000 being the balance of the Selling Price shall be paid by the Purchaser to the Vendor on completion of the Disposal.

Completion Date: On or before 29 October 2010

Financial effect on the Disposal/Use of Proceeds

The original cost of the Property is HK\$808,810. It has been held for long term and rental purpose and been classified as “Investment Properties”. The Property was previously leased out with tenancy period from 1 May 2008 to 30 April 2010 at a monthly rental of HK\$33,000. However, the tenancy was early terminated on 1 January 2010. The Property has been vacant since then.

The net profits before and after taxation and extraordinary items attributable to the Property were HK\$336,000 and HK\$280,560 respectively for the financial year ended 31 March 2009 and were HK\$3,389,629 and HK\$2,830,341 respectively for the financial year ended 31 March 2010.

As at 31 March 2010, the carrying value of the Property was HK\$13,000,000. After deducting the carrying value of the Property and other incidental cost regarding the Disposal, the expected gain (before taxation) from the Disposal is approximately HK\$8,595,100. The net proceeds of approximately HK\$21,595,100 will be used as the Company’s working capital.

Reasons for the Disposal

The Board believes that it is in the interest of the Group to take advantage of the opportunity to dispose of the Property. The Board considers that the terms of the Disposal are on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

General

The principal activities of the Group are investment holding, property investment and management.

The Disposal constitutes a Discloseable Transaction of the Company under Chapter 14 of the Listing Rules.

Definitions

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

“Board”	the board of Directors
“Company”	Wah Ha Realty Company Limited, a company incorporated in Hong Kong with limited liability whose shares are listed on the main board of the Stock Exchange
“Consideration”	the selling price of HK\$21,840,000 for the Property
“Director(s)”	the director(s) of the Company

“Disposal”	the disposal of the Property under the Provisional Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies) who are not connected persons (as defined in the Listing Rules) of the Company and are independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Factory Flat C on 12 th Floor, Wah Ha Factory Building, No. 8 Shipyard Lane, Hong Kong
“Provisional Agreement”	the Provisional Agreement for Sale and Purchase dated 26 August 2010 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property
“Purchaser”	Sinoease Enterprises Limited or its Nominee(s), Independent Third Parties not connected with the Company and its connected persons
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Wah Ha Realty Company Limited

By order of the Board
WAH HA REALTY COMPANY LIMITED
Cheung Kee Wee
Chairman

Hong Kong, 27 August 2010

As at the date of this announcement, the Board of Directors of the Company comprises Messrs Cheung Kee Wee, Cheung Lin Wee and Cheung Ying Wai, Eric as Executive Directors, Messrs John Ho and Ng Kwok Tung as Non-executive Directors and Messrs Lam Hon Keung, Keith, Chan Woon Kong and Soo Hung Leung, Lincoln as Independent Non-executive Directors.