



CLIMAX INTERNATIONAL COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 439)

HOLDING ANNOUNCEMENT

On 22 September 2008, the ICAC executed a search warrant at the Company's principal place of business in Hong Kong.

Trading in the Company's shares was suspended at the request of the Company with effect from 9:30 a.m. on 23 September 2008.

On 22 September 2008, the Independent Commission Against Corruption ("ICAC") executed a search warrant at the Company's principal place of business in Hong Kong (the "Incident"). The Company was informed by ICAC that "certain former and current officers" of the Group were arrested for offences under the Prevention of Bribery Ordinance and Theft Ordinance on the same day.

As a result, the Company has made enquires to all persons who are officers on record (including Directors) of the Company and senior management of the Group discloseable in its annual report, in each case as at the date of the Incident and those in such position within the last 12 months thereof, and current department heads of principal subsidiaries of the Company. Except ten, all such persons have confirmed to the Company that they are not under arrest by the ICAC. In particular, such persons who have confirmed that they have not been arrested by ICAC include all current directors of the Company.

Since the Incident, such persons who have not replied as aforesaid have either resigned or have their duties taken over by deputies. The Board therefore considers that even if they had all been arrested, their arrest has no impact on the daily operation of the Group.

The abovementioned investigation by ICAC (the "Investigation") is still continuing and the Company is not in a position to determine or disclose the subject matter of the Investigation. However, the Company has not been informed by the ICAC that the Company is itself the person who is the subject of the Investigation.

The audit committee of the Company comprising the independent non-executive directors of the Company had reviewed the audited financial statements of the Group made up to 31 March 2008. Subsequent to the Company being made aware of the Investigation, the audit committee had been convened to review matters pertaining to the Investigation and concurred with the position stated in the previous paragraph.

Given the matters mentioned above, Shareholders and investors of the Company are thus advised to exercise caution when dealing in the Company's shares.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Board”	the board of Directors
“Company”	Climax International Company Limited, a company incorporated in Bermuda, the shares of which is listed on the main board of the Exchange
“Group”	the Company and its subsidiaries
“Shareholder(s)”	holder(s) of shares of the Company

By Order of the Board
Climax International Company Limited
CHAN HOI LING
Chairman

Hong Kong, 20 November 2008

As at the date of this announcement, the Board consists of two executive directors, namely Ms. Chan Hoi Ling and Mr. Wong Hin Shek and three independent non-executive directors, namely Dr. Wong Yun Kuen, Mr. Lau Man Tak and Mr. Man Kwok Leung.