

**ANWELL TECHNOLOGIES LIMITED (REG NO. 200308707W)
ADDITIONAL INFORMATION ON FINANCIAL RESULTS RELEASED ON 14 May 2008**

Anwell Technologies Limited (the "Company") wishes to announce the followings in response to queries raised by SGX-ST on 21 May 2008 in respect of the first quarter financial results of FY2008 that was announced on 14 May 2008.

Query : Please provide reasons to explain the increase of HK\$34.8m in depreciation in 1QFY2008 as compared to 1QFY2007.

Response : The increase in depreciation was due to increase in fixed assets. The net book value of property, plant and equipment were increased 17-fold from HK\$67 million as at 31 March 2007 to HK\$1,167 million as at 31 March 2008. The increased assets are mainly from the companies being acquired in 2007.

Query : We note from Paragraph 8 of the results announcement that the increases in distribution expenses and administrative expenses were due mainly to the consolidation of the media business acquired in 2007. In this regard, please provide a breakdown of the expenses according to the business segments and to explain the increases.

Response : The increase in distribution and administrative expenses was mainly due to the consolidation of media business the Group acquired in 2007. The distribution and administrative expenses of the acquired media business were HK\$4.7 million and HK\$24.5 million in 1Q08. Besides, the increase in administrative expenses in equipment manufacturing business was mainly due to increase in number of headcount, staff payroll cost and related human resources expenses.

	1Q2008		1Q2007	
	Equipment manufacturing and trading HK\$ million	Media products manufacturing and trading HK\$ million	Equipment manufacturing and trading HK\$ million	Media products manufacturing and trading HK\$ million
Distribution expenses	3.5	4.7	3.5	-
Administrative expenses	21.8	24.5	13.4	-

Query : We note that the Company recorded a net foreign exchange gain of HK\$6m during the period due to the appreciation of Renminbi during the period. However, please disclose further details of the underlying items which resulted in the foreign exchange gain, the currencies in which they were denominated in and the movements of such currencies against the Group's

reporting currency.

Response : The net foreign exchange gain is mainly a result of the favourable movement in the exchange rate between RMB and HK dollar during the quarter ended 31 March, 2008. The Group's reporting currency is in HK dollar. However, the Group also transacts in RMB, US dollar, Japanese Yen and Euro. During the quarter ended 31 March 2008, the appreciation of RMB against HK dollar resulted in an increased in net exchange gain. This mainly arose from the revaluation of trade and other receivable, trade payable and accruals and bank balances which are denominated in RMB.

Query : **We note that there is an increase of HK\$5.2m in finance expenses for the quarter ended 31 March 2008 as compared to the previous corresponding quarter. The Company has disclosed in the announcement that the amount mainly represented fees and interest payable to Banks. Considering that the Company has cash in hand of approximately HK\$60m, please explain why there is an increase in borrowings and consequently, an increase in interest expenses.**

Response : Increase in finance expenses was due to increase in bank borrowings. The increased bank borrowings are mainly from the media business the Group acquired in 2007.

BY ORDER OF THE BOARD

Fan Kai Leung
Executive Chairman and CEO
22 May 2008