

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.



WEALTHMARK INTERNATIONAL (HOLDINGS) LIMITED
和寶國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 039)

DISCLOSEABLE TRANSACTION
SALE OF PROPERTY

On 11 October 2006, the Company, through its wholly-owned subsidiary, Wallmark Enterprise, entered into the Disposal Agreement to sell the Property to an Independent Third Party purchaser. The principal terms of the sale are set out in this announcement. The sale of the Property constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

A circular containing further details of the sale of the Property will be despatched to the Shareholders as soon as practicable.

The Board advises that on 11 October 2006, Wallmark Enterprise, a wholly-owned subsidiary of the Company, entered into the Disposal Agreement with the Purchaser for the sale of the Property by Wallmark Enterprise to the Purchaser. The principal terms of the Sale pursuant to the Disposal Agreement are set out below.

THE DISPOSAL AGREEMENT

1. Date : 11 October 2006

2. Parties

Vendor : Wallmark Enterprise, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company

Purchaser : Gain Right International Limited, a company incorporated in Hong Kong. The Purchaser was introduced to the Vendor by a licensed estate agent when Wallmark Enterprise agreed to lease its new office. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the principal business activity of the Purchaser is property investment and the Purchaser and its ultimate beneficial owners are Independent Third Parties.

3. Property sold

Units 1-2 on 3/F, Fook Hong Industrial Building, 19 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

The Property has been used by Wallmark Enterprise as office premises.

4. Sale Price

The Sale Price is in the sum of HK\$8,751,240 and is to be satisfied by the Purchaser in cash. The payment terms of the Sale Price are as follows:

- (1) HK\$437,562 as initial deposit and part payment of the Sale Price, which was paid on 11 October 2006 upon signing of the Disposal Agreement;
- (2) HK\$437,562 as further deposit and part payment of the Sale Price, which is to be paid to Wallmark Enterprise upon signing of the Formal Agreement on or before 26 October 2006; and
- (3) HK\$7,876,116 as the balance of the Sale Price, which is to be paid upon completion of the Sale on or before 12 January 2007.

All the deposits referred to above are to be held by the solicitors acting in the Sale until the completion of the Sale on the terms of the Disposal Agreement.

The Sale Price was arrived at by the parties to the Disposal Agreement after arm's length negotiations by reference to prevailing property market conditions. Given that the net book value (with reference to valuation by an independent professional valuation firm as at 31 December 2004) of the Property was HK\$7,749,123 as at 30 September 2006, the Directors consider that the Sale Price of HK\$8,751,240 represents a fair value for the Property.

5. Signing of Formal Agreement

The Formal Agreement embodying the principal terms of the Disposal Agreement and such other terms as shall be agreed between the parties is expected to be signed on or before 26 October 2006.

6. Completion

Completion of the Sale is expected to take place on or before 12 January 2007.

REASONS FOR AND BENEFIT OF THE SALE

The Property is held by the Group for use as office premises. Given the current rising property market in Hong Kong, the Directors consider that the disposal of the Property presents a good opportunity for the Company to yield a reasonable return. The Group has signed a lease agreement to rent a smaller office space located elsewhere from the Purchaser, and will relocate to such new office space upon completion of the Sale.

The Property is sold at market price and the Directors consider that the terms of the Sale are fair and reasonable and the Sale is in the interests of the Company and the Shareholders as a whole.

USE OF SALE PROCEEDS

The Group intends to apply the net Sale proceeds of approximately HK\$8,741,240 from the Sale, after deducting the related expenses of about HK\$10,000, as additional working capital for the Group.

FINANCIAL EFFECT OF THE SALE

The net book value (with reference to valuation by independent professional valuation firm as at 31 December 2004) of the Property was HK\$7,749,123 as at 30 September 2006. The Group is to record a gain of approximately HK\$992,117 (subject to audit) upon completion of the sale by reference to the net Sale proceeds of approximately HK\$8,741,240 and the net book value of the Property as at 30 September 2006.

INFORMATION ABOUT THE GROUP

The Group is principally engaged in the manufacturing and sale of handbag products, related accessories and garments, provision of related subcontracting services, and the production and sale of dairy products in the PRC.

GENERAL

The Sale constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing further details of the Sale will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Company”	Wealthmark International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Disposal Agreement”	the provisional agreement for sale and purchase dated 11 October 2006 entered into between Wallmark Enterprise as vendor and the Purchaser as purchaser for the Sale

“Formal Agreement”	the formal agreement for the Sale to be entered into by the parties pursuant to the terms of the Disposal Agreement
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party”	party who is independent of the Company and not a connected person (as defined in the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Units 1-2 on 3/F, Fook Hong Industrial Building, 19 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong
“Purchaser”	Gain Right International Limited, a company incorporated in Hong Kong with limited liability and the purchaser of the Property under the Disposal Agreement
“Sale”	the sale of the Property by Wallmark Enterprise to the Purchaser on the terms of the Disposal Agreement or, when subsequently entered into, the Formal Agreement
“Sale Price”	the consideration payable by the Purchaser to Wallmark Enterprise for the purchase of the Property under the Disposal Agreement
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Wallmark Enterprise”

Wallmark Enterprise Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

By order of the Board

Wealthmark International (Holdings) Limited

Peter Lo

Chairman

Hong Kong, 11 October 2006

As at the date hereof, the executive directors are Mr. Peter Lo, Mr. David Lee Sun, Mr. Li Wentao and Mr. Fu Hui, the non-executive director is Mr. Derek Emory Ting-Lap Yeung, and the independent non-executive directors are Dr. Leung Kwan-Kwok, Mr. Sam Zuchowski and Mr. Loke Yu alias Loke Hoi Lam.