WINFAIR INVESTMENT COMPANY LIMITED

永發置業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 287)

ANNOUNCEMENT OF FINAL RESULTS

FOR THE YEAR ENDED 31 MARCH 2008

The board of directors of Winfair Investment Company Limited would like to announce the audited consolidated results of the company and its subsidiaries (the "group") for the year ended 31 March 2008. The annual results of the group have been reviewed by the company's audit committee.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2008

		The group	
	Notes	**2008**	**2007**
		HK$	**HK$**
Turnover	2	**26,902,620**	18,433,838
Other revenue		**934,267**	716,909
Administrative and general expenses		**(5,341,460)**	(5,396,014)
Carrying amount of trading securities sold		**(10,445,478)**	(4,405,895)
Gain on disposal of available-for-sale financial assets		**18,932,549**	2,075,846
Gain on disposal of land interests		**923,582**	8,087,408
Decrease in fair value of trading securities		**(712,311)**	(156,894)
Reversal of provision/(provision) for impairment loss on properties held for or under development		**200,000**	(36,470)
Fair value gain on investment properties		**18,720,000**	6,105,000
Finance cost		**(995,676)**	(1,238,724)
Profit before taxation		**49,118,093**	24,185,004
Taxation	3	**(3,446,535)**	(2,038,054)
Profit after taxation attributable to the equity holders of parent		**45,671,558**	22,146,950
Earnings per share	4	**1.14**	0.55

CONSOLIDATED BALANCE SHEET
As at 31 March 2008

	2008		2007	
	HK$	**HK$**	**HK$**	**HK$**
ASSETS				
Non-current assets				
Property, plant and equipment		**973,019**		1,025,219
Investment properties		**146,270,000**		127,550,000
Leasehold land		**1,536,795**		1,574,278
Properties held for or under development		**9,400,000**		9,200,000
Available-for-sale financial assets - equity shares listed in Hong Kong		**98,888,304**		102,791,808
		257,068,118		242,141,305
Current assets				
Trading securities – equity shares listed in Hong Kong	**12,234,895**		11,084,680	
Stock of property units	**63,790,864**		63,790,864	
Stock of land interests	**- -**		279,890	
Trade and other receivables	**1,230,523**		1,357,992	
Cash and bank balances	**43,193,541**	**120,449,823**	12,528,113	89,041,539
Current liabilities				
Trade and other payables	**12,542,054**		4,737,372	
Tax payable	**313,819**		234,767	
Bank borrowings - secured	**19,600,000**		2,800,000	
Provision for long service payments	**1,717,600**	**(34,173,473)**	1,699,200	(9,471,339)
Net current assets		**86,276,350**		79,570,200
Total assets less current liabilities		**343,344,468**		321,711,505
Non-current liabilities				
Bank borrowings – secured	**- -**		19,600,000	
Provision for long service payments	**315,000**		423,400	
Deferred taxation	**10,872,787**	**(11,187,787)**	8,369,323	(28,392,723)
NET ASSETS		**332,156,681**		293,318,782
CAPITAL AND RESERVES				
Share capital		**40,000,000**		40,000,000
Reserves		**284,156,681**		249,318,782
Proposed dividend		**8,000,000**		4,000,000
		332,156,681		293,318,782

Notes

1. Adoption of new and revised Hong Kong Financial Reporting Standards ("HKFRS")

The accounting policies adopted for the preparation of the current year's financial statements are consistent with those set out in the group's annual financial statements for the year ended 31 March 2007.

The HKICPA has issued certain new and revised HKFRSs and Interpretations that are first effective or available for early adoption for the current accounting period of the group and the company.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of HKFRS 7, "Financial Instruments: Disclosures" and the amendment to HKAS 1 "Presentation of Financial Statements – Capital Disclosures", there have been some additional disclosures provided in the financial statements.

Both HKFRS 7 and the amendment to HKAS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognized in the financial statements.

2. Turnover

	The group	
	2008	**2007**
	HK$	**HK$**
Sales of trading securities	**12,214,536**	4,552,241
Gross rental income from investment properties	**11,335,929**	10,566,177
Dividend income from share investments listed in Hong Kong	**3,352,155**	3,315,420
	26,902,620	18,433,838

3. Taxation

	The group	
	2008	**2007**
	HK$	**HK$**
Taxation represents -		
Provision for Hong Kong Profits Tax for current year	**(942,641)**	(838,000)
(Under)/over provision for prior year	**(430)**	1,987
Deferred tax	**(2,503,464)**	(1,202,041)
	(3,446,535)	(2,038,054)

Provision for Hong Kong Profits Tax is calculated at 17.5% (2007: 17.5%) on the estimated assessable profit for the year.

4. Earnings per share

The calculation of earnings per share is based on the consolidated profit after tax of HK$45,671,558 (2007: HK$22,146,950) and on 40,000,000 shares (2007: 40,000,000 shares) in issue during the year.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Results

For the year under review, the turnover of the group increased by HK$8,468,782, or 46%, to HK$26,902,620. The increase was mainly due to an increase in the sales of trading securities. The group's profit for the year increased by HK$23,524,608, or 106%, to HK$45,671,558, which was mainly due to an increase in gain on disposal of available-for-financial assets and an increase in fair value gain on investment properties during the year.

Property development

Following the disposal of agricultural land located at Lau Fau Shan, which contributed a gain of HK$8,087,408 in last year, the group completed the sale of agricultural land located at Mong Tseng for a consideration of HK$1,241,400 in September 2007. The result of the group's property development resulted a decrease of HK$6,962,755, or 90 %, to HK$739,972 as compared to last year.

Regarding the whole block of 201-203 Castle Peak Road, the group entered the Provisional Agreement with an Independent Third Party for the consideration of HK$75,000,000 on 5 March 2008. Based on terms and conditions in the Formal Agreement, the transaction is expected to be completed on or before 2 September 2008. Details of which shall be referred to the published circular dated 14 April 2008. For other development projects, there is no significant progress.

Property investment

The rental income from the property leasing business increased by HK$769,752, or 7.3% to HK$11,335,929, while the result (including fair value gain on investment properties) increased by HK$13,517,006 or 99% to HK$27,152,388. The improvement in the result was mainly due to the increase in fair value gain on investment properties by HK$12,615,000 or 207%.

Share investments and dividend income

The revenue and result (including gain on disposal of available-for-sale financial assets) of the securities investment business increased by HK$7,699,030 (or 98%) and HK$18,089,973 (or 458%) to HK$15,566,691 and HK$22,036,098 respectively. The increase was mainly due to increase in sales of both short-term and long-term securities investments during the year. The group also purchased share investments, for both trading and long-term holding purposes, amounting to HK$23 million approximately in order to diversify the group's share investment portfolio. At 31 March 2008, the group's share investment portfolio had an aggregate fair value of HK$111,123,199 (2007: HK$113,876,488).

Liquidity and financial resources

The group's gearing ratio at 31 March 2008 was 5.9% (2007: 7.6%), which is taken as bank borrowings to total shareholders' equity. Having considered the sufficiency of cash-in-hand, cost of capital, future development expenditure and subsequent repayment of bank mortgage loan of HK$19,600,000 in April 2008, the management is confident that the group has sufficient fund to meet its future operating and project development expenditure.

Prospects

As the crisis of US sub-prime mortgage on the international market is still continuing, this would cause economic growth to slow in coming year. The pace of export growth in the mainland is also slowing down. In response to these market conditions, the group will adopt a conservative policy, closely monitor the performance of its assets portfolio and make appropriate strategic adjustments to maximise the returns to shareholders.

DIVIDENDS

In January 2008, the group paid an interim dividend of HK$0.02 per share (2007: HK$0.02) totaling HK$800,000 (2007: HK$800,000).

The board will propose in the Annual General Meeting to be held on 29 August 2008 the payment of a final dividend of HK$0.10 (2007: HK$0.10) per share and a special dividend of HK$0.10 (2007: Nil) per share in respect of the year ended 31 March 2008, absorbing a total amount of HK$8,000,000 (2007: HK$4,000,000). It is proposed that the dividend cheque will be dispatched on or before 18 September 2008 to the shareholders whose names are on the Register of Members on 29 August 2008.

CLOSURE OF REGISTER

The Register of Members of the company will be closed from Monday, 25 August 2008 to Friday, 29 August 2008, both days inclusive. To qualify for the above proposed dividend, all transfers of shares, accompanies by the relevant share certificates, must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Center, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 August 2008.

CORPORATE GOVERNANCE PRACTICE

Save for the exceptions below, the company has complied with all the Code Provisions set out in the "Code on Corporate Governance Practice" contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the year ended 31 March 2008:

1. The group has not designated any chief executive officer. In normal practice, prior approvals by all executive directors are required for all strategic decisions in formal board meeting or under written resolutions. The group believes that the existing organization and decision making procedures are adequate for the group to cope with the ever-changing economic environment;

2. The non-executive and independent non-executive directors of the company are not appointed for a specific term as they are subject to retirement by rotation and re-election at the annual general meeting of the company;

3. Directors appointed to fill casual vacancy are not subject to election by shareholders at the first general meeting after their appointment. They will hold office until the next annual general meeting in which they are eligible for re-election; and

4. The terms of reference of Audit Committee and Remuneration Committee were not provided on website of the company until 12 July 2007.

SHARE PURCHASE, SALE OR REDEMPTION

Neither the company nor any of its subsidiaries purchased, sold or redeemed any of the company's issued shares during the year under review.

By Order of the Board
Ng See Wah
Chairman

Hong Kong, 18 July 2008

As at the date of this announcement, the executive directors of the Company are Messrs. Ng See Wah, Soo Cho Ling and Ng Tai Wai, the non-executive directors are Messrs. So Kwok Leung and Ng Tai Yin Victor, and independent non-executive directors are Dr. Loke Yu alias Loke Hoi Lam, Mr. Ng Chi Yeung Simon and Ms. Chan Suit Fei Esther.