

POWERWELL PACIFIC HOLDINGS LIMITED (THE “COMPANY”)

**TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE
OF THE COMPANY**

The terms of reference of the Remuneration Committee of the Company are based on the terms of reference contained in the Corporate Governance Code set out in Appendix 15 of the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited in effect from time to time, which shall be as follows with effect from 1 April, 2012:

- (a) to make recommendations to the board on the Company’s policy and structure for all directors’ and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) to review and approve the management’s remuneration proposals with reference to the board’s corporate goals and objectives;
- (c) either:
 - (i) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or
 - (ii) to make recommendations to the board on the remuneration packages of individual executive directors and senior management.

This should, include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

- (d) to make recommendations to the board on the remuneration of non-executive directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (f) to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (g) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they consistent with contractual terms and are otherwise reasonable and appropriate; and
- (h) to ensure that no director or any of his associates is involved in deciding his own remuneration.

Dated 14 March, 2012.