

Unless otherwise defined, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus (the “Prospectus”) of Powerwell Pacific Holdings Limited (宏峰太平洋集團有限公司) (the “Company”) dated 29 December 2010.

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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. Potential investors should read the Prospectus for detailed information about the Placing described below before deciding whether or not to invest in the Shares thereby being offered.

POWERWELL PACIFIC HOLDINGS LIMITED

宏峰太平洋集團有限公司

(incorporated in Bermuda with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING

Number of Placing Shares : 42,000,000 Shares
Placing Price : Not more than HK\$1.10 per Placing Share
and expected to be not less than HK\$0.80
per Placing Share (payable in full upon
application, plus brokerage fee of 1%,
SFC transaction levy of 0.003% and
Stock Exchange trading fee of 0.005%)
Nominal value : HK\$0.10 each
GEM stock code : 8265

Joint Sponsors

 **CIMB**
CIMB Securities (HK) Limited

Access 
Capital

Sole Bookrunner

 **CIMB**
CIMB Securities (HK) Limited

Joint Lead Managers

CIMB Securities (HK) Limited

Gransing Securities Co., Limited

Copies of the Prospectus required by the GEM Listing Rules are available, for information purposes only, at the offices of CIMB at 25/F., Central Tower, 28 Queen's Road Central, Hong Kong, Access Capital at Suite 606, 6th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong and Gransing Securities Co., Limited at 804–806 Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong during normal office hours from 9:00 a.m. to 5:00 p.m. from 29 December 2010 up to 17 January 2011 (both dates inclusive).

Pursuant to the Underwriting Agreement, the Company is offering 42,000,000 Shares for subscription by way of Placing at the Placing Price on and subject to the terms and conditions as set out in the Prospectus.

Applications for the Placing Shares will only be considered on the basis of the terms and conditions as set out in the Prospectus. The Placing is conditional upon the fulfillment of the conditions as set out in the subsection headed "Conditions of the Placing" in the section headed "Structure and conditions of the Placing" in the Prospectus. If such conditions are not fulfilled (or, where applicable, waived) in accordance with the terms and conditions of the Underwriting Agreement on or before the dates and times as specified therein, the Placing will not proceed, and all money received will be refunded to applicants of the Placing without interests and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published on the GEM website (*www.hkgem.com*) on the next business day immediately following the date of such lapse.

Investors should note that the Underwriters are entitled to terminate their obligations under the Underwriting Agreement by notice in writing to the Company given by CIMB (for itself and on behalf of the Underwriters) upon the occurrence of any of the events set forth under "Grounds for termination" in the section headed "Underwriting" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. Such events include, among other things, any act of God, military action, riot, public disorder, civil commotion, fire, flood, tsunami, explosion, epidemic, terrorism, strike or lock-out.

Application has been made to the Stock Exchange for the listing of, and permission to deal in, the Shares issued and to be issued pursuant to the Placing, the Capitalisation Issue and the exercise of any options that may be granted under the Share Option Scheme as described in the Prospectus. Dealings in the Shares on GEM are expected to commence on 26 January 2011.

If the Listing Division of the Stock Exchange grants the listing of, and permission to deal in, the Shares on GEM as mentioned in the Prospectus and the Company complies with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the Shares to be admitted into CCASS.

The Placing Price is expected to be fixed between CIMB (for itself and on behalf of the Underwriters) and the Company on the Price Determination Date. The Price Determination Date is expected to be on or before 18 January 2011 or such later date as the Company and CIMB (for itself and on behalf of the Underwriters) may agree. The Placing Price will not be more than HK\$1.10 per Share and is currently expected to be not less than HK\$0.80 per Share unless otherwise announced.

CIMB (for itself and on behalf of the Underwriters), with consent of the Company, may reduce the indicative Placing Price range stated in the Prospectus at any time prior to the morning of Monday, 17 January 2011. In such a case, a notice of the reduction of the indicative Placing Price range will be published on the Company's website at www.hklistco.com/8265 and the GEM website at www.hkgem.com, not later than the morning of Monday, 17 January 2011. Such notice will also include confirmation or revision, as appropriate, of the placing statistics as currently set out in the section headed "Summary" in the Prospectus, and any other financial information which may change as a result of such reduction.

If, for whatever reason, CIMB (for itself and on behalf of the Underwriters) and the Company are unable to reach any agreement on the Placing Price on or before the Price Determination Date or such later date as agreed by CIMB (for itself and on behalf of the Underwriters) and the Company, the Placing will not become unconditional and will lapse. In such event, the Company will issue an announcement on the GEM website at www.hkgem.com and the Company's website (www.hklistco.com/8265).

No receipt will be issued for application monies paid. The Company will not issue temporary documents of title. Share certificates will only become valid documents of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its term prior to 8:00 a.m. (Hong Kong time) on the Listing Date.

The announcement of the final Placing Price, the level of indication of interests in the Placing and the basis of allocations of the Placing Shares will be published on the GEM website at www.hkgem.com and the Company's website (www.hklistco.com/8265) on 25 January 2011.

Dealings in Shares on GEM are expected to commence at 9:30 a.m. on Wednesday, 26 January 2011. Shares will be traded in board lots of 4,000 Shares each. The stock code for the Shares is 8265.

By order of the Board
Powerwell Pacific Holdings Limited
Liu Tin Chak, Arnold
Chairman and Executive Director

Hong Kong, 29 December 2010

As at the date of this announcement, the executive Directors are Liu Tin Chak, Arnold, Lam Chi Wai, Peter, Wong Yu Man, Elias and Yang Yijun and the independent non-executive Directors are Cheung Chi Man, Dennis, Lui Tai Lok and Yip Kwok Kwan.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement and a copy of the Prospectus will remain on the GEM website at <http://www.hkgem.com> and, in the case of this announcement, on the “Latest Company Announcements” page for at least 7 days from the day of its posting. This announcement and a copy of the Prospectus will also be published on the Company’s website (www.hklistco.com/8265).