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WORLD HOUSEWARE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 713)

DISCLOSEABLE TRANSACTION DISPOSAL OF THE SALE SHARES AND THE SHAREHOLDER LOAN IN A WHOLLY-OWNED SUBSIDIARY

The Board announces that on 27 June 2008, two wholly-owned subsidiaries of the Company, World Houseware Producing Company Limited and Welidy Limited, the Vendor, being the existing shareholders of Gold Earn, have entered into an agreement with the Purchaser in which the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Shares and the Shareholder Loan of Gold Earn at a consideration of HK\$26,500,000.

The Disposal 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 of the Company as soon as practicable.

THE AGREEMENT

Date

27 June 2008

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 Sale Shares and the Shareholder Loan subject to the following terms:

Formal Agreement for sale and purchase shall be entered into between the Vendor and the Purchaser on or before 8 July 2008 and the Date of Completion of the Agreement shall be on or before 28 July 2008.

Asset to be disposed

The assets to be disposed include the Sale Shares and the Shareholder Loan.

The Sale Shares, being 2 issued ordinary shares of HK\$1.00 each in the capital of Gold Earn, representing 100% of the existing issued share capital of Gold Earn.

Gold Earn is the registered and the beneficial owner of the Property and has the right to use of the Carparks which are both located in Shenzhen, Guangdong Province, the PRC. The Property and the Carparks were held for own use since its acquisition.

A summary of the revenue, profit/(loss) before and after taxation, total asset value and net asset/(liabilities) value of Gold Earn, based on the audited accounts of Gold Earn under the Hong Kong Financial Reporting Standards is set out below:

<i>(HK\$' million)</i>	For the year ended 31 December 2007 or as at 31 December 2007	For the year ended 31 December 2006 or as at 31 December 2006
Revenue	22.1	—
Profit/(loss) before taxation	6.0	(0.7)
Profit/(loss) after taxation	6.0	(0.7)
Total assets value	11.6	23.3
Net assets/(liabilities) value	4.8	(1.2)

Upon Completion, the Company will no longer hold any interest in Gold Earn and Gold Earn will cease to be a subsidiary of the Company.

Consideration

The consideration for the Disposal is HK\$26,500,000 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 on 27 June 2008;
- (b) A further deposit of HK\$7,000,000 shall be paid on or before 8 July 2008; and
- (c) The remaining balance of HK\$19,000,000 shall be paid on the Date of Completion.

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 actual transactions of similar properties with comparable market value at the nearby location in Shenzhen City, Guangdong Province, the PRC. 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 and the ultimate beneficial owner of the Purchaser are independent third parties not connected with the Company and its connected persons (as defined in the Listing Rules).

The Purchaser is principally engaged in investment holding.

REASONS FOR THE DISPOSAL

The principal assets of the Gold Earn are the Property and the right to use the Carparks which were held for self-used purpose for the Group in the past. Owing to the recent change of the Group's strategy, it is not necessary for the Group to use the Property and Carparks in present.

USE OF THE PROCEEDS FROM THE DISPOSAL

Taking into account the unaudited net assets of the Gold Earn of approximately HK\$4.7 million and the Shareholder Loan of approximately HK\$6.8 million at 27 June 2008, it is estimated that a gain of approximately HK\$14.6 million would be arisen from the Disposal. The net proceeds from the Disposal after deducting the related expenses are estimated to be approximately HK\$26.1 million and shall be used as general working capital for the Group. The net proceed derived from the Disposal will improve the liquidity and financial position of the Group. Taking into account the above, the Board considers that the terms of the Agreement are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

GENERAL

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

The Vendor is engaged in the trading of household products and property investment business.

The Disposal of the Sale Shares and the Shareholder Loan 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:

“Agreement”	the provisional agreement for sale and purchase in relation to the sale and purchase of the Sale Shares and the Shareholder Loan dated 27 June 2008 and entered into between the Vendor and the Purchaser
“Board”	the board of Directors
“Carparks”	Six carparking spaces number 048,050,051 and 052 on the upper basement and number 113 and 129 on the lower basement, Jiao Yu Ke Ji Building, Zhu Zi Lin Si Road, Shennan Boulevard, Futian District, Shenzhen City, Guangdong Province, the PRC (中國廣東省深圳市福田區深南大道竹子林四路教育科技大廈地下一層車位048,050,051及052號與地下二層車位113及129號共六個停車位)
“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 which shall be a date on or before 28 July 2008
“Directors”	the directors of the Company from time to time
“Disposal”	the disposal of the Sale Shares and the Shareholder Loan by the Group pursuant to the Agreement
“Formal Agreement”	the formal agreement for sale and purchase of the Sale Shares and the Shareholder Loan to be entered into between the Vendor and the Purchaser
“Gold Earn”	Gold Earn (Hong Kong) Limited, a company incorporated in Hong Kong which is wholly owned by the Vendor
“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
“PRC”	The People’s Republic of China
“Property”	Property situated at 19/F., Jiao Yu Ke Ji Building, Zhu Zi Lin Si Road, Shennan Boulevard, Futian District, Shenzhen City, Guangdong Province, the PRC. (中國廣東省深圳市福田區深南大道竹子林四路教育科技大廈塔樓第19層) The total saleable floor area of the Property is approximately 1,432.08 square meters

“Purchaser”	High Improvement Agents Limited, a company incorporated in British Virgin Islands and LLEA & COMPANY LIMITED, a company incorporated in Hong Kong, both are independent third parties not connected with the Company and its connected persons
“Sale Shares”	2 issued ordinary shares of HK\$1.00 each in the capital of Gold Earn, representing the entire existing issued capital of Gold Earn
“Shareholder Loan”	the outstanding amount of approximately HK\$6.8 million owed by Gold Earn to the Vendor as at the date of the Agreement which will be assigned by the Vendor to the Purchaser upon Completion
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	World Houseware Producing Company Limited and Welidy Limited, both are companies incorporated in Hong Kong which are wholly-owned subsidiaries of the Company

By Order of the Board
Lee Tat Hing
Chairman

Hong Kong, 4 July 2008

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 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. Tsui Chi Him Steve, Mr. Hui Chi Kuen Thomas and Mr. Ho Tak Kay.