

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

ASPPL

A-S China Plumbing Products Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8262)

FRAMEWORK AGREEMENT RELATING TO A-S (GUANGZHOU) ENAMELWARE COMPANY LIMITED

This announcement is made on a voluntary basis.

The Board announces that on 23 September 2008, (i) the Chinese Parties; (ii) the Foreign Parties; and (iii) ASGEC entered into the Framework Agreement.

Under the Framework Agreement, it was agreed that the Parties shall use their best endeavours to negotiate the terms of and to enter into: (a) the Equity Interest Transfer Agreement and (b) the Property Transfer Agreement.

If the Equity Interest Transfer Agreement as contemplated by the Framework Agreement is materialized, the subject transaction, as regard to the transfer of the Equity Interest between the Group and Wei Ya, will constitute a connected transaction for the Company under Rule 20.13 of the GEM Listing Rules. With reference to the current applicable percentage ratios of the Company, the Equity Interest Transfer Agreement will not constitute a notifiable transaction of the Company under the GEM Listing Rules.

If the Property Transfer Agreement as contemplated by the Framework Agreement is materialized, the subject transaction will not constitute a connected transaction for the Company under Rule 20.13 of the GEM Listing Rules and with reference to the current applicable percentage ratios of the Company will not constitute a notifiable transaction of the Company under the GEM Listing Rules.

As the subject transactions may or may not proceed, the Shareholders and the investors of the Company should exercise with cautions when dealing in the securities of the Company.

The Board further announces that ASGEC has been consistently loss-making and it currently intends to cease the business operations of ASGEC on 25 September 2008. The Board resolved that the business operations of ASGEC will be ceased on 25 September 2008.

INTRODUCTION

The Board announces that on 23 September 2008, (i) the Chinese Parties; (ii) the Foreign Parties; and (iii) ASGEC entered into the Framework Agreement.

THE FRAMEWORK AGREEMENT

Date: 23 September 2008

Parties:

- (1) Wei Ya and Industrial Development Corporation (i.e. the Chinese Parties) as party A,
- (2) ASCC and the Company (i.e. the Foreign Parties) as party B, and
- (3) ASGEC as party C

Terms of the Framework Agreement

Under the Framework Agreement, it was agreed that the Parties should use their best endeavours to negotiate the terms of and to enter into: (a) the Equity Interest Transfer Agreement and (b) the Property Transfer Agreement, subject to the following principal terms and conditions. None of the Parties is committed under the Framework Agreement to enter into the Equity Interest Transfer Agreement and/or the Property Transfer Agreement.

For the Equity Interest Transfer Agreement, the main terms shall contain the following:

- (a) The Chinese Parties shall sell all the Equity Interest (i.e. representing the entire equity interest held by the Chinese Parties) in ASGEC to ASCC or its designated associated company at a consideration of RMB8.5 million, to be payable in cash by the Foreign Parties to the Chinese Parties according to their respective equity interest in ASGEC, i.e. as to RMB6,847,222 thereof payable to Wei Ya, and as to the remaining RMB1,652,778 thereof payable to the Industrial Development Corporation.
- (b) The Equity Interest Transfer Agreement shall be subject to, inter alia, the condition precedent that the necessary approval from the approving authority should be obtained in respect of the Equity Interest Transfer Agreement and the transaction contemplated thereunder.

For the Property Transfer Agreement, the main terms shall contain the following:

- (a) ASGEC shall transfer the PRC Property to the Chinese Parties with the Industrial Development Corporation as the actual transferee at the consideration of RMB8.5 million.

- (b) The Property Transfer Agreement shall be subject to, inter alia, the condition precedent that (i) the necessary approval from the approving authority shall be obtained for the Equity Interest Transfer Agreement and the transaction contemplated thereunder, and (ii) the transfer of the Equity Interest under the Equity Interest Transfer Agreement shall take effect.
- (c) After the completion of the Property Transfer Agreement, ASGEC may continue to use and occupy the second floor of the PRC Property as office premises without any rental, usage fee or other compensation payable to the Industrial Development Corporation until 31 December 2009, provided that ASGEC shall be responsible for the management fees, the utility charges and other operational expenses for such use and occupation.

The terms of the Framework Agreement were negotiated at arm's length. The Directors consider that the terms of the Framework Agreement, under which the Parties agreed to enter into further negotiations on the Equity Interest Transfer Agreement and the Property Transfer Agreement, are on normal commercial terms and are fair and reasonable to the Company and the Shareholders as a whole. The independent non-executive Directors wish to state that their view on the terms of the Framework Agreement as set out above is preliminary and may be subject to change, pending their receipt of a letter of independent advice, should one be required.

The Board further announces that ASGEC has been consistently loss-making and it currently intends to cease the business operations of ASGEC on 25 September 2008. The Board believed that it was in the interests of the Company based on its long term manufacturing optimization strategy to cease the business operations of ASGEC. The Board resolved that the business operations of ASGEC will be ceased on 25 September 2008.

GEM LISTING RULES IMPLICATIONS

The Company is directly holding 41.4% equity interest in ASGEC and indirectly through its wholly-owned subsidiary ASCC holding 40.6% equity interest in ASGEC. Wei Ya is a substantial shareholder of ASGEC by virtue of 14.5% equity interest in ASGEC and is therefore a connected person of the Company under the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Wei Ya and the Industrial Development Corporation are not associates or affiliated companies with each other, and hence the Industrial Development Corporation is not a connected person of the Company under the GEM Listing Rules.

If the Equity Interest Transfer Agreement as contemplated by the Framework Agreement is materialized, the subject transaction, as regard to the transfer of the Equity Interest between the Group and Wei Ya, will constitute a connected transaction for the Company under Rule 20.13 of the GEM Listing Rules. With reference to the current applicable percentage ratios of the Company, the Equity Interest Transfer Agreement will not constitute a notifiable transaction of the Company under the GEM Listing Rules.

If the Property Transfer Agreement as contemplated by the Framework Agreement is materialized, the subject transaction will not constitute a connected transaction for the Company under Rule 20.13 of the GEM Listing Rules and with reference to the current applicable percentage ratios of the Company will not constitute a notifiable transaction of the Company under the GEM Listing Rules.

INFORMATION RELATING TO THE GROUP AND ASGEC

The Group is principally engaged in the manufacture and distribution in the PRC a broad range of bathroom and kitchen fixtures and plumbing fittings.

ASGEC has been in operation since 1994 and is principally engaged in the manufacture of enamelled steel bathtubs and acrylic bathtubs.

GENERAL

This announcement is intended to set out the salient features of the Framework Agreement. This announcement further sets out that the business operations of ASGEC will be ceased on 25 September 2008. Further announcement(s) will be made by the Company in respect of any possible transactions and actions which will be taken to comply with the disclosure and/or approval requirements under the GEM Listing Rules.

As the subject transactions under the Framework Agreement may or may not proceed, the Shareholders and the investors of the Company should exercise with cautions when dealing in the securities of the Company.

DEFINITIONS

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

| | |
|-------------------|--|
| “ASCC” | 美標（中國）有限公司(A-S (China) Co., Ltd.) a company incorporated in the PRC and which is a wholly-owned subsidiary of the Company |
| “ASGEC” | 廣州美標益豐搪瓷有限公司(A-S (Guangzhou) Enamelware Company Limited), a sino-foreign equity joint venture company with limited liability established in Guangzhou, PRC between the Chinese Parties and the Foreign Parties, and is a subsidiary of the Company |
| “Board” | the board of directors of the Company |
| “Chinese Parties” | Wei Ya and Industrial Development Corporation |

| | |
|--------------------------------------|--|
| “Company” | A-S China Plumbing Products Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM |
| “connected persons” | has the meaning ascribed to it under the GEM Listing Rules |
| “Directors” | directors of the Company |
| “Equity Interest” | all the equity interest held by the Chinese Parties in ASGEC which represents 18% of the total equity interest thereof, and such equity interest is held by Wei Ya and the Industrial Development Corporation in the following proportion: as to 14.5% of the total equity interest is owned by Wei Ya, and as to 3.5% of the total equity interest is owned by the Industrial Development Corporation |
| “Equity Interest Transfer Agreement” | an agreement to be entered into between the Chinese Parties and the Foreign Parties for the transfer of all the Equity Interest by the Chinese Parties to the Foreign Parties |
| “Foreign Parties” | the Company and ASCC |
| “Framework Agreement” | a conditional agreement dated 23 September 2008 entered into among the Chinese Parties as party A, the Foreign Parties as party B and ASGEC as party C |
| “GEM” | the Growth Enterprise Market on the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | Hong Kong Special Administrative Region of the PRC |
| “Industrial Development Corporation” | 廣州開發區工業發展集團有限公司 (Industrial Development Corporation Limited of Guangzhou Economic & Technological Development Zone), an enterprise incorporated in the PRC |
| “Parties” | all the parties to the Framework Agreement |

| | |
|-------------------------------|--|
| “PRC” | the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region and Taiwan |
| “PRC Property” | the property situate at 中國廣州經濟技術開發區寶石路18號with real estate ownership certificate 穗房地證字第0513488號, which is currently owned by ASGEC |
| “Property Transfer Agreement” | an agreement to be entered between the Chinese Parties and ASGEC for the transfer of the PRC Property by ASGEC to the Industrial Development Corporation |
| “RMB” | Renminbi, the lawful currency of PRC |
| “Shareholders” | holders of Shares |
| “Shares” | ordinary shares of US\$0.01 each in the share capital of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “substantial shareholder” | has the meaning ascribed to it under the GEM Listing Rules |
| “US\$” | United States Dollars, the lawful currency of the United States of America |
| “Wei Ya” | 維亞實業有限公司(Wei Ya Industry Company Limited), an enterprise incorporated in the PRC |
| “%” | per cent. |

As at the date of this announcement, the board of directors of the Company comprises Mr. Ye Zhi Mao, Jason, Mr. Gao Jinmin, Ms. Chen Rong Fang, Mr. Wang Gang and Mr. Yang Xiong as executive directors; Mr. Peter James O’Donnell as non-executive director; and Mr. Chang Sze-Ming, Sydney, Mr. Ho Tse-Wah, Dean and Mr. Wong Kin Chi as independent non-executive directors.

By Order of the Board
Chen Rong Fang
Company Secretary

Hong Kong, 24 September 2008

This announcement, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock exchange of Hong Kong Limited of the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (1) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.