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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)

DISCLOSEABLE TRANSACTION: DISPOSAL OF A PROPERTY

The Board announces that on 24 March 2005, the Vendor a wholly owned subsidiary of the Company had entered into the Provisional Agreement for Sale and Purchase with an independent third party Purchaser whereby the Vendor agreed to sell and the Purchaser agreed to purchase the Property at an aggregate consideration of HK\$12,300,000.

The Disposal of the Property constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The Company will send a circular containing, among other things, the details of the Disposal to the Shareholders as soon as practicable.

THE AGREEMENT

Date

24 March 2005

Parties

- (a) The Vendor; and
- (b) The Purchaser

Subject matter of the Agreement

Pursuant to the Agreement, the Vendor agreed to sell and the Purchaser agreed to purchase the Property subject to the following terms:

- (a) The Date of Completion of the Agreement shall be on or before 18 May 2005; and
- (b) Vacant possession of the Property shall be given to the Purchaser on the Date of Completion; and

- (c) The Vendor shall repay all outstanding mortgage loan in respect of the Property on the Date of Completion.

Property

The Property comprising the Flat and the Car Parking Space is situated at No.1 Beacon Hill Road, Kowloon, Hong Kong. The Property is currently vacant. The total saleable floor area of the Flat is approximately 1,384 square feet. The Flat and the Car Parking Space were acquired by the Vendor in March 2003 and in September 2004 respectively at an aggregate consideration (together with relevant costs) of approximately HK\$8,578,000 and the carrying value (including sales agent commission) of the Property as at 24 March 2005 was approximately HK\$8,966,000.

Consideration

The consideration for the Disposal is HK\$12,300,000 which shall be paid by the Purchaser to the Vendor in the following manner:

- (a) A deposit of HK\$500,000 has been paid to the Vendor upon the signing of the Provisional Agreement; and
- (b) A further deposit of HK\$730,000 shall be paid upon signing of the Formal Agreement for sale and purchase on or before 7 April 2005; and
- (c) The remaining balance of HK\$11,070,000 shall be paid on the Date of Completion.

If the Purchaser shall fail to complete on the Date of Completion all the deposits paid by the Purchaser shall be forfeited by the Vendor who may resell the Property to other party and any deficiency in price arising from such resale shall be recovered from the Purchaser as liquidated damages. If the Vendor shall fail to complete the Property all deposits shall be returned to the Purchaser who may recover from the Vendor such further damages over and above the deposits as the Purchaser may sustain.

The consideration is arrived at after an arm's length negotiation between the Vendor and the Purchaser. The Board considers the terms of transaction and the consideration is fair and reasonable and is in the interests of the Group and the Shareholders as a whole by reference to the recent market value of comparable properties and no professional valuation has been made by the Vendor for the purpose of the sale.

INFORMATION OF THE PURCHASER

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is engaged in property holding and is a company incorporated in Hong Kong and together with its ultimate beneficial owners are independent third parties not connected with the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR THE DISPOSAL

The Property comprising the Flat and the Car Parking Space were respectively acquired in March 2003 and September 2004 for investment purpose by the Group and had been used for such purpose up to the date of the Disposal.

The Board considers the terms of the Disposal is fair and reasonable and is in the interests of the Group and the Shareholders as a whole by reference to the recent market value of comparable properties and no professional valuation has been made by the Vendor for the purpose of the sale.

Given the current favourable property market condition, the Board considers it is the right time to realise the Property and the Disposal will improve the liquidity and financial position of the Group.

USE OF THE PROCEEDS FROM THE DISPOSAL

The Company intends that part of the net proceeds from the Disposal will be used for the repayment of the entire outstanding mortgage loan relating to the Property in the amount of approximately HK\$3,357,000 and the remaining balance will be used for working capital purpose.

The Company is expected to record a gain on disposal of approximately HK\$3,334,000 for the year ending 31 December 2005 based on the carrying value (including sales agent commission) of the Property of approximately HK\$8,966,000 as at 24 March 2005.

GENERAL

The Vendor is engaged in the properties holding and its place of business is located in Hong Kong.

The Group is principally engaged in the design, manufacture, and marketing of PVC and fabric household products and PVC pipes and fittings.

The Disposal of the Property constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The Company will send a circular containing, among other things, the details of the Disposal to the Shareholders as soon as practicable.

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

“Board”	the board of Directors
“Car Parking Space”	ALL THOSE 13 equal undivided 80,444 th parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as NEW KOWLOON INLAND LOT NO.6277 And of and in the messuages erections and buildings thereon now known as “ONE BEACON HILL (畢架山1號)”, No.1 Beacon Hill Road, Kowloon (“the Estate”) TOGETHER with the sole and exclusive right and privilege to hold use occupy and enjoy ALL THAT CAR PARKING SPACE NO.123 on CAR PARK A of the Estate
“Company”	World Houseware (Holdings) Limited, a company incorporated in the Cayman Islands and whose shares are listed on the Stock Exchange
“Date of Completion”	the date on which completion of the Disposal takes place
“Directors”	the directors of the Company from time to time

“Disposal”	the disposal of the Property by the Group pursuant to the Agreement
“Flat”	ALL THOSE 91 equal undivided 80,444 th parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as NEW KOWLOON INLAND LOT NO.6277 And of and in the messuages erections and buildings thereon now known as “ONE BEACON HILL (畢架山1號)”, No.1 Beacon Hill Road, Kowloon (“the Estate”) TOGETHER with the sole and exclusive right and privilege to hold use occupy and enjoy ALL THAT FLAT A on the SIXTH FLOOR of TOWER 3 of the Estate
“Formal Agreement”	the formal agreement for sale and purchase in relation to the sale and purchase of the Property to be entered into between the Vendor and the Purchaser on or before 7 April 2005
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	comprising the Flat and the Car Parking Space
“Provisional Agreement”	the provisional agreement for sale and purchase in relation to the sale and purchase of the Property dated 24 March 2005 and entered into between the Vendor and the Purchaser
“Purchaser”	Elite On Industrial Limited, a company incorporated in Hong Kong
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Greatflow Investments Limited, a company incorporated in British Virgin Islands which is a wholly owned subsidiary of the Company

By Order of the Board
Lee Tat Hing
Chairman and Managing Director

Hong Kong, 31 March 2005

As at the date of this announcement, the executive directors of the Company are Mr. Lee Tat Hing, Ms. Fung Mei Po, Mr. Lee Chun Sing, Ms. Lai Lai Wah and Mr. Lee Pak Tung; the non-executive director of the Company is Mr. Cheung Tze Man, Edward; the independent non-executive directors of the Company are Mr. Wong Kong Chi, Mr. Hui Chi Kuen, Thomas and Mr. Ho Tak Kay.

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