WINBOX INTERNATIONAL (HOLDINGS) LIMITED
永保時國際（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 474)

INTERIM RESULTS ANNOUNCEMENT
For the six months ended 30 September 2008

The board of directors (the "Directors") of Winbox International (Holdings) Limited (the "Company") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2008 together with the comparative figures for the corresponding period in 2007 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

		Six months ended 30 September	
	NOTES	**2008**	2007
		HK$'000	*HK$'000*
		(unaudited)	(unaudited)
Revenue	*3*	**94,136**	93,441
Cost of sales		**(67,647)**	(61,114)
Gross profit		**26,489**	32,327
Other income, gain and loss	*5*	**(78)**	3,614
Distribution and selling costs		**(2,125)**	(2,305)
Administrative expenses		**(16,300)**	(13,959)
Change in fair value of investments held for trading		**(3,923)**	5,911
Change in fair value of derivative financial instruments		**3,716**	(273)
Impairment loss recognised in respect of available-for-sale investments		**(11,409)**	–
Finance costs	*6*	**(101)**	(3)

		Six months ended 30 September	
	NOTES	**2008**	2007
		HK$'000	*HK$'000*
		(unaudited)	(unaudited)
(Loss) profit before taxation	*7*	**(3,731)**	25,312
Taxation	*8*	**(2,087)**	(4,082)
(Loss) profit for the period		**(5,818)**	21,230
Dividends	*9*	**10,287**	10,141
(Loss) earnings per share	*10*		
Basic		**(HK1.42 cents)**	HK5.26 cents
Diluted		**(HK1.42 cents)**	HK5.15 cents

CONDENSED CONSOLIDATED BALANCE SHEET

AT 30 SEPTEMBER 2008

	NOTES	**30 September 2008**	31 March 2008
		HK$'000	*HK$'000*
		(unaudited)	(audited)
Non-current assets			
Property, plant and equipment	*11*	**16,099**	17,134
Prepaid lease payments	*11*	**3,423**	3,469
Investment property	*11*	**1,287**	1,307
Goodwill		**11,452**	12,670
Available-for-sale investments		**42,636**	33,010
		74,897	67,590
Current assets			
Inventories		**42,825**	33,394
Trade and bills receivables	*12*	**32,427**	26,140
Other receivables, deposits and prepayments		**12,949**	18,256
Investments held for trading		**19,798**	29,779
Tax recoverable		**804**	1,001
Bank balances and cash		**56,293**	75,564
		165,096	184,134
Current liabilities			
Trade payables	*13*	**17,757**	14,468
Other payables, deposits received and accruals		**18,557**	19,211
Derivative financial instruments		**391**	4,107
Bank borrowing	*14*	**6,181**	4,853
Tax payable		**1,148**	473
		44,034	43,112
Net current assets		**121,062**	141,022

	NOTES	30 September 2008 HK$'000 (unaudited)	31 March 2008 HK$'000 (audited)
Total assets less current liabilities		**195,959**	208,612
Non-current liability			
Retirement benefits obligations		**1,085**	1,201
Net assets		**194,874**	207,411
Capital and reserves			
Share capital	*15*	**20,574**	20,281
Reserves		**174,300**	187,130
Equity attributable to equity holders of the Company		**194,874**	207,411

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2008

1. General information and basis of preparation

Winbox International (Holdings) Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 (Laws 3 of 1961, as consolidated and revised) of the Cayman Islands.

The principal activities of the Company are investment holding and provision of management services to its subsidiaries. The principal activity of its subsidiaries is sale of quality plastic and paper packaging boxes for luxury consumer goods.

The Group's condensed consolidated financial statements are presented in Hong Kong dollars, which is the functional currency of the Company.

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. Principal accounting policies

The condensed consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2008.

In the current interim period, the Group has applied, for the first time, the following amendments and new interpretations ("new HKFRSs") issued by the HKICPA.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets
HK(IFRIC) – INT 12	Service concession arrangements
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of the new HKFRSs has no material effect on the results and financial position of the Group for the current or prior accounting periods. Accordingly, no prior or current period adjustment has been required.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs [1]
HKAS 1 (Revised)	Presentation of financial statements [2]
HKAS 23 (Revised)	Borrowing costs [2]
HKAS 27 (Revised)	Consolidated and separate financial statements [3]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation [2]
HKAS 39 (Amendments)	Eligible hedged items[3]
HKFRS 1 & HKAS 27 (Amendments)	Cost of investment in a subsidiary, jointly controlled entities or associates [2]
HKFRS 2 (Amendment)	Vesting conditions and cancellations [2]
HKFRS 3 (Revised)	Business combinations [3]
HKFRS 8	Operating segments [2]
HK(IFRIC) – INT 13	Customer loyalty programmes [4]
HK(IFRIC) – INT 15	Agreements for the construction of real estate [2]
HK(IFRIC) – INT 16	Hedges of a net investment in a foreign operation [5]

[1] *Effective for accounting periods beginning on or after 1 January 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1 January 2009*

[2] *Effective for accounting periods beginning on or after 1 January 2009*

[3] *Effective for accounting periods beginning on or after 1 July 2009*

[4] *Effective for accounting periods beginning on or after 1 July 2008*

[5] *Effective for accounting periods beginning on or after 1 October 2008*

The adoption of HKFRS 3 (revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (revised) will affect the accounting treatment for changes in a parent company's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The directors of the Company anticipate that the application of the other new or revised standards and interpretations will have no material impact on the results and the financial position of the Group.

3. Revenue

Revenue represents the amounts received and receivable for goods sold by the Group to outside customers, less sales tax and sales returns during the period.

4. **Segment information**

The directors report the geographical segments as the Group's primary segment information.

Geographical segments

The following table provides an analysis of the Group's sales by geographical market in which the customers are located, irrespective of the origin of the goods.

For the six months ended 30 September 2008

	Hong Kong	**North America**	**Europe**	**Unallocated**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
Revenue	**30,067**	**5,380**	**55,822**	**2,867**	**94,136**
Segment results	**8,594**	**694**	**7,584**	**357**	**17,229**
Other income, gain and loss					**(78)**
Unallocated corporate expenses					**(9,165)**
Change in fair value of investments held for trading					**(3,923)**
Change in fair value of derivative financial instruments					**3,716**
Impairment loss recognised in respect of available-for-sale investments					**(11,409)**
Finance costs					**(101)**
Loss before taxation					**(3,731)**
Taxation					**(2,087)**
Loss for the period					**(5,818)**

For the six months ended 30 September 2007

	Hong Kong *HK$'000* (unaudited)	North America *HK$'000* (unaudited)	Europe *HK$'000* (unaudited)	Unallocated *HK$'000* (unaudited)	Consolidated *HK$'000* (unaudited)
Revenue	25,245	5,280	60,155	2,761	93,441
Segment results	9,596	1,373	12,633	580	24,182
Other income, gain and loss					3,614
Unallocated corporate expenses					(8,119)
Change in fair value of investments held for trading					5,911
Change in fair value of derivative financial instruments					(273)
Finance costs					(3)
Profit before taxation					25,312
Taxation					(4,082)
Profit for the period					21,230

5. Other income, gain and loss

	Six months ended 30 September 2008 HK$'000 (unaudited)	2007 HK$'000 (unaudited)
Interest earned on bank deposits	**666**	1,201
Interest earned on debt securities	**386**	621
Interest earned on available-for-sale investments	**195**	–
Net foreign exchange (loss) gain	**(3,668)**	374
Dividend income from investments held for trading	**229**	587
Dividend income from available-for-sale investments	**315**	–
PRC government tax refund from reinvestment of a subsidiary *(note)*	**1,540**	–
Gain on disposal of property, plant and equipment and prepaid lease payments	**–**	206
Gain on disposal of available-for-sale investments	**–**	510
Sundry income	**259**	115
	(78)	3,614

Note: According to a letter issued by the PRC local tax authority dated 27 May 2008, Winbox Plastic Manufacturing (Shenzhen) Company Limited ("Winbox Plastic Manufacturing (Shenzhen)") was eligible to receive PRC enterprise income tax refund of RMB1,362,000 (equivalent to HK$1,540,000) due to the additional investment of HK$18,000,000 made by its immediate holding company, Grant Cast Limited, by utilising the retained profits of Winbox Plastic Manufacturing (Shenzhen) for the three years ended 31 December 2006.

6. Finance costs

	Six months ended 30 September 2008 HK$'000 (unaudited)	2007 HK$'000 (unaudited)
Interest on borrowing wholly repayable within five years	**101**	3

7. (Loss) profit before taxation

	Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
(Loss) profit before taxation is arrived after charging (crediting):		
Reversal of allowance for inventories (included in cost of sales)	**–**	(777)
Depreciation of property, plant and equipment and investment property	**890**	642
Staff costs (including directors' emoluments)		
Fees, salaries, bonus and other allowances	**25,491**	20,115
Retirement benefit scheme contributions	**1,941**	1,997
Share-based payments	**627**	1,147
	28,059	23,259

8. Taxation

	Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Current tax:		
Hong Kong	**732**	2,567
Other jurisdictions	**1,355**	1,515
	2,087	4,082

Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 September 2007: 17.5%) of the estimated assessable profit for the period.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

9. Dividends

	Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Final dividend paid for 2007/08 of HK$0.025 per share (six months ended 30 September 2007: final dividend paid for 2006/07 of HK$0.025 per share)	**10,287**	10,141

10. (Loss) earnings per share

The calculation of the basic and diluted (loss) earnings per share is based on the following data:

	Six months ended 30 September	
	2008	2007
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
<u>(Loss) earnings</u>		
(Loss) earnings for the purpose of basic and diluted (loss) earnings per share	**(5,818)**	21,230

	Six months ended 30 September	
	2008	2007
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	**409,152**	403,382
Effect of dilutive potential ordinary shares: Share options *(note)*	**–**	8,938
Weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share	**409,152**	412,320

Note: The computation of diluted loss per share for the period ended 30 September 2008 did not assume the exercise of the Company's outstanding share options since their exercise would reduce loss per share.

11. Movements in property, plant and equipment/prepaid lease payments/investment property

During the period, the Group spent HK$498,000 (six months ended 30 September 2007: HK$985,000) on purchase of property, plant and equipment. There was no acquisition of prepaid lease payments and investment property for both periods.

12. Trade and bills receivables

The Group allows an average credit period of 30 to 60 days to its trade customers. The aged analysis of trade and bills receivables net of allowance for bad and doubtful debts is stated as follows:

	30 September 2008	31 March 2008
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0 to 30 days	**17,551**	16,401
31 to 60 days	**7,511**	5,617
61 to 90 days	**5,551**	2,626
91 to 180 days	**1,769**	1,006
	32,382	25,650
Bills receivable – within 60 days	**45**	490
	32,427	26,140

13. Trade payables

Trade payables principally comprise amounts outstanding for trade purchases. The average credit period taken for trade purchases is 30 to 60 days. The aged analysis of trade payables is stated as follows:

	30 September 2008	31 March 2008
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0 to 30 days	**8,360**	6,532
31 to 60 days	**5,061**	3,007
61 to 90 days	**3,070**	2,280
91 to 180 days	**1,266**	2,649
	17,757	14,468

14. Bank borrowing

At 30 September 2008, bank borrowing of the Group was denominated in Swiss Franc, carrying fixed interest rate at 3.5% per annum and was secured by a floating charge on certain assets of the Group deposited in the bank, including investments held for trading, available-for-sale investments and bank balances. At 30 September 2008, total assets of the Group charged in favour of the bank was approximately HK$40,656,000, comprising HK$18,573,000 of investments held for trading, HK$15,458,000 of available-for-sale investments and HK$6,625,000 of bank balances.

15. Share capital

	Number of shares	**Share capital**
		HK$'000
Authorised:		
At 1 April 2008 and 30 September 2008, ordinary shares of HK$0.05 each	**2,000,000,000**	100,000
Issued and fully paid:		
At 1 April 2008, ordinary shares of HK$0.05 each	**405,626,144**	20,281
Exercise of share options *(note)*	**5,866,582**	293
At 30 September 2008, ordinary shares of HK$0.05 each	**411,492,726**	20,574

The shares which were issued during the period rank pari passu with the existing shares in all respects.

Note: During the period, share options for 5,866,582 of HK$0.05 each were exercised at the exercise price of HK$0.225. Details of options outstanding and movements during the period are set out in note 16.

16. Share options

On 16 May 2006, a Pre-Listing Share Option Scheme ("Pre-Listing Scheme") and a Share Option Scheme ("Post-Listing Scheme") were adopted for the purpose of recognising and motivating the contributions of eligible persons to the Company.

Details of the share options outstanding and movements during the period were as follows:

Grantee	**Name of the scheme**	**Date of grant**	**Exercising period**	**Exercise price per share** *HK$*	**At 1 April 2008**	**Exercised during the period**	**At 30 September 2008**
Executive directors							
Choi Hon Hing	Pre-Listing Scheme	16.5.2006	6.6.2008 to 5.6.2011	0.225	1,333,294	(1,333,294)	–
	Pre-Listing Scheme	16.5.2006	6.6.2009 to 5.6.2012	0.225	1,777,725	–	1,777,725
Fung Wing Ki, Vicky	Pre-Listing Scheme	16.5.2006	6.6.2008 to 5.6.2011	0.225	999,979	(999,979)	–
	Pre-Listing Scheme	16.5.2006	6.6.2009 to 5.6.2012	0.225	1,333,304	–	1,333,304
Fung Wing Yee, Wynne	Pre-Listing Scheme	16.5.2006	6.6.2008 to 5.6.2011	0.225	999,979	(999,979)	–
	Pre-Listing Scheme	16.5.2006	6.6.2009 to 5.6.2012	0.225	1,333,304	–	1,333,304
Non-executive directors							
Tam Hok Lam, Tommy	Post-Listing Scheme	8.6.2007	12.6.2008 to 11.6.2011	0.860	120,000	–	120,000
	Post-Listing Scheme	8.6.2007	12.6.2009 to 11.6.2012	0.860	120,000	–	120,000
	Post-Listing Scheme	8.6.2007	12.6.2010 to 11.6.2013	0.860	160,000	–	160,000
Hui Ka Wah, Ronnie	Post-Listing Scheme	8.6.2007	9.6.2008 to 8.6.2011	0.860	120,000	–	120,000
	Post-Listing Scheme	8.6.2007	9.6.2009 to 8.6.2012	0.860	120,000	–	120,000
	Post-Listing Scheme	8.6.2007	9.6.2010 to 8.6.2013	0.860	160,000	–	160,000
Leung Man Chun, Paul	Post-Listing Scheme	8.6.2007	12.6.2008 to 11.6.2011	0.860	120,000	–	120,000
	Post-Listing Scheme	8.6.2007	12.6.2009 to 11.6.2012	0.860	120,000	–	120,000
	Post-Listing Scheme	8.6.2007	12.6.2010 to 11.6.2013	0.860	160,000	–	160,000
Advisor to the Group *(note)*	Post-Listing Scheme	8.6.2007	8.6.2008 to 7.6.2011	0.860	180,000	–	180,000
	Post-Listing Scheme	8.6.2007	8.6.2009 to 7.6.2012	0.860	180,000	–	180,000
	Post-Listing Scheme	8.6.2007	8.6.2010 to 7.6.2013	0.860	240,000	–	240,000
Employees	Pre-Listing Scheme	16.5.2006	6.6.2007 to 5.6.2010	0.225	240,438	(240,438)	–
	Pre-Listing Scheme	16.5.2006	6.6.2008 to 5.6.2011	0.225	2,533,330	(2,292,892)	240,438
	Pre-Listing Scheme	16.5.2006	6.6.2009 to 5.6.2012	0.225	3,377,764	–	3,377,764
	Post-Listing Scheme	8.6.2007	8.6.2008 to 5.7.2011	0.860	150,000	–	150,000
	Post-Listing Scheme	8.6.2007	8.6.2009 to 5.7.2012	0.860	150,000	–	150,000
	Post-Listing Scheme	8.6.2007	8.6.2010 to 5.7.2013	0.860	200,000	–	200,000
	Post-Listing Scheme	18.3.2008	18.3.2009 to 17.3.2012	0.536	90,000	–	90,000
	Post-Listing Scheme	18.3.2008	18.3.2010 to 17.3.2013	0.536	90,000	–	90,000
	Post-Listing Scheme	18.3.2008	18.3.2011 to 17.3.2014	0.536	120,000	–	120,000
					16,529,117	(5,866,582)	10,662,535

Note: Advisor to the Group is Mr. Fung Ka Pun, who is a substantial shareholder of the Group.

In the current period, share option expenses of approximately HK$627,000 (six months ended 30 September 2007: HK$1,147,000) has been recognised with a corresponding credit in the Group's share options reserve.

The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HK$0.582 per share.

17. Related party transactions

The remuneration of directors, representing the key management personnel of the Group, during the period was HK$911,000 (six months ended 30 September 2007: HK$1,205,000).

INTERIM DIVIDEND

The board does not recommend the payment of an interim dividend for the six months ended 30 September 2008.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Prospect

There was no material change in the Group's core business and operations during the six months ended 30 September 2008 from that disclosed in the Annual Report for the year ended 31 March 2008. During the first half of year 2008/09, the Group continued to face challenges of surging material costs, appreciation of Renminbi ("RMB") against United States dollar ("USD"), and increasing in staff and other operating costs. Besides, the economic conditions have recently been deteriorating significantly in many countries and regions, including our major markets in the United States and Europe, and may remain depressed for the foreseeable near future. If unfavorable global economic conditions continue to challenge the consumer buying sentiment, our business and results of operations could be adversely affected. In order to tackle the prolonged turmoil noted in the financial market which has adversely affected, and is expected to continue to affect, the real economy, we have adopted a more prudent business and financial management policy to ensure that we maintain adequate working capital to finance our operations.

Despite these challenges, the Group has continuously strengthened its management team which has been committed to rationalising and re-engineering its work flow and processes to reduce costs and increase efficiency. Moreover, the government of the People's Republic of China (the "PRC") has recently announced an array of policies, including Valued Added

Tax refund, a loosening of lending restrictions and a reduction in interest rates, in an effort to encourage the stabilisation of the manufacturers in the Pearl River Delta region as a whole. Although these new policies have not yet had a material impact on our operations, if the PRC government continues to promote policies aimed at stabilizing and maintaining growth in the manufacturing and export sectors, it may help to release certain negative impact on our operations in the future.

Financial Review

Revenue

The Group's revenue for the six months ended 30 September 2008 maintained at around the same level of approximately HK$94.1 million (2007: HK$93.4 million).

Gross profit

The Group's gross profit decreased to approximately HK$26.5 million (2007: HK$32.3 million) for the six months ended 30 September 2008. Gross profit margin also decreased from approximately 34.6% for the six months ended 30 September 2007 to approximately 28.1% for the six months ended 30 September 2008 primarily due to the increase in labour costs and manufacturing overheads, and appreciation of RMB, which reduced the gross profit margin of the Group.

Other Income, Gain and Loss, Change in Fair Value of Investments Held for Trading, Change in Fair Value of Derivative Financial Instruments and Impairment Loss Recognised in respect of Available-For-Sale Investments

The Group invested in various types of financial instruments including fixed income, equity and derivatives with a view to enhance overall return. However, due to the recent adverse condition and the increasing instability of the global financial markets, a total loss of approximately HK$11.7 million (2007: gain of approximately HK$9.3 million) was recorded in other income, gain and loss, change in fair value of investments held for trading, change in fair value of derivative financial instruments and impairment loss recognised in respect of available-for-sale investments. As at the date of this report, the Group does not have any outstanding derivative financial instruments.

Distribution and Selling Costs

The Group's distribution and selling costs as a percentage of turnover were approximately 2.3% (2007: 2.5%) for the six months ended 30 September 2008.

Administrative Expenses

The Group's administrative expenses increased by approximately 16.8% to approximately HK$16.3 million for the six months ended 30 September 2008 (2007: HK$14.0 million). The difference was mainly due to increase in staff costs.

Finance Costs

The Group's finance costs for the six months ended 30 September 2008 maintained at a low level of approximately HK$0.1 million (2007: HK$3,000).

Taxation

Hong Kong Profit Tax is calculated at 16.5% (six months ended 30 September 2007: 17.5%) of the estimated assessable profit for the period. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations change the tax rate applicable to the Company's wholly owned subsidiary in the PRC to 18% (2007: 10%) for the reported period.

Loss for the Period

The interim results of the Group for the six months ended 30 September 2008 recorded a loss of approximately HK$5.8 million as compared to a profit of HK$21.2 million for the corresponding period in 2007. Such loss is mainly due to the loss on change in fair value on investments held for trading and the impairment loss on available-for-sale investments, and the unfavourable currency exchange rate movements. Details can be referred to in the respective paragraphs.

Liquidity, Capital Structure and Financial Resources

There was no material change in the Group's position in relation to liquidity, capital structure and financial resources as disclosed in the Annual Report for the year ended 31 March 2008 except that trade and bills receivables as at 30 September 2008 increased to approximately HK$32.4 million from approximately HK$26.1 million as at 31 March 2008. Generally speaking, there are relatively more shipments of orders (hence, more sales recognized) commencing from the second quarter of a calendar year than the first quarter of a calendar year in which the Chinese New Year usually falls.

The cash flow of the Group remained healthy during the period with cash and cash equivalents as at 30 September 2008 amounted to approximately HK$56.3 million (31 March 2008: HK$75.6 million) while only incurring a low level of bank borrowing of approximately HK$6.2 million (31 March 2008: HK$4.9 million). Gearing ratio (a ratio of total borrowings to total assets other than goodwill) as at 30 September 2008 was approximately 2.7% (31 March 2008: 2.0%). At 30 September 2008, bank borrowing of the Group was denominated in Swiss Franc, carrying fixed interest rate at 3.5% per annum and was secured by a floating charge on certain assets of the Group deposited in the bank, including investments held for trading, available-for-sale investments and bank balances. At 30 September 2008, total assets of the Group charged in favour of the bank was approximately HK$40,656,000, comprising approximately HK$18,573,000 of investments held for trading, approximately HK$15,458,000 of available-for-sale investments and approximately HK$6,625,000 of bank balances.

Capital Commitment and Contingent Liabilities

There were no significant capital commitments as at 30 September 2008. The Group had no material contingent liabilities as at the close of business on 30 September 2008.

Exposure to Fluctuations in Exchange Rates

The net foreign exchange loss of the Group for the six months ended 30 September 2008 was approximately HK$3.7 million compared to the net foreign exchange gain of approximately HK$0.4 million for the corresponding period in 2007.

The Group's sales are denominated in USD, Euro ("EUR") and Hong Kong dollars ("HKD"). The Group's purchases and expenses are mostly denominated in HKD and RMB, and some in USD and EUR. The Group has certain foreign currency bank balances, investments held for trading, available-for-sale investments and investment in foreign operations, which are exposed to foreign currency exchange risk. As HKD is pegged to USD, the Group does not expect any significant foreign currency exposure arising from the fluctuation of the USD/HKD exchange rates. During the six months ended 30 September 2008, HKD against EUR and RMB have experienced an increase of approximately 8.8% and a decrease of approximately 1.6% respectively. The unfavourable currency exchange rate movement has had an adverse impact on the Group's results. Except as disclosed, there was no material change in the Group's position in relation to foreign exchange exposure as disclosed in the Annual Report for the year ended 31 March 2008.

Employment and Share Option Schemes

As at 30 September 2008, the Group had a total of approximately 1,868 employees in the PRC, Hong Kong and France. Remuneration packages for the employees are maintained at a competitive level in the relevant jurisdiction, within which employees are attracted, retained and motivated. Remuneration packages are reviewed periodically. A summary of the share option schemes of the Group is set out in note 16 to the condensed consolidated financial statements.

Significant Investments, Material Acquisitions and Disposals

The Group did not have any significant investments, material acquisitions and disposals during the six months ended 30 September 2008.

Purchase, Sale or Redemption of the Company's Shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2008.

Compliance with Code on Corporate Governance Practices of the Listing Rules

The Company is committed to the establishment of good corporate governance practices and procedures. The corporate governance principles of the Company emphasize on a quality board of Directors (the "Board"), sound internal control, transparency and accountability to all shareholders of the Company. For the six months ended 30 September 2008, there is no deviation from the Corporate Governance Report as contained in the Annual Report of the Company for the year ended 31 March 2008. Throughout the six months ended 30 September 2008, the Company has applied the principles of the Code on Corporate Governance Practices (the "CG Code"), as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), save for the deviation from code provision A.2.1 of the CG Code that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. However, the Company does not separate the roles of the chairman and chief executive officer.

Ms. Choi Hon Hing, the Chairman of the Company, assumes the role of chief executive officer and is responsible for the overall control and management of the Company and the Group. The Company considers that the combination of the roles of chairman and chief executive officer can promote the efficient formulation and implementation of the Company's strategies which will enable the Group to grasp business opportunities more efficiently and promptly. The Company considers that through the supervision by its Board and its Independent Non-Executive Directors, a balancing mechanism exists so that the interests of the shareholders are adequately represented.

Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transaction. The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the period and they all confirmed having fully complied with the required standard set out in the Model Code.

Audit Committee

The Company established an Audit Committee on 16 May 2006 with reference to “A Guide for the Formation of an Audit Committee” published by the Hong Kong Institute of Certified Public Accountants. The terms of reference of the Audit Committee are consistent with the provisions as set out in the CG Code and are available on the Company’s website. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters including a review of the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2008 with the Directors and external auditors.

Publication of interim results announcement and interim report

The interim results announcement is published on the website of the Company at www.winboxhk.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. The interim report 2008/09 of the Company containing all information required by the Listing Rules will be dispatched to shareholders of the Company and made available on the same websites in due course.

By order of the Board
Ms. Choi Hon Hing
Chairman

Hong Kong, 8 December 2008

As at the date of this announcement, the board of directors comprises three executive directors, namely, Ms. Choi Hon Hing, Ms. Fung Wing Ki, Vicky and Ms. Fung Wing Yee, Wynne; and three independent non-executive directors, namely, Mr. Tam Hok Lam, Tommy, J.P., Dr. Hui Ka Wah, Ronnie, J.P. and Mr. Leung Man Chun, Paul.