

Listed Company Information

EXTRAWELL PHAR<00858> - Results Announcement

Extrawell Pharmaceutical Holdings Limited announced on 16/12/2005:
 (stock code: 00858)
 Year end date: 31/03/2006
 Currency: HKD
 Auditors' Report: N/A
 Interim report reviewed by: Audit Committee

	(Unaudited) Current Period from 01/04/2005 to 30/09/2005	(Unaudited) Last Corresponding Period from 01/04/2004 to 30/09/2004
Turnover	Note ('000) : 70,462	('000) : 94,447
Profit/(Loss) from Operations	: 3,287	7,706
Finance cost	: (848)	(1,161)
Share of Profit/(Loss) of Associates	: N/A	N/A
Share of Profit/(Loss) of Jointly Controlled Entities	: N/A	N/A
Profit/(Loss) after Tax & MI	: 719	7,012
% Change over Last Period	: -89.7 %	
EPS/(LPS)-Basic (in dollars)	: 0.0003	0.0031
-Diluted (in dollars)	: N/A	N/A
Extraordinary (ETD) Gain/(Loss)	: N/A	N/A
Profit/(Loss) after ETD Items	: 719	7,012
Interim Dividend per Share	: Nil	Nil
(Specify if with other options)	: N/A	N/A
B/C Dates for Interim Dividend	: N/A	
Payable Date	: N/A	
B/C Dates for (-) General Meeting	: N/A	
Other Distribution for Current Period	: N/A	
B/C Dates for Other Distribution	: N/A	

Remarks:

1. Basis of preparation and presentation

The Company was listed on main board of The Stock Exchange of Hong Kong Limited on 10 March 1999.

These unaudited condensed consolidated interim financial statements have not been audited by the Company's auditors but have been reviewed by the Company's Audit Committee.

The Directors are responsible for the preparation of the Group's unaudited condensed consolidated interim financial statements. In preparing these unaudited condensed consolidated interim financial statements, the Directors confirm that the accounting policies and method of computation applied are consistent with those used in the audited consolidated financial statements for the year ended 31 March 2005, except that the Group adopted the new / revised standards and interpretations of Hong Kong Financial Reporting Standards ("HKFRS") below, which are relevant to its operations. The 2004 comparatives have been amended as required, in accordance with the relevant requirements.

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 14	Segment Reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 33	Earnings per Share
HKAS 34	Interim Financial Reporting
HKAS 36	Impairment of Assets
HKAS 38	Intangible Assets
HKAS-Int 15	Operating Leases - Incentives
HKFRS 3	Business Combinations

The adoption of new / revised HKASs 1, 2, 7, 8, 10, 14, 16, 21, 24, 27, 33, 34 and HKAS-Int 15 did not result in substantial changes to the Group's accounting policies. In summary:

- HKAS 1 has affected the presentation of minority interest, share of net after-tax results of associates and other disclosures.
- HKASs 2, 7, 8, 10, 14, 16, 27, 33, 34 and HKAS-Int 15 had no material effect on the Group's policies.
- HKAS 21 had no material effect on the Group's policy. The functional currency of each of the consolidated entities has been re-evaluated based on the guidance to the revised standard. All the Group

entities have the same functional currency as the presentation currency for respective entity financial statements.

- HKAS 24 has affected the identification of related parties and some other related-party disclosures.

The adoption of revised HKAS 17 has resulted in a change in the accounting policy relating to the reclassification of leasehold land and land use rights from property, plant and equipment to operating leases. The up-front prepayments made for the leasehold land and land use rights are expensed in the income statement on a straight-line basis over the period of the lease or when there is impairment, the impairment is expensed in the income statement. In prior years, the leasehold land was accounted for at fair value or cost less accumulated depreciation and accumulated impairment.

The adoption of revised HKAS 17 resulted in:

	30 September 2005	31 March 2005
Consolidated Balance Sheet (Unaudited)	HK\$'000	HK\$'000
Increase in leasehold land	15,217	15,109
Decrease in property, plant and equipment	(15,217)	(15,109)
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The adoption of HKFRS 3, HKAS 36 and HKAS 38 results in a change in the accounting policy for goodwill. Until 31 December 2004, goodwill was:

- Amortised on a straight line basis over a period ranging from 5 to 20 years; and
 - Assessed for an indication of impairment at each balance sheet date.

In accordance with the provisions of HKFRS 3:

- The Group ceased amortisation of goodwill from 1 April 2005;
 - Accumulated amortisation as at 31 March 2005 has been eliminated with a corresponding decrease in the cost of goodwill;
 - From the year ending 31 March 2006 onwards, goodwill is tested annually for impairment, as well as when there is indication of impairment.

The Group has reassessed the useful lives of its intangible assets in accordance with the provisions of HKAS 38. No adjustment resulted from this reassessment.

All changes in the accounting policies have been made in accordance with the transition provisions in the respective standards, wherever applicable. All standards adopted by the Group require retrospective application other than:

- HKAS 16 - the initial measurement of an item of property, plant and equipment acquired in an exchange of assets transaction is accounted at fair value prospectively only to future transactions;
 - HKAS 21 - prospective accounting for goodwill and fair value adjustments as part of foreign operations;
 - HKAS-Int 15 - does not require the recognition of incentives for leases beginning before 1 January 2005.
 - HKFRS 3 - prospectively after 1 January 2005.

The unaudited condensed consolidated interim financial statements have been prepared in accordance with HKFRS under the historical cost convention, as modified by t under the historical cost convention, as modified by the revaluation of buildings, and have been prepared in accordance with HKAS 34 "Interim financial reporting".

2. Profit from operations

	(Unaudited)	
	For the six months ended 30 September	
	2005	2004
	HK\$'000	HK\$'000
Amortisation of intangible assets	364	2,375
Amortisation of goodwill	-	1,763
Deficit on revaluation of property	2,000	-
Gain on disposal of a group of subsidiaries	-	(1,555)
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3. Earnings per share

The calculation of basic earnings per share is based on the net profit from ordinary activities attributable to equity holders of the Company and minority interests for the period of HK\$719,000 (six months ended 30 September 2004: HK\$7,012,000) and the weighted average of 2,290,000,000 (six months ended 30 September 2004: 2,290,000,000) ordinary shares in issue during the period.

Diluted earnings per share for each of the six months ended 30 September 2004 and 2005 have not been calculated as no diluting events existed during these two periods.