

The Board of Directors (the "Board") of China HealthCare Holdings Limited (the "Company") would like to present the unaudited consolidated financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2005. These interim financial statements have been reviewed by the Audit Committee of the Company.

CONDENSED CONSOLIDATED INCOME STATEMENT – UNAUDITED

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2005

		For the six months ended 30 September	
	Notes	2005 (Unaudited) HK\$'000	2004 (Unaudited) HK\$'000
Continuing operations			
Turnover	3	3,546	2,101
Cost of sales and services		(2,686)	(965)
Gross profit		860	1,136
Other operating income		372	79
Distribution costs		(2,118)	(190)
Administrative expenses		(18,541)	(13,557)
Impairment losses of goodwill		(4,500)	–
Amortisation of intangible assets		(95)	(843)
Other operating expenses		(3)	–
Loss from operations	4	(24,025)	(13,375)
Finance costs	5	(1,565)	(372)
Loss before taxation		(25,590)	(13,747)
Taxation	6	–	–
Loss from continuing operations for the period		(25,590)	(13,747)
Discontinued operation			
Loss from discontinued operation for the period	3	–	(12,360)
Loss for the period		(25,590)	(26,107)
Attributable to:			
Equity holders of the parent		(23,641)	(25,636)
Minority interests		(1,949)	(471)
		(25,590)	(26,107)
Basic loss per share	8	HK cents	HK cents
– From continuing operations and discontinued operation		(10.5)	(12.0)
– From continuing operations		(10.5)	(6.2)