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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 3 September 2005, the Vendor a wholly owned subsidiary of the Company had entered into the 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\$8,800,000.

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

3 September 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) Formal Agreement for Sale and Purchase shall be entered into between the Vendor and the Purchaser on or before 16 September 2005 and the Date of Completion of the Agreement shall be on or before 18 October 2005;
- (b) Vacant possession of the Property shall be given to the Purchaser on the Date of Completion; and
- (c) The Property shall be sold to the Purchaser free from any incumbrances.

Property

The Property is a residential flat situated in Flat C, 7/F, Tower 15A, Costa Del Sol (Phase II B), Laguna Verde, No. 8 Laguna Verde Avenue, Hung Hom, Kowloon, Hong Kong. The total saleable floor area of the Flat is approximately 1,384 square feet. The Flat was acquired by the Vendor as an uncompleted building from the developer on 27 September 1999 and the Property was later completed and possession was delivered by the developer to the Vendor on 4 August 2000. The aggregate consideration for the purchase (together with relevant costs) was approximately HK\$8,262,000.

The purchase of the Property was first financed through the mortgage loan with the DBS Bank (Hong Kong) Limited but all mortgage loan in respect of the Property had been fully repaid by the Vendor last year and the Vendor is now arranging for the release of the Property with the DBS Bank (Hong Kong) Limited.

The Property was used by the Group for leasing purpose until 7 February 2005 and is currently vacant.

A professional valuation which had been done by a professional independent valuer (including all relevant costs) of the Property as at 31 December 2004 was approximately HK\$8,418,000.

Consideration

The consideration for the Disposal is HK\$8,800,000 which shall be paid by the Purchaser to the Vendor in the following manner:

- (a) A deposit of HK\$264,000 has been paid to the Vendor upon the signing of the Agreement;
- (b) A further deposit of HK\$616,000 shall be paid upon the signing of the Formal Agreement for sale and purchase on or before 16 September 2005; and
- (c) The remaining balance of HK\$7,920,000 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 the professional valuation made by the Vendor on 31 December 2004.

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).

REASONS FOR 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 the professional valuation made by the Vendor on 31 December 2004.

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

USE OF THE PROCEEDS FROM THE DISPOSAL

The Company intends that the net proceeds from the Disposal will be used for working capital purpose.

The Company is expected to record a gain on disposal of approximately HK\$382,000 for the year ending 31 December 2005 based on the professional valuation (including all relevant costs) of the Property of approximately HK\$8,418,000 as at 31 December 2004.

According to the unaudited management accounts of the Vendor for the six months period ended 30 June 2005, the revenue and net profits (before and after taxation and extraordinary items) attributable to the Property for that period was HK\$60,000 and approximately HK\$42,000 respectively. According to the audited financial statements of the Vendor for the year ended 31 December 2004, the revenue and net profits (before and after taxation and extraordinary items) attributable to the Property for that year was HK\$318,000 and approximately HK\$274,000 respectively. According to the audited financial statements of the Vendor for the year ended 31 December 2003, the revenue and net profits (before and after taxation and extraordinary items) attributable to the Property for that year was HK\$351,000 and HK\$305,000 respectively.

GENERAL

The Vendor is engaged in trading of household products 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:

"Agreement"	the provisional agreement for sale and purchase in relation to the sale and purchase of the Property dated 3 September 2005 and entered into between the Vendor and the Purchaser
"Board"	the board of Directors
"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
"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
"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"	ALL THOSE 88 equal undivided 534,325th parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as KOWLOON INLAND LOT NO.11056 And of and in the messages erections and buildings constructed or now under construction thereon now know as "LAGUNA VERDE (海逸豪園)" ("the Estate") TOGETHER with the sole and exclusive right and privilege to hold use occupy and enjoy ALL THAT FLAT C on the 7TH FLOOR of TOWER 15A of COSTA DEL SOL (悅濤灣) (Phase II B) of the Estate
"Purchaser"	Mr. Hsieh Ming Chiu and Ms. Chan Chau Hung, are independent third parties of the Company
"Shareholders"	shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendor"	World Houseware Producing Company Limited, a wholly owned subsidiary of the Company

By Order of the Board
Lee Tat Hing
Chairman

Hong Kong, 12 September 2005

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. Wong Kong Chi, Mr. Hui Chi Kuen Thomas and Mr. Ho Tak Kay.