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Burwill Holdings Limited

寶威控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 24)

ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

For better appraisal of the financial position and business performance of Burwill Holdings Limited (the “Company”) and its subsidiaries (the “Group”), the board of directors (the “Board”) of the Company wishes to inform its shareholders and potential investors of certain financial information of the Group.

The 2011 interim results of the Group (the “Interim Results”) is expected to be affected by the decline in the fair value, for the interim period, of the consideration shares, which were issued to the vendor for the acquisition of magnetite iron ore mining businesses in the PRC last year, to be returned of approximately HK\$140 million. Since the profit guarantee given by the vendor was not fulfilled, the Group might recover the consideration shares (the “Recoverable Shares”) accordingly. According to the Hong Kong Financial Reporting Standards, the Recoverable Shares should be accounted for at their fair value and any change in their fair value should be recorded as gains or losses. The decline in the fair value of the Recoverable Shares on the interim balance sheet date is assessed by reference to the closing price per share of HK\$0.51 as quoted on the Stock Exchange at the year end of 2010 and the closing price per share of HK\$0.305 as quoted on the Stock Exchange on the interim balance sheet date this year.

The aforesaid fair value losses do not come from the Group’s business operation. It is solely a fair value accounting treatment and no cash flow is involved. If the price in shares rises in the future, the increase in the fair value will be recorded as a gain. Shareholders and potential investors should pay attention on such circumstances.

The Interim Results is being prepared and it is expected to be announced in August 2011.

Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Burwill Holdings Limited
Kwok Wai Lam
Executive Director

Hong Kong, 30 June 2011

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Chan Shing, Mr. Sit Hoi Tung, Mr. Yang Dawei, Ms. Lau Ting, Ms. Tung Pui Shan, Virginia, Mr. Kwok Wai Lam, Mr. Yin Mark and Mr. Sham Kai Man as Executive Directors, Mr. Cui Shu Ming, Mr. Miao Gengshu and Mr. Huang Shenglan as Independent Non-Executive Directors and Mr. Sze Tsai Ping, Michael as Non-Executive Director.