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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)**

**RESULTS ANNOUNCEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

The Board of Directors (the “Board”) of World Houseware (Holdings) Limited (the “Company”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2023 together with the comparative figures for the last corresponding year:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*FOR THE YEAR ENDED 31 DECEMBER 2023*

	<i>NOTES</i>	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Turnover	2	<b>380,630</b>	628,672
Cost of sales		<b>(337,131)</b>	(581,254)
Gross profit		<b>43,499</b>	47,418
Other income		<b>30,352</b>	37,254
Other gains and losses	3	<b>(5,387)</b>	93,604
Loss arising from changes in fair value of long-term other assets		<b>(106,089)</b>	(198,430)
Selling and distribution costs		<b>(32,269)</b>	(60,269)
Administrative expenses		<b>(87,268)</b>	(124,843)
Net impairment losses reversed under expected credit loss model		<b>2,076</b>	7,651
Finance costs	4	<b>(13,434)</b>	(21,838)

		<b>2023</b>	2022
	<i>NOTES</i>	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Loss before taxation		<b>(168,520)</b>	(219,453)
Taxation (charge) credit	<i>5</i>	<u><b>(3,612)</b></u>	<u>6,001</u>
Loss for the year	<i>6</i>	<b>(172,132)</b>	(213,452)
Other comprehensive expense			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<u><b>(26,901)</b></u>	<u>(86,195)</u>
Total comprehensive expense for the year		<u><b>(199,033)</b></u>	<u>(299,647)</u>
		<b><i>HK cents</i></b>	<i>HK cents</i>
Basic and diluted loss per share	<i>8</i>	<u><b>(21.80)</b></u>	<u>(27.45)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*AT 31 DECEMBER 2023*

	<i>NOTES</i>	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Non-current assets</b>			
Investment properties		<b>29,924</b>	31,007
Property, plant and equipment		<b>260,508</b>	265,462
Right-of-use assets		<b>76,053</b>	129,636
Deposits paid for acquisition of property, plant and equipment		<b>17,906</b>	17,383
Deposit and prepayments for a life insurance policy		<b>47,264</b>	47,490
Long-term prepayment		<b>10,750</b>	10,750
Long-term other assets	<i>9</i>	<b>1,482,320</b>	1,586,183
		<b><u>1,924,725</u></b>	<u>2,087,911</u>
<b>Current assets</b>			
Inventories		<b>133,553</b>	172,694
Trade and other receivables	<i>10</i>	<b>273,297</b>	342,000
Contract assets		<b>7,648</b>	7,494
Taxation recoverable		<b>786</b>	540
Pledged bank deposits		<b>6,281</b>	6,206
Short-term bank deposits		<b>73,974</b>	–
Bank balances and cash		<b>636,149</b>	587,074
		<b><u>1,131,688</u></b>	<u>1,116,008</u>

		2023	2022
	<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Current liabilities</b>			
Trade and other payables	<i>11</i>	<b>1,024,120</b>	899,013
Contract liabilities		<b>10,808</b>	16,308
Amounts due to directors		<b>43,643</b>	46,471
Taxation payable		<b>94</b>	1,405
Lease liabilities		<b>19,408</b>	21,847
Secured bank borrowings		<b>–</b>	33,340
		<b>1,098,073</b>	1,018,384
Net current assets		<b>33,615</b>	97,624
Total assets less current liabilities		<b>1,958,340</b>	2,185,535
<b>Non-current liabilities</b>			
Amounts due to directors		<b>127,436</b>	130,789
Deposits received		<b>120,032</b>	119,542
Lease liabilities		<b>41,978</b>	63,122
Deferred taxation		<b>217,498</b>	229,202
		<b>506,944</b>	542,655
Net assets		<b>1,451,396</b>	1,642,880
<b>Capital and reserves</b>			
Share capital		<b>79,212</b>	78,562
Reserves		<b>1,372,184</b>	1,564,318
Total equity		<b>1,451,396</b>	1,642,880

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2023*

## 1. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### **New and amendments to HKFRSs that are mandatorily effective for the current year**

In the current year, the Company and its subsidiaries (the “Group”) have applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform - Pillar Two model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

***Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies***

The Group has applied the amendments for the first time in the current year. HKAS 1 *Presentation of Financial Statements* is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 *Making Materiality Judgements* (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies to the consolidated financial statements.

## Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>2</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>2</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>2</sup>
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements <sup>2</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>3</sup>

<sup>1</sup> *Effective for annual periods beginning on or after a date to be determined.*

<sup>2</sup> *Effective for annual periods beginning on or after 1 January 2024.*

<sup>3</sup> *Effective for annual periods beginning on or after 1 January 2025.*

The directors of the Company anticipate that the application of all other amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

## 2. TURNOVER AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. This is also the basis upon which the Group is arranged and organised.

Specifically, the Group's reportable and operating segments under HKFRS 8 "Operating Segment" are as follows:

Household products	–	manufacture and distribution of household products
PVC pipes and fittings	–	manufacture and distribution of PVC pipes and fittings
Property investments	–	investment in properties

No operating segments have been aggregated in arriving at the reportable segments of the Group.

### Segment turnover and results

The following is an analysis of the Group's turnover and results by operating and reportable segments.

**For the year ended 31 December 2023**

	Household products <i>HK\$'000</i>	PVC pipes and fittings <i>HK\$'000</i>	Property investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>Turnover</b>				
Sales of goods recognised at a point in time	<u>57,612</u>	<u>316,266</u>	<u>–</u>	<u>373,878</u>
Revenue from contracts with customers	57,612	316,266	–	373,878
Rental income	<u>4,990</u>	<u>227</u>	<u>1,535</u>	<u>6,752</u>
Total segment revenue	<u><u>62,602</u></u>	<u><u>316,493</u></u>	<u><u>1,535</u></u>	<u><u>380,630</u></u>
Segment profit (loss)	4,813	(33,436)	(107,172)	(135,795)
Bank interest income				10,546
Interest income from a deposit placed for a life insurance policy				1,257
Finance costs				(13,434)
Premium charges on a life insurance policy				(1,747)
Unallocated corporate expenses				<u>(29,347)</u>
Loss before taxation				<u><u>(168,520)</u></u>



For the year ended 31 December 2022

	Household products <i>HK\$'000</i>	PVC pipes and fittings <i>HK\$'000</i>	Property investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Turnover				
Sales of goods recognised at a point in time	<u>124,715</u>	<u>496,913</u>	<u>–</u>	<u>621,628</u>
Revenue from contracts with customers	124,715	496,913	–	621,628
Rental income	<u>5,244</u>	<u>527</u>	<u>1,273</u>	<u>7,044</u>
Total segment revenue	<u><u>129,959</u></u>	<u><u>497,440</u></u>	<u><u>1,273</u></u>	<u><u>628,672</u></u>
Segment profit (loss)	16,549	6,381	(196,796)	(173,866)
Bank interest income				4,837
Interest income from a deposit placed for a life insurance policy				1,231
Finance costs				(21,838)
Premium charges on a life insurance policy				(1,689)
Unallocated corporate expenses				<u>(28,128)</u>
Loss before taxation				<u><u>(219,453)</u></u>

The accounting policies of the operating segments are the same as the Group's accounting policies described in note to consolidated financial statements. Segment profit (loss) represents the profit earned (loss incurred) by each segment without allocation of bank interest income, interest income from a deposit placed for a life insurance policy, finance costs, premium charges on a life insurance policy and unallocated corporate expenses including directors' remuneration paid or payable by the Company and certain administrative expenses for corporate use. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

## Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

	Household products <i>HK\$'000</i>	PVC pipes and fittings <i>HK\$'000</i>	Property investments <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>At 31 December 2023</b>				
<b>Assets</b>				
Segment assets	187,144	511,395	1,536,977	2,235,516
Unallocated assets				<u>820,897</u>
Consolidated total assets				<u><u>3,056,413</u></u>
<b>Liabilities</b>				
Segment liabilities	19,609	154,393	355,320	529,322
Unallocated liabilities				<u>1,075,695</u>
Consolidated total liabilities				<u><u>1,605,017</u></u>
<b>At 31 December 2022</b>				
<b>Assets</b>				
Segment assets	181,251	682,514	1,642,105	2,505,870
Unallocated assets				<u>698,049</u>
Consolidated total assets				<u><u>3,203,919</u></u>
<b>Liabilities</b>				
Segment liabilities	24,714	202,128	368,740	595,582
Unallocated liabilities				<u>965,457</u>
Consolidated total liabilities				<u><u>1,561,039</u></u>

## Other segment information

For the year ended 31 December 2023

	Household products <i>HK\$'000</i>	PVC pipes and fittings <i>HK\$'000</i>	Property investments <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts included in the measure of segment profit or loss or segment assets:						
Addition to property, plant and equipment	4,564	38,116	-	42,680	-	42,680
Depreciation of property, plant and equipment	9,483	17,565	-	27,048	1,939	28,987
Depreciation of right-of-use assets	652	23,183	-	23,835	-	23,835
Impairment loss reversed on trade receivables	(330)	(1,746)	-	(2,076)	-	(2,076)
Net foreign exchange gain	(3,765)	(3,464)	-	(7,229)	-	(7,229)
Loss on disposal/write-off of property, plant and equipment and right-of-use assets	869	10,684	-	11,553	-	11,553
Loss arising from changes in fair value of investment properties	-	-	1,083	1,083	-	1,083
Loss arising from changes in fair value of long-term other assets	-	-	106,089	106,089	-	106,089

For the year ended 31 December 2022

	Household products <i>HK\$'000</i>	PVC pipes and fittings <i>HK\$'000</i>	Property investments <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts included in the measure of segment profit or loss or segment assets:						
Addition to property, plant and equipment	704	42,299	–	43,003	–	43,003
Depreciation of property, plant and equipment	14,456	31,188	–	45,644	1,939	47,583
Depreciation of right-of-use assets	688	22,489	–	23,177	–	23,177
Impairment loss reversed on trade receivables	–	(7,651)	–	(7,651)	–	(7,651)
Net foreign exchange gain	(29,698)	(14,915)	–	(44,613)	–	(44,613)
Loss (gain) on disposal/write-off of property, plant and equipment and right-of-use assets	414	(53,930)	–	(53,516)	–	(53,516)
Loss arising from changes in fair value of investment properties	–	–	5,412	5,412	–	5,412
Loss arising from changes in fair value of long-term other assets	–	–	198,430	198,430	–	198,430

### Geographical information

More than 90% of the sales of the Group's household products were made to customers in the United States of America.

More than 90% of the sales of the Group's PVC pipes and fittings made to customers in the PRC.

More than 90% of the Group's non-current assets are located in the PRC. Accordingly, no non-current assets by geographical location is presented.

### Information about major customer

Revenue from customer of the corresponding years contributing over 10% of the total sales of the Group is as follows:

	Year ended	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A <sup>1</sup>	N/A <sup>2</sup>	66,338

<sup>1</sup> Revenue from household products

<sup>2</sup> The corresponding revenue did not contribute over 10% of the total revenue of the Group.

### 3. OTHER GAINS AND LOSSES

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net foreign exchange gain	7,229	44,613
Loss arising from changes in fair value of investment properties	(1,083)	(5,412)
(Loss) gain on disposal/write-off of property, plant and equipment and right-of-use assets	(11,533)	53,516
Recovery of trade receivables previously written off	—	887
	<u>(5,387)</u>	<u>93,604</u>

#### 4. FINANCE COSTS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest on:		
– secured bank borrowings	1,003	4,584
– lease liabilities	4,037	5,032
Interest/imputed interest on:		
– amounts due to directors	4,595	4,637
– Deposits Received from Redevelopment Project	3,799	7,585
	<u>13,434</u>	<u>21,838</u>

#### 5. TAXATION (CHARGE) CREDIT

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
PRC Enterprise Income Tax (“EIT”)		
– charge for the year	(2,717)	(1,451)
– underprovision in prior years	(91)	(168)
– withholding tax on profits of a non-resident in the PRC	(9,349)	–
	<u>(12,157)</u>	<u>(1,619)</u>
PRC Land Appreciation Tax	–	(5,094)
Deferred taxation credit		
– credit for the year	2,390	6,160
– withholding tax on profits of a non-resident in the PRC	6,155	6,554
	<u>8,545</u>	<u>12,714</u>
Total	<u>(3,612)</u>	<u>6,001</u>

Under the Law of the PRC on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

PRC withholding income tax of 10% shall be levied on the income earned in the PRC by a foreign subsidiary.

## 6. LOSS FOR THE YEAR

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Loss for the year has been arrived at after charging:		
Directors' emoluments	17,204	16,636
Other staff's salaries and wages	48,752	66,910
Other staff's retirement benefit scheme contributions	<u>2,848</u>	<u>2,707</u>
Total staff costs	<u>68,804</u>	<u>86,253</u>
Depreciation of property, plant and equipment	28,987	47,583
Depreciation of right-of-use assets	<u>23,835</u>	<u>23,177</u>
Total depreciation	<u>52,822</u>	<u>70,760</u>
Auditors' remuneration	3,100	2,893
Cost of inventories recognised as an expense	337,131	581,254
Premium charges on a life insurance policy	1,747	1,689
and after crediting:		
Gross rental income from investment properties	1,535	1,273
Less: direct operating expenses that generated rental income	<u>(285)</u>	<u>(235)</u>
	<u><u>1,250</u></u>	<u><u>1,038</u></u>

## 7. DIVIDENDS

No final dividend was paid or proposed during both years ended 31 December 2023 and 31 December 2022, nor has dividend been proposed since the end of both reporting periods.

## 8. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Loss for the purposes of calculating basic and diluted loss per share	<u><u>(172,132)</u></u>	<u><u>(213,452)</u></u>
	<b>Number of shares</b>	
	2023	2022
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u><u>789,766,736</u></u>	<u><u>777,729,750</u></u>

## 9. REDEVELOPMENT PROJECT

	<b>Fair value of compensated properties</b> <i>HK\$'000</i>	<b>Present value of compensation income receivables</b> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
At 1 January 2022	1,760,605	43,489	1,804,094
Loss arising from changes in fair value of long-term other assets	(198,430)	–	(198,430)
Imputed interest income from compensation income receivables from Redevelopment Project	–	1,102	1,102
Compensation income from Redevelopment Project	–	22,928	22,928
Exchange realignment/difference	<u>(39,502)</u>	<u>(4,009)</u>	<u>(43,511)</u>
At 31 December 2022	1,522,673	63,510	1,586,183
Loss arising from changes in fair value of long-term other assets	(106,089)	–	(106,089)
Imputed interest income from compensation income receivables from Redevelopment Project	–	287	287
Compensation income from Redevelopment Project	–	16,642	16,642
Exchange realignment/difference	<u>(12,863)</u>	<u>(1,840)</u>	<u>(14,703)</u>
At 31 December 2023	<u><u>1,403,721</u></u>	<u><u>78,599</u></u>	<u><u>1,482,320</u></u>



## 10. TRADE AND OTHER RECEIVABLES

The following is an aging analysis of the Group's trade receivables presented based on the invoice date, which approximated the respective revenue recognition dates, net of allowance for credit losses and breakdown of other receivables and prepayments at the end of the reporting period:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0-30 days	37,757	52,384
31-60 days	48,156	62,791
61-90 days	25,145	37,225
91-180 days	41,318	53,478
Over 180 days	<u>85,037</u>	<u>108,877</u>
Trade receivables, net of allowance for credit losses	237,413	314,755
Prepayments for raw materials, deposits and other receivables	34,401	25,498
Deposit and prepayments for a life insurance policy	<u>1,483</u>	<u>1,747</u>
Total trade and other receivables	<u><u>273,297</u></u>	<u><u>342,000</u></u>

## 11. TRADE AND OTHER PAYABLES

The following is an aged analysis of the Group's trade and bills payables presented based on the invoice date and other payables at the end of the reporting period:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0-30 days	18,520	37,087
31-60 days	4,541	17,905
61-90 days	508	6,744
Over 90 days	<u>30,858</u>	<u>35,685</u>
Total trade and bills payables	54,427	97,421
Other payables	<u>969,693</u>	<u>801,592</u>
Total trade and other payables	<u><u>1,024,120</u></u>	<u><u>899,013</u></u>

## **FINAL DIVIDEND**

The directors resolved not to recommend the payment of final dividend for the year ended 31 December 2023.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **RESULTS**

- The Group recorded a turnover of HK\$380,630,000 for the year ended 31 December 2023, representing a decrease of 39.5% as compared to the same period last year.
- Gross profit and gross profit margin of the Group recorded were HK\$43,499,000 and 11.4%, representing a decrease of HK\$3,919,000 and a decrease of 8.3% respectively as compared to the same period last year.
- Loss for the year was HK\$172,132,000 as compared to a loss of HK\$213,452,000 for the same period last year.
- Basic loss per share was 21.80 HK cents, as compared to loss per share of 27.45 HK cents for the same period last year.

### **BUSINESS REVIEW**

For the year ended 31 December 2023, the Group recorded a consolidated turnover of HK\$380,630,000, representing a decrease of 39.5% when comparing with HK\$628,672,000 last year. Gross profit and gross profit margin were HK\$43,499,000 and 11.4% respectively. Loss for the year was HK\$172,132,000.

The Covid-19 pandemic is still not perished and it still affected the world while economy, the production and sale volume of the products of the Group all experienced decreases of business turnover and gross profit.

For the household products business, the business turnover was HK\$62,602,000 which represented a decrease of 51.8% when comparing with HK\$129,959,000 last year. The business had recorded a segment profit of HK\$4,813,000.

For PVC pipes and fittings manufacturing business, in order to co-operate with the Shenzhen Government's land resumption project for the sale of the Group's land in Pinghu, Longgang District Shenzhen city, the Pinghu production factories still use the temporary rented factories in Dongguan for production during the transitional period, the business performance has been affected. The business turnover was HK\$316,493,000 representing a decrease of 36.4% when comparing with HK\$497,440,000 last year. The business had a recorded segment loss of HK\$33,436,000.

The loss arising from changes in fair value of investment properties and long-term other assets were HK\$1,083,000 and HK\$106,089,000.

## **PROSPECTS**

Looking ahead, as the Covid-19 is still subsisting, coupled with the tense international political situation, it still has adverse effect and challenge to the world economy.

For the Pingshan Good Time Urban Renewal Project (花樣年旭輝好時光家園) in Shenzhen, Pingshan, the Developer has completed the constructions and decorations for the residential properties. For the commercial properties they may all be completed during 2024 and it is expected that the developer will complete all relevant constructions and the issuance of the title certificates of the Property and hand over to the Group in 2024.

Regarding the Group's land parcel no. G05701-4 located at Pinghu Street, Longgang District Shenzhen city sold to the Shenzhen Government's land resumption project, the Group is now still in the stage of negotiating, the basic details of receiving the replacement land with PRC government and will timely announce when it actually comes into effect.

Regarding the voluntary announcement on 20 July, 2023 in which the Group had made the future development of joint co-operation for the two industrial lands at Shaxi Town, Zhongshan, the Group will consider to develop one of the industrial land of about 119 mu (mu is a Chinese unit of land measurement that is commonly 666.7 square meters) and plan to move the recent rented factories for PVC pipe business to Zhongshan new factories to continue the production. The remaining 50% factories and other properties may be used for the sale or rental purpose and the Group will timely announce when it comes into effect.

## **LIQUIDITY, FINANCIAL RESOURCES AND FUNDING**

The Group finances its operations from internally generated cash flows, term loans and trade finance facilities provided by banks in Hong Kong and the PRC. At 31 December 2023, the Group had bank balances and cash, short-term bank deposits and pledged bank deposits of approximately HK\$716,404,000 (31.12.2022: HK\$593,280,000) and had interest-bearing secured bank borrowings of HK\$0 (31.12.2022: HK\$33,340,000). The Group's interest-bearing secured bank borrowings was mainly computed at Hong Kong Inter-Bank Offering Rate plus a margin. The Group's total banking facilities available as at 31 December 2023 amounted to HK\$382,416,000; of which no banking facilities was utilised (utilisation rate was at 0%).

The Group continued to conduct its business transactions principally in Hong Kong dollars, US dollars and Renminbi. The Group's exposure to the foreign exchange fluctuations has not experienced any material difficulties in the operations or liquidity as a result of fluctuations in currency exchange.

At 31 December 2023, the Group had current assets of approximately HK\$1,131,688,000 (31.12.2022: HK\$1,116,008,000). The Group's current ratio was approximately 1.03 as at 31 December 2023 as compared with approximately 1.10 as at 31 December 2022. Total shareholders' funds of the Group as at 31 December 2023 decreased by 11.7% to HK\$1,451,396,000 (31.12.2022: HK\$1,642,880,000). The gearing ratio (measured as total liabilities/total shareholders' funds) of the Group as at 31 December 2023 was 1.11 (31.12.2022: 0.95).

## **CHARGES ON ASSETS**

Certain leasehold land and buildings, investment properties, right-of-use assets and bank deposits with an aggregate net book value of HK\$125,128,000 (31.12.2022: HK\$132,437,000) were pledged to banks for general banking facilities granted to the Group.

In addition, the Group also pledged the life insurance to a bank to secure general banking facilities granted to the Group.

## **STAFF AND EMPLOYMENT**

At 31 December 2023, the Group employed a total workforce of about 536 staff (31.12.2022: 570) including 509 staff (31.12.2022: 545) in our factories located in the PRC. The total staff remuneration incurred during the year was HK\$51,600,000 (31.12.2022: HK\$69,617,000). It is the Group's policy to review its employees' pay levels and performance bonus system regularly to ensure that the remuneration policy is competitive within the relevant industries. It is the Group's policy to encourage its subsidiaries to send the management and staff to attend training classes or seminars that related to the Group's business. Tailor made internal training programmes were also provided to staff in our PRC factories.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the year ended 31 December 2023, there were no purchases, sales or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 7 June 2024 to 13 June 2024 both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the right to attend and vote at the forthcoming annual general meeting of the Company on 13 June 2024, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, at Tricor Secretaries Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 6 June 2024.

## **CODE ON CORPORATE GOVERNANCE PRACTICES**

In the opinion of the Directors, the Company has complied with the code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the year ended 31 December 2023.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 of the Listing Rules (the “Model Code”). Having made specific enquiry of all the directors, all the directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

## **AUDIT COMMITTEE**

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the audited financial statements for the year ended 31 December 2023.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in the Preliminary Announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year as approved by the Board of Directors on 26 March 2024. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## **PUBLICATION OF ANNUAL REPORT**

The 2023 Annual Report of the Company containing all the information as required by Appendix 16 of the Listing Rules will be published on the Company's website at [www.worldhse.com](http://www.worldhse.com) and the website of Hong Kong Exchange and Clearing Limited, while printed copies will be sent to shareholders of the Company as soon as practicable.

By Order of the Board  
**WORLD HOUSEWARE (HOLDINGS) LIMITED**  
**Lee Tat Hing**  
*Chairman*

Hong Kong, 26 March 2024

*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, Mr. Lee Kwok Sing Stanley, Mr. Leung Cho Wai, Mr. Tsui Chi Yuen and Mr. Lee Hon Sing Alan; the Non-executive Directors of the Company are Mr. Cheung Tze Man Edward and Ms. Lee Ka Yee; the Independent Non-executive Directors of the Company are Mr. Tsui Chi Him Steve, Mr. Ho Tak Kay, Mr. Hui Chi Kuen Thomas, Ms. Tsang Wing Yee and Ms. Hong Ting.*