

# WALKER GROUP HOLDINGS LIMITED

## 盈進集團控股有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1386)**

### PROFIT WARNING

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a substantial loss for the six months ended 30 September 2008 as compared to a profit for the corresponding period ended 30 September 2007.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

This announcement is made by Walker Group Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a substantial loss for the six months ended 30 September 2008 as compared to a profit for the corresponding period ended 30 September 2007. According to the preliminary assessment by the Board, the loss occurred mainly from the followings:

- (i) the catastrophic earthquakes occurred in Sichuan, the People’s Republic of China (the “PRC”) in May 2008, the decrease in retail sales at the time of the Beijing 2008 Olympic Games as a result of dwindling pedestrian flow in commercial precincts occasioned by tight security control and the general public being attracted to the Olympic programmes, and the weaker consumer sentiment in both Hong Kong and the PRC in face of global financial crises caused a decline in the turnover of the Group during the six months ended 30 September 2008;
- (ii) the rise in inventory cost of the Group caused by the adverse impact of the highly fluctuating oil prices during the six months ended 30 September 2008; and
- (iii) mark-to-market losses on the Group’s financial investment in unlisted equity linked notes and/or listed securities purchased during the six months ended 30 September 2008 as a result of the recent global financial crisis.

\* *For identification purpose only*

Information contained in this announcement is only based on preliminary assessment of the management accounts of the Group by the management of the Company as the results for the six months ended 30 September 2008 is still in the course of being finalized by the Company.

Shareholders of the Company and potential investors are advised to read carefully the unaudited consolidated interim results announcement of the Group for the six months ended 30 September 2008 which is expected to be published before the end of December 2008.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By Order of the Board of  
**Walker Group Holdings Limited**  
**CHU Yin Man**  
*Executive Director*

Hong Kong, 31 October 2008

*As at the date of this announcement, the Board comprises three executive directors, namely Ms. CHAN Mei Sheung, Mr. KIU Wai Ming and Mr. CHU Yin Man, and three independent non-executive directors, namely Mr. SZE Tsai Ping, Michael, Dr. FAN Yiu Kwan, JP and Mr. TSANG Link Carl, Brian.*