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WO KEE HONG (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 720)

CONNECTED TRANSACTION PROVISION OF FINANCIAL ASSISTANCE TO A NON-WHOLLY OWNED SUBSIDIARY

On 26 November 2008, Wo Kee Hong, a wholly owned subsidiary of the Company, provides the Guarantee to the Bank to secure a loan to be granted by the Bank to New Conception Shanghai. The Loan will be for the principal amount of up to the Renminbi equivalent of HK\$4 million, bearing normal interest chargeable by the Bank. New Conception Shanghai is a wholly owned subsidiary of Creative Pacific, a 60% indirectly owned subsidiary of the Company. Wo Kee Hong will charge New Conception Shanghai a fee equivalent to 1% per annum of the amount of the Guarantee in respect of the provision of the Guarantee.

The provision of the Guarantee by the Company constitutes a connected transaction under Rule 14A.66(2) of the Listing Rules and is subject to the reporting and announcement requirements set out in the Listing Rules.

PROVISION OF THE GUARANTEE

On 26 November 2008, Wo Kee Hong, a wholly owned subsidiary of the Company, provides the Guarantee to the Bank to secure a loan to be granted by the Bank to New Conception Shanghai. The Loan will be for the principal amount of up to the Renminbi equivalent of HK\$4 million bearing normal interest chargeable by the Bank, for a period of 12 months. New Conception Shanghai is a wholly owned subsidiary of Creative Pacific, a 60% indirectly owned subsidiary of the Company. New Conception Shanghai is primarily engaged in the design, marketing, wholesales and retail of men's fashion apparels and the sales of accessories such as ties, men's and travelling bags in the PRC. The purpose of the Loan is to provide additional working capital to New Conception Shanghai. Wo Kee Hong will charge New Conception Shanghai a fee equivalent to 1% per annum of the amount of HK\$4 million, being the amount of the Guarantee, in respect of the provision of the Guarantee, which is the same fee charged by the Issuing Bank. No security has been provided by Creative Pacific or New Conception Shanghai to Wo Kee Hong for the Guarantee.

Victory Globe, the 40% shareholder of Creative Pacific, has on 26 November 2008 provided an indemnity in favour of Wo Kee Hong to indemnify Wo Kee Hong up to 40% of its liability under the Guarantee, being the proportionate share of Victory Globe's obligation towards New Conception Shanghai if the Guarantee is provided by Wo Kee Hong in proportion to the percentage interest of the Company in Creative Pacific. The principal activity of Victory Globe is investment holding. No fee is payable by Wo Kee Hong under the Indemnity and no asset of the Company or Wo Kee Hong is granted to Victory Globe in respect of the provision of the Indemnity.

Mr. Chan, a director of Creative Pacific and a 33.20% shareholder of Victory Globe, on 26 November 2008, provided a guarantee in favour of Wo Kee Hong guaranteeing the due and punctual performance of the obligations of Victory Globe under the Indemnity. No fee is payable by Victory Globe or Wo Kee Hong for the provision of the Chan's Guarantee by Mr. Chan and no asset of the Company or Wo Kee Hong is granted to Mr. Chan in respect of the provision of the Chan's Guarantee.

REASONS FOR PROVISION OF THE GUARANTEE

The Group is principally engaged in the import, marketing, distribution and after-sales service of high quality, brand-name products serving customers in the Asian region, in particular, the markets of the PRC, Hong Kong, Macau, Singapore and Malaysia, and property investment. The products include principally cars and car accessories, motor yachts, helicopters, premium fashion apparels and accessories, air-conditioning and refrigeration products, audio-visual equipment, car audio and electronic products.

The Group has maintained credit facilities with the Issuing Bank which has not been fully utilised. As New Conception Shanghai requires additional working capital and taking into account the time it would require for New Conception Shanghai to apply to the banks for credit facilities, it is considered to be more efficient for New Conception Shanghai to request the Bank, which is the holding company of the Issuing Bank, for the Loan to be secured by the Guarantee by Wo Kee Hong to the Bank. The Guarantee is limited to HK\$4 million. Furthermore, the exposure of Wo Kee Hong under the Guarantee is limited to the percentage interest of the Company in Creative Pacific as Victory Globe, the 40% shareholder of Creative Pacific, has provided the Indemnity in favour of Wo Kee Hong in respect of its proportionate interest in Creative Pacific. The obligations of Victory Globe under the Indemnity are further guaranteed by Mr. Chan under the Chan's Guarantee. The 1% fee chargeable by Wo Kee Hong for the provision of the Guarantee is determined by reference to the fee that is charged by the Issuing Bank. It is considered that the terms of the Guarantee are on normal commercial terms as they are the same as those New Conception Shanghai would obtain from the Bank, an independent third party not connected with the connected persons of the Company (within the meaning of the Listing Rules).

Having considered the above, the Directors (including the independent non-executive Directors) are of the view that the provision of the Guarantee by the Company is fair and reasonable so far as the Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole.

GENERAL

New Conception Shanghai is a wholly owned subsidiary of Creative Pacific. Creative Pacific is owned as to 60% by Famous Name, a wholly owned subsidiary of the Company, and as to 40% by Victory Globe, which is owned as to 66.40% by two directors of Creative Pacific. Hence Creative Pacific is a company falling under Rule 14A.13(2)(a)(ii) of the Listing Rules and the provision of the Guarantee by Wo Kee Hong to the Bank to secure the Loan constitutes a connected transaction for the Company. As the Guarantee provided by Wo Kee Hong, a wholly owned subsidiary of the Company, is not on a several basis in proportion to the Company's interest in Creative Pacific, and each of the percentage ratio (other than the profits ratio) is more than 2.5% but less than 25% and the total value of the assistance is less than HK\$10,000,000, the provision of the Guarantee is governed by Rule 14A.66(2) of the Listing Rules and is subject to the reporting and announcement requirements set out in the Listing Rules.

DEFINITIONS

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

“Bank”	an independent third party not connected with the connected persons of the Company (within the meaning of the Listing Rules) and the holding company of the Issuing Bank;
“Board”	the board of Directors;
“Mr. Chan”	Mr. Chan Chun Wa, Vincent, a director of Creative Pacific who is interested in 33.20% of Victory Globe;
“Chan’s Guarantee”	the guarantee provided by Mr. Chan in respect of the obligations of Victory Globe under the Indemnity;
“Company”	Wo Kee Hong (Holdings) Limited, a company incorporated in Bermuda with limited liability and the shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Creative Pacific”	Creative Pacific Limited (香港新概念控股有限公司), a company incorporated in Hong Kong with limited liability;
“Directors”	the directors of the Company;
“Famous Name”	Famous Name Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company which holds 60% of the issued share capital of Creative Pacific;

“Group”	the Company and its subsidiaries;
“Guarantee”	the guarantee provided by Wo Kee Hong by way of a letter of credit issued by the Issuing Bank for an amount of HK\$4 million as security for the Loan;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Indemnity”	the indemnity provided by Victory Globe to Wo Kee Hong indemnifying Wo Kee Hong for up to 40% of its liability under the Guarantee;
“Issuing Bank”	the issuing bank of the letter of credit constituting the Guarantee, which is an independent third party not connected with the connected persons of the Company (within the meaning of the Listing Rules);
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Loan”	the loan by the Bank to New Conception Shanghai in the principal amount of up to the Renminbi equivalent of HK\$4 million;
“Macau”	the Macau Special Administrative Region of the People’s Republic of China;
“New Conception Shanghai”	上海新概念服飾有限公司 (New Conception Fashion Shanghai Co., Ltd.), a wholly foreign owned enterprise established in the PRC and a wholly-owned subsidiary of Creative Pacific;
“PRC”	The People’s Republic of China and for the sole purpose of this announcement shall exclude Hong Kong, Macau and Taiwan;
“Renminbi”	the lawful currency of the PRC;
“Victory Globe”	Victory Globe International Limited, a company incorporated in the British Virgin Islands with limited liability which holds 40% of the issued share capital of Creative Pacific;
“Wo Kee Hong”	Wo Kee Hong Limited, a wholly owned subsidiary of the Company; and
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong.

As at the date of this announcement, the Board comprises Mr. Richard Man Fai LEE (Executive Chairman and Chief Executive Officer), Mr. Jeff Man Bun LEE, Mr. Tik Tung WONG and Mr. Waison Chit Sing HUI, all of whom are executive Directors; Ms. Kam Har YUE, who is a non-executive Director; Mr. Boon Seng TAN, Mr. Raymond Cho Min LEE, and Mr. Ying Kwan CHEUNG, all of whom are independent non-executive Directors.

By Order of the Board
WO KEE HONG (HOLDINGS) LIMITED
Richard Man Fai LEE
Executive Chairman and Chief Executive Officer

Hong Kong, 26 November 2008