Anwell Technologies Limited (the “Company”) wishes to announce the following in response to the queries raised by SGX-ST on 17 May 2013 in respect of the first quarter financial results announcement for FY2013 that was announced on 14 May 2013.

Question: We note that Research and Development expenses increased to HK$25.9 million in 1Q13 compared to HK$9.4 million in 1Q12. Please provide more details, to explain the reasons for the significant increase.

Response: The increase in Research and Development costs represents the Group’s continuous efforts in strengthening the key technologies in all dimensions of its media products and solar products manufacturing solutions. In 1Q13, HK$18.7 million out of the total R&D expenses were attributable to the advancement of manufacturing solutions for higher efficiency solar panel. In addition, R&D effort in optimizing media products manufacturing process also contributed to the increase in R&D expenses. The management believes that such intense R&D effort creates significant growth potential and strengthens the Group’s competitive advantages amid industry consolidation.

BY ORDER OF THE BOARD

Fan Kai Leung
Executive Chairman and CEO
21 May 2013