

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)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement of the Company dated 31 October 2008 in relation to the profit warning of the Group's financial results for the six months ended 30 September 2008. The Board would like to provide further information in relation to the mark-to-market losses on the Group's financial investment as stated therein.

Reference is made to the announcement of Walker Group Holdings Limited (the "Company", together with its subsidiaries, the "Group") dated 31 October 2008 in relation to the profit warning of the Group's financial results for the six months ended 30 September 2008.

The board of directors of the Company (the "Board") wishes to clarify that according to the preliminary assessment by the Board, the Group is expected to record a loss on financial assets at fair value during the six months ended 30 September 2008 of approximately HK\$22.0 million, of which approximately HK\$8.5 million on unlisted equity linked notes acquired at cost of approximately HK\$50.1 million through profit and loss account, and approximately HK\$13.5 million on listed securities investment and bond fund acquired at cost of approximately HK\$60.0 million through reserve respectively. As at 30 September 2008, the fair value of the financial investment of the Group amounted to approximately HK\$88.1 million, of which approximately HK\$41.6 million was attributable to unlisted equity linked notes and approximately HK\$46.5 million was attributable to listed securities investment and bond fund held for long term.

Information contained in this announcement is only based on preliminary assessment of the management accounts of the Group by the management of the Company and is not based on any figures or information which has been audited or reviewed by the Company's auditors as the results for the six months ended 30 September 2008 is still in the course of being finalized by the Company.

* *For identification purpose only*

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, 3 November 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.