



# Peace Mark (Holdings) Limited

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 304)

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of Peace Mark (Holdings) Limited (the “Company”) will be held at 4:00 p.m. on 25th August, 2006 at Boardroom, World Trade Centre Club, 38th Floor, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong for the following purposes:

### **As Ordinary Business**

1. To receive and adopt the audited financial statements of the Company, the reports of the directors (the “Directors”) and auditors (the “Auditors”) of the Company for the year ended 31st March, 2006;
2. To declare a final dividend of HK4.3 cents per share for the year ended 31st March, 2006;
3. To re-elect the following Directors:
  - (a) Mr. Chau Cham Wong, Patrick who was appointed as an executive director;
  - (b) Mr. Leung Yung who was appointed as an executive director;
  - (c) Mr. Man Kwok Keung who was appointed an executive director retiring by rotation; and
  - (d) Mr. Kwok Ping Ki, Albert who was appointed as an independent non-executive director retiring by rotation;
4. To authorize the board of Directors to fix the remuneration of Directors by reference to the recommendations of the Remuneration Committee of the Company;
5. To re-appoint the Auditors and to authorize the board of Directors to fix their remuneration;

## As Special Business

6. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

A. **“THAT:**

- (a) subject to paragraph (c) of this resolution 6A, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional share(s) in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into or exchangeable for shares of the Company) which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution 6A shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and to be issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution 6A, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution 6A); (ii) an issue of shares of the Company as scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on the shares in accordance with the bye-laws of the Company or (iii) an issue of shares under the Company’s share option scheme or any similar arrangements for the time being adopted by the Company and/or any of its subsidiaries for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes 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; or
- (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 other applicable laws to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by passing an ordinary resolution in general meeting of the Company; and

**“Rights Issue”** means an offer of shares in the Company or issue of options to subscribe for shares in the Company open for a period fixed by the directors of the Company to holders of shares in 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 in the Company (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the

laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

**B. “THAT**

- (a) subject to paragraph (b) of this resolution 6B, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) of this resolution 6B) of all powers of the Company to purchase shares of the Company on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, and in accordance with the provisions of, and in the manner specified in, the Rules Governing the Listing of Securities on the Stock Exchange or of any stock exchange (as amended from time to time), be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which are authorized to be repurchased or agreed conditionally or unconditionally to be repurchased by the directors of the Company pursuant to the approval in paragraph (a) of this resolution 6B during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution, and the said approval shall be limited accordingly.”
- (c) for the purposes 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; or
- (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 other applicable laws to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by passing an ordinary resolution in general meeting of the Company;” and

7. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

“**THAT** conditional upon the passing of the resolutions 6A and 6B above, the general mandate granted to the directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with new shares pursuant to the resolution 6A in this notice of Annual General Meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to the resolution 6B above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution.”

8. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTIONS

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on 24th January 2002 (“**Share Option Scheme**”), representing 10 per cent. of the issued share capital of the Company as at the day on which this resolution is passed, pursuant to Clause 10.02 of the Share Option Scheme:

- (a) approval be and is hereby granted for refreshing the 10 per cent. mandate under the Share Option Scheme (“**Refreshed Scheme Mandate**”) provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed hereby shall not exceed 10 per cent. of the issued share capital of the Company as at the day on which this resolution is passed (options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and
- (b) the directors of the Company or a duly authorised committee thereof be and they are hereby authorised: (i) at their absolute discretion, to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate.”
9. As special business, to consider and, if thought fit, pass the following resolution as a special resolution:

“**THAT** the existing bye-laws of the Company (“Bye-laws”) be and are hereby amended in the following manner:

(a) Bye-law 66

- (i) by deleting the full stop at the end of Bye-law 66(d) and replacing thereof with a semi-colon and inserting the word “or” after the semi-colon.
- (ii) by inserting the following wording after Bye-law 66(d):–

“(e)if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.”

(b) Bye-law 86(2)

by deleting the last sentence in Bye-law 86(2) and replacing thereof with the following new sentence:–

“Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an addition to the Board), and shall then be eligible for re-election at that meeting.”

(c) Bye-law 87(1)

by inserting the following wording after “every Director” on the 4th line of Bye-law 87(1):–

“(including those appointed for a specific term but excluding those holding the office of Chairman or Managing Director).”

(d) Bye-law 87(2)

by deleting the last sentence in Bye-law 87(2) and replacing thereof with the following new sentence.

“Every Director holding the office of Chairman or Managing Director shall be subject to re-election once every three years.”

By Order of the Board  
**Fong Ho Yan**  
*Company Secretary*

Hong Kong, 31st July, 2006

*Head office and  
principal place of business:*  
Unit 3, 12th Floor  
Cheung Fung Industrial Building  
23-39 Pak Tin Par Street  
Tsuen Wan  
Hong Kong

*Notes:*

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxy to attend and, in the event of the poll and, subject to the provisions of the Bye-laws of the Company, vote on his behalf. A proxy need not be a member of the Company but must be present in person to represent the member.
2. In order 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 of such power or authority, must be deposited with the Company's share registrar in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you wish.
3. The register of members of the Company will be closed from Wednesday, 23rd August, 2006 to Friday, 25th August, 2006, both dates inclusive, during which period no transfer of shares can be registered. In order to qualify for the proposed final dividend, all completed transfer forms accompanied by relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on Tuesday, 22nd August, 2006.
4. The Bye-laws of the Company are written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of resolution 9 above on the amendments to the bye-laws is purely a translation only. Should there be any discrepancies, the English version shall prevail.
5. Members of the Company are advised to read the circular dated 31st July 2006 which contains information concerning the relevant resolutions to be purposed in the notice.

*As at the date of this AGM Notice, the board of Directors of the Company comprises five executive Directors, namely Mr. Chau Cham Wong, Patrick (Chairman), Mr. Leung Yung (Chief Executive Director), Mr. Tsang Kwong Chiu, Kevin, Mr. Cheng Kwan Ling and Mr. Man Kwok Keung; and five independent non-executive Directors, namely Mr. Kwok Ping Ki, Albert, Mr. Mak Siu Wing, Clifford, Mr. Tang Yat Kan, Mr. Wong Yee Sui, Andrew and Ms. Susan So.*

Please also refer to the published version of this announcement in South China Morning Post.