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世界（集團）有限公司
WORLD HOUSEWARE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 713)

RESUMPTION OF TRADING OF SHARES

The loss arising from the Incident was finally determined at RMB27,994,000 and was reflected in the financial results for the year ended 31st December 2006, as set out in the results announcement dated 24th April 2007. Following the Incident, an internal controls assessment services company, a member of an international certified public accountants group, performed internal controls design review and assessment and prepared the Report to enable the management of the Company to evaluate and, where appropriate, carry out the recommended controls procedures. Further to such recommendations, the Company engaged an independent external accounting firm, a Hong Kong based certified public accountants firm, to assist in the implementation of the internal controls and risk assessment procedures recommended in the Report. The implementation of such procedures is currently underway.

Based on the internal controls review referred to above and discussions with the management, the independent non-executive directors of the Company are of the opinion that the Incident is an isolated incident and any matters which might have given rise to the Incident have been properly addressed. They also consider that the Incident has not seriously impaired the Group’s ability to continue its business and had not resulted in any material disruption to the operations of the Group. They further consider the internal controls system of the Group to be adequate, especially given that, going forward, the Board will continue to review the effectiveness of the Company’s internal controls. Information on the progress of the ongoing enhancement to its internal controls system will be set out in the Company’s future interim and annual reports as and when appropriate.

At the request of the Company, trading of the Company’s shares was suspended since 9:30 a.m. on 6th September 2006, being the date when the first announcement regarding the Incident was made. Application has been made to the Stock Exchange of Hong Kong Limited for the resumption of trading in the shares with effect from 9:30 a.m. on 11th June 2007.

References are made to the announcements dated 14th September 2006, 11th December 2006 and the results announcement dated 24th April 2007 issued by World Houseware (Holdings) Limited (the “Company”) in connection with, amongst other things, the embezzlement of funds by a senior cashier of

a subsidiary of the Company (the “Incident”). The senior cashier was forthwith dismissed after the Incident and, so far as the Company is aware, there is no existing member of the senior management and staff of the Company and its subsidiaries (the “Group”) which might have been involved in the Incident.

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An internal controls assessment services company, a member of an international certified public accountants group, was engaged to perform internal controls design review and assessment of certain systems, conduct entity-level risk assessment, develop a high level three-year internal audit plan, and to prepare an assessment report (the “Report”) to enable the management of the Company to evaluate and, where appropriate, carry out the recommended controls procedures. The Report noted that, following the Incident, the management implemented internal controls system in respect of managing borrowings/financial instruments, physical cash management, bank reconciliations, processing receipts and payments, and segregation of duties for subsidiaries. Amongst other things, the subsidiaries’ policies and procedures governing routing cash management and treasury functions, including payment authorization and custody of payment chops and physical cash, were strengthened. Further, the management took improvement measures in respect of the senior cashier’s duties so as to minimize the risks of the senior cashier perpetrating any similar fraud. As a result of these measures, the role of the senior cashier was limited to preparation of daily cash report, daily count of physical cash and preparation of checks in respect of cash management.

The Report further identified areas of weaknesses for improvement, including that group-level policies and procedures for cash management and treasury operations had not been developed and majority of the function were decentralized with processes and internal controls being implemented at each subsidiary factory. Recommendations were made for the Company to adopt and use group-level policies and procedures to standardize cash management and treasury functions. Further to such recommendations, the Company engaged an independent external accounting firm, a Hong Kong based certified public accountants firm, to assist in the implementation of the internal controls and risk assessment procedures recommended in the report. A draft recommended procedures manual has been prepared and submitted to the management for discussion, and the implementation of such procedures is currently underway. Once the recommended procedures manual is in place, the independent external accounting firm will be asked to perform a review to see whether the recommended procedures have been implemented.

Based on the internal controls review referred to above and discussions with the management, the independent non-executive directors of the Company are of the opinion that the Incident is an isolated incident and any matters which might have given rise to the Incident have been properly addressed. They also consider that the Incident has not seriously impaired the Group’s ability to continue its business and had not resulted in any material disruption to the operations of the Group. They further consider the internal controls system of the Group to be adequate, especially given that, going forward, the Board will continue to review the effectiveness of the Company’s internal controls. Information on the progress of the ongoing enhancement to its internal controls system will be set out in the Company’s future interim and annual reports as and when appropriate.

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By Order of the Board

Lee Tat Hing

Chairman

Hong Kong, 8th June 2007

As at the date of this announcement, the executive directors of the Company are Mr. Lee Tat Hing, Madam Fung Mei Po, Mr. Lee Chun Sing, Madam Lai Lai Wah, Mr. Lee Pak Tung, Mr. Kwong Bau To, Mr. Choi Kwok Keung Sanvic and Madam Chan Lai Kuen Anita; the non-executive director of the Company is Mr. Cheung Tze Man Edward; the independent non-executive directors of the Company are Mr. Tang King Hung, Mr. Hui Chi Kuen Thomas and Mr. Ho Tak Kay.

Please also refer to the published version of this announcement in The Standard.