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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Powerwell Pacific Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of the Stock Exchange for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; there are no other matters the omission of which would make any statement herein or this circular misleading.

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**POWERWELL PACIFIC HOLDINGS LIMITED**

**宏峰太平洋集團有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 8265)**

**PROPOSALS FOR**  
**(I) RE-ELECTION OF RETIRING DIRECTORS**  
**(II) GENERAL MANDATES TO ISSUE SHARES**  
**AND TO REPURCHASE SHARES**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company (the “AGM”) to be held at 2/F, Regal Kowloon Hotel, 71 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 3 May 2013 at 3:00 p.m. is set out on pages 11 to 14 of this circular.

Whether or not you are able to attend the AGM, you are advised to read this circular and to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

*This circular will remain on the GEM website with the domain name of [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the Company’s website at [www.hklistco.com/8265](http://www.hklistco.com/).*

28 March 2013

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## CHARACTERISTICS OF GEM

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GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## DEFINITIONS

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|---------------------------|---|
| “AGM”                     | the annual general meeting of the Company to be held at 2/F, Regal Kowloon Hotel, 71 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 3 May 2013 at 3:00 p.m., a notice of which is set out on pages 11 to 14 of this circular   |
| “associate(s)”            | has the same meaning ascribed to it under the GEM Listing Rules   |
| “Board”                   | the Board of Directors  |
| “Bye-Laws”                | the bye-laws of the Company   |
| “Company”                 | Powerwell Pacific Holdings Limited (Stock code: 8265), a company incorporated in Bermuda with limited liability, the Shares of which are listed on GEM  |
| “Director(s)”             | the director(s) of the Company  |
| “GEM”                     | the Growth Enterprise Market of the Stock Exchange  |
| “GEM Listing Rules”       | the Rules Governing the Listing of Securities on GEM  |
| “Group”                   | the Company and its subsidiaries  |
| “Hong Kong”               | the Hong Kong Administrative Region of the PRC  |
| “Issuance Mandate”        | a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM |
| “Latest Practicable Date” | 22 March 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular   |
| “PRC”                     | the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan  |
| “Repurchase Mandate”      | a general and unconditional mandate to the Directors to repurchase Shares of an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution at the AGM                                     |
| “SFO”                     | the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong  |
| “Share(s)”                | share(s) of HK\$0.1 each in the share capital of the Company  |
| “Shareholder(s)”          | the holder(s) of Share(s)   |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited   |
| “Takeovers Code”          | the Hong Kong Code on Takeovers and Mergers   |

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## DEFINITIONS

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“HK\$” Hong Kong dollar(s) the lawful currency of Hong Kong  
“%” per cent.



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**POWERWELL PACIFIC HOLDINGS LIMITED**

**宏峰太平洋集團有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 8265)**

*Executive Directors:*

Mr. Liu Tin Chak, Arnold (*Chairman*)  
Mr. Lam Chi Wai, Peter  
Mr. Wong Yu Man, Elias  
Mr. Yang Yijun

*Registered Office:*

Claredon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Independent Non-executive Directors:*

Mr. Cheung Chi Man, Dennis  
Professor Lui Tai Lok  
Mr. Yip Kwok Kwan

*Headquarter and Principal Place of*

*Business in Hong Kong:*

19/F., Henry Centre  
131 Wo Yi Hop Road  
Kwai Chung, New Territories  
Hong Kong

28 March 2013

*To the Shareholders*

Dear Sir/Madam,

**PROPOSALS FOR  
(I) RE-ELECTION OF RETIRING DIRECTORS  
(II) GENERAL MANDATES TO ISSUE SHARES  
AND TO REPURCHASE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the forthcoming AGM in relation to (i) re-election of Directors; (ii) grant to the Directors the Issuance Mandate; (iii) grant to the Directors the Repurchase Mandates; (iv) the extension of the Issuance Mandate by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate.

The notice of AGM is set out in Appendix III to this circular and contains full text of the resolutions to be proposed at the AGM.

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## LETTER FROM THE BOARD

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### PROPOSED RE-ELECTION OF DIRECTORS

At each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one third) shall retire from office by rotation pursuant to Bye-law 84 of the Bye-Laws.

According to the provisions of above Bye-law, Messrs. Liu Tin Chak, Arnold, Lam Chi Wai, Peter, Wong Yu Man, Elias will retire by rotation at the AGM. All the retiring Directors, being eligible, offer themselves for re-election at the AGM. Details of the Directors proposed to be re-elected at the AGM which are required to be disclosed in accordance with the GEM Listing Rules are set out in Appendix I to this circular.

### GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At a meeting of the Shareholders held on 3 May 2012, the Directors were granted a general unconditional mandate to allot, issue and deal with Shares and a general unconditional mandate to repurchase Shares. Such mandates will expire at the conclusion of the AGM. At the AGM, among other businesses, resolutions will be proposed to grant to the Directors the Issuance Mandate to allot, issue and deal with new Shares of an aggregate nominal amount of up to 20% of the issued Shares as at the date of passing the relevant resolution, the Repurchase Mandate to repurchase up to a maximum of 10% of the issued Shares as at the date of passing the relevant resolution and an extension to the Issuance Mandate by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate.

The Issuance Mandate and the Repurchase Mandate shall be effective until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws to be held; or
- (c) the revocation or variation of the authority given thereunder by an ordinary resolution of the shareholders of the Company in general meeting.

The Company had in issue an aggregate of 150,000,000 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolutions for the approval of the Issuance Mandate and the Repurchase Mandate and in accordance with the terms therein, the Company would be allowed to allot, issue and deal with 30,000,000 new Shares and to repurchase a maximum of 15,000,000 Shares respectively, on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

In accordance with the GEM Listing Rules, an explanatory statement containing the required information to enable Shareholders to make an informed decision on whether to vote for or against the Repurchase Mandate is set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### **ACTION TO BE TAKEN**

The notice of the AGM is set out in Appendix III to this circular. A proxy form for appointing proxy is despatched with this circular and published on the GEM website ([www.hkgem.com](http://www.hkgem.com)) and the Company's website ([www.hklistco.com/8265](http://www.hklistco.com/8265)). Whether or not you intend to attend the AGM, you are requested to complete the proxy form and return it to the Company's branch share registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or the adjourned meeting. Completion and return of a proxy form will not preclude you from attending and voting at the meeting and any adjourned meeting if you so wish.

In accordance with Rule 17.47(4) of the GEM Listing Rules, all resolutions proposed at the AGM shall be voted by poll.

### **RECOMMENDATION**

The Directors consider that the re-election of Directors, granting of the Repurchase Mandate and granting and extension of the Issuance Mandate are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions set out in the notice of the AGM.

Yours faithfully,  
By Order of the Board  
**Powerwell Pacific Holdings Limited**  
**Liu Tin Chak, Arnold**  
*Chairman*

*The following Directors are proposed to be re-elected at the AGM:*

**Liu Tin Chak, Arnold (廖天澤)**, aged 60, is an executive Director and the Chairman of the Board appointed on 9 July 2010. He is also the compliance officer of our Company appointed on 22 December 2010 and a member of our nomination committee. He founded and joined the Group in 1995 and is a director of all of our subsidiaries except Shenzhen Tianhaiba Watches Company Limited (“Tianhaiba”). He is responsible for finance and the overall management of our Group. He obtained a Master Degree in Business Administration from Macau University of Science and Technology in 2002. Mr Liu had over 16 years’ corporate banking experience with a major international bank. He was a director and the vice chairman of Watary International Holdings Limited and was a director and then a general manager of a subsidiary of United Power Investment Limited.

Mr. Liu has entered into a service contract with the Company for a term of three years commencing from 26 January 2011. Under the service contract, he is entitled to monthly remuneration at the rate of HK\$80,000 and after each completed year of service, payment of a sum equal to the month’s salary and discretionary bonus. The emoluments in connection to Mr. Liu’s position as executive Director and the Chairman are determined with reference to prevailing market rates and his duties and level of responsibilities.

Mr. Liu is a director of and has a 47.6% shareholding in Data Champion Limited, which is the beneficial owner of 108,000,000 Shares, representing 72% of the total issued capital of the Company. He has not held any directorship with any other listed companies in Hong Kong or overseas in the past three years and does not have any interests in the securities of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu does not hold any other positions in the Group and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

**Lam Chi Wai, Peter (林志偉)**, aged 53, is an executive Director appointed on 9 July 2010. He is also known as Lam Chi Wai Michael. He founded the Group in 1995 and is now the Group’s Chief Executive Officer — Hong Kong Operation and a director of all of our subsidiaries except Tianhaiba. He is responsible for the overall sales and marketing of our Group. Mr. Lam started to be involved in the timepiece industry in 1989 as project manager with a watch company before founding the Group and has accumulated over 15 years of experience in sales and marketing since then. Mr. Lam holds a Bachelor of Business Administration degree from Hong Kong Shue Yan University and a Master of Science degree in Marketing from Edinburgh Napier University. He is a member of the Chartered Institute of Marketing.

Mr. Lam has entered into a service contract with the Company for a term of three years commencing from 26 January 2011. Under the service contract, he is entitled to monthly remuneration at the rate of HK\$80,000 and after each completed year of service, payment of a sum equal to the month’s salary and discretionary bonus. The emoluments in connection to Mr. Lam’s position as executive Director are determined with reference to prevailing market rates and his duties and level of responsibilities.

Mr. Lam is a director of and has a 23.8% shareholding in Data Champion Limited, which is the beneficial owner of 108,000,000 Shares, representing 72% of the total issued capital of the Company. He has not held any directorship with any other listed companies in Hong Kong or overseas in the past three years and does not have any interests in the securities of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Lam does not hold any other positions in the Group and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

**Wong Yu Man, Elias (黃汝文)**, aged 47, is an executive Director appointed on 9 July 2010. He founded the Group in 1995 and is a director of three subsidiaries companies of the Company. He is responsible for the overall design and development of watch, jewelry and display and packaging products of our Group. Mr. Wong has accumulated over 20 years of experience in product design and development. He started to be involved in the timepiece industry in 1984 and has since worked for a number of companies in watch business where his responsibilities ranged from producing technical drawing and designing watch appearances to overall watch product design and development. He then founded our Group in 1995. Mr. Wong attained a Certificate in Design (Jewelry) in Lee Wai Lee Technical Institute (now know as Hong Kong Institute of Vocational Education (Lee Wai Lee)) in 1990.

Mr. Wong has entered into a service contract with the Company for a term of three years commencing from 26 January 2011. Under the service contract, he is entitled to monthly remuneration at the rate of HK\$80,000 and after each completed year of service, payment of a sum equal to the month's salary and discretionary bonus. The emoluments in connection to Mr. Wong's position as executive Director are determined with reference to prevailing market rates and his duties and level of responsibilities.

Mr. Wong is a director of and has a 23.8% shareholding in Data Champion Limited, which is the beneficial owner of 108,000,000 Shares, representing 72% of the total issued capital of the Company. He has not held any directorship with any other listed companies in Hong Kong or overseas in the past three years and does not have any interests in the securities of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wong does not hold any other positions in the Group and has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there are no other matters concerning the above-named Directors' re-appointment that need to be brought to the attention of the Shareholders and there are no other matters which should be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules.

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## APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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*This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide certain information to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.*

### 1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company consisted of 150,000,000 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 15,000,000 Shares.

### 2. REASONS FOR REPURCHASES

The Directors believe that, although they have no present intention of repurchasing any Shares, the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share of the Company, in particular when the Shares are traded at a discount to their underlying value. Repurchases will only be made when the Directors believe that such repurchases are in the best interests of the Company and the Shareholders.

### 3. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would only be funded out of funds legally available for such purpose in accordance with the Bye-Laws, the GEM Listing Rules and all applicable laws, including the laws of Bermuda. Bermuda law provides that the purchases by the Company of its own shares may only be effected out of the capital paid up on the repurchased Shares or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of share of the Company for such purpose. Any premium payable on a repurchase over the par value of the repurchased shares must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account or contributed surplus account.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2012) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are appropriate for the Company.

#### **4. SHARE PRICES**

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date:

| <b>2012</b>                               | <b>Highest</b><br><i>HK\$</i> | <b>Lowest</b><br><i>HK\$</i> |
|---|-------------------------------|------------------------------|
| March                                     | 0.87                          | 0.84                         |
| April                                     | 0.87                          | 0.84                         |
| May                                       | 0.86                          | 0.84                         |
| June                                      | 0.86                          | 0.83                         |
| July                                      | 0.86                          | 0.84                         |
| August                                    | 0.85                          | 0.84                         |
| September                                 | 0.85                          | 0.83                         |
| October                                   | 0.85                          | 0.83                         |
| November                                  | 0.85                          | 0.83                         |
| December                                  | 0.86                          | 0.83                         |
| <b>2013</b>                               |                               |                              |
| January                                   | 0.86                          | 0.82                         |
| February                                  | 0.85                          | 0.84                         |
| March (up to the Latest Practicable Date) | 0.85                          | 0.83                         |

#### **5. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If as a result of a repurchase of the Company's Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the largest Shareholder, Data Champion Limited held 108,000,000 Shares, representing 72.00% of the issued share capital of the Company. Messrs. Liu Tin Chak, Arnold, Lam Chi Wai, Peter and Wong Yu Man Elias, are the directors of Data Champion Limited and are concert parties and have in aggregate a 95.20% shareholding in Data Champion Limited. In the event that the Directors should exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the shareholding of Data Champion Limited in the Company would be increased to 80.00% of the issued share capital of the Company. Such increase would not give rise to an obligation on such persons to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such an extent that the number of Shares in the hands of the public would fall below the prescribed minimum percentage (under the GEM Listing Rules) of 25%.

**6. SHARE REPURCHASE MADE BY THE COMPANY**

No repurchase of Shares had been made by the Company during the period commencing from six months proceeding the date of this circular to the Latest Practicable Date (whether on the GEM or otherwise).

**7. DISCLOSURE OF INTERESTS AND UNDERTAKING OF THE DIRECTORS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates have any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any connected person (as defined in the GEM Listing Rules) that such a person has a present intention to sell any Shares, nor has undertaken not to sell any Shares, to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that they will only exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the Bye-Laws and all applicable laws of Bermuda.

**POWERWELL PACIFIC HOLDINGS LIMITED****宏峰太平洋集團有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 8265)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Powerwell Pacific Holdings Limited (the “Company”) will be held at 2/F, Regal Kowloon Hotel, 71 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 3 May 2013 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors of the Company and the Company’s independent auditor for the year ended 31 December 2012;
2. (a) To re-elect Mr. Liu Tin Chak, Arnold as an executive director of the Company;
- (b) To re-elect Mr. Lam Chi Wai, Peter as an executive director of the Company;
- (c) To re-elect Mr. Wong Yu Man, Elias as an executive director of the Company;
- (d) To authorise the Board of Directors of the Company to fix directors’ remuneration;
3. To re-appoint BDO Limited as the Company’s auditor and to authorize the Board of Directors of the Company to fix their remuneration;
4. To consider as special business and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

**“THAT**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make and grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make and grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) any Share Option Scheme (as hereinafter defined) of the Company; (iii) any scrip dividend or other similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the approval in paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares in the capital of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirement of any recognised regulatory body or any stock exchange in, any territory); and

“Share Option Scheme” means a share option scheme or similar arrangement for the time being, as varied from time to time, adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible person of shares or rights to acquire shares of the Company.”;

5. To consider as special business and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

**“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution; and
- (c) for the purpose of this resolution,

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”;

6. To consider as special business and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolution 5 above, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares in the capital of the Company pursuant to resolution 4 above be and is hereby extended by adding thereto the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to the said resolution 5”; and

By Order of the Board  
**Powerwell Pacific Holdings Limited**  
**Chan Sun Kwong**  
*Company Secretary*

Hong Kong, 28 March 2013

**Notes:**

- (a) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- (b) To be valid, the form of proxy together with the power of attorney, or other authority, if any, under which it is signed, or a certified copy thereof, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting or adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the meeting or any adjournment thereof should he so wish.
- (c) The Directors of the Company as at the date of this notice are Mr. Liu Tin Chak, Arnold, Mr. Lam Chi Wai, Peter, Mr. Wong Yu Man, Elias and Mr. Yang Yijun, being executive Directors, and Mr. Cheung Chi Man, Dennis, Professor Lui Tai Lok and Mr. Yip Kwok Kwan, being independent non-executive Directors.