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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 loss for the six months ending 30 September 2011 as compared to a profit for the six months ended 30 September 2010.

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.

Reference is made to the announcement of the Company dated 28 June 2011 in relation to its audited consolidated annual results for the year ended 31 March 2011 in which the Company announced that the Group recorded an audited consolidated net profit of approximately HK\$23 million for the year ended 31 March 2011.

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that based on the preliminary estimate and assessment made by the Board according to the unaudited consolidated management accounts of the Group for the five months ended 31 August 2011, the unaudited sales of the Group for the month of September 2011 and other information currently available to the Company, it is expected that the Group will record a loss for the six months ending 30 September 2011, as compared to a profit of approximately HK\$344,000 for the corresponding period ended 30 September 2010 mainly due to escalating operating costs in the PRC and Hong Kong such as increase of rental and staff salaries.

The Board is of the view that the financial position of the Group is liquid.

Information contained in this announcement is not based on any figures or information that have been audited or reviewed by the Company’s auditors.

* *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 2011 which is expected to be published before the end of November 2011.

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
CHAN Mei Sheung
Chairman

Hong Kong, 4 October 2011

As at the date of this announcement, the Board comprises:

Executive directors:

Ms CHAN Mei Sheung
Mr. KIU Wai Ming
Mr. CHU Yin Man

Independent non-executive directors:

Mr. SZE Tsai Ping, Michael
Dr. FAN Yiu Kwan, *JP*
Mr. LEE Kwan Hung