



Peace Mark (Holdings) Limited

(Incorporated in Bermuda with limited liabilities)

(Stock Code: 304)

CLARIFICATION ANNOUNCEMENT

The Board makes this announcement at the request of the Stock Exchange in response to a recent newspaper article regarding certain acquisitions by and information of the Company.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) to clarify a newspaper article of 4 June 2007 in relation to certain acquisitions by Peace Mark (Holdings) Limited (“**the Company**”).

The Board noted an article appearing in a newspaper of 4 June 2007 (the “**Article**”) and would like to clarify the accuracy and completeness of the contents of the Article as follows:–

As stated in the Article, the Company had acquired about 20 outlets in various cities in the People’s Republic of China (the “**PRC**”) including Chongqing, Hangzhou, Ningbo, Shenzhen and other cities in the PRC in 2006. The Board wishes to clarify that the information in relation to the aforesaid acquisitions are true except that there was no acquisition made in relation to store in Hangzhou. The total no. of outlets for our luxury market is 68 in total.

The Article also stated that the Company has a 51% interest in a joint venture with Tourneau. The Board wishes to clarify that the Company has, in fact, a 65% interest in the aforesaid joint venture instead of 51%.

Save as disclosed above, the Board also confirms that there are no negotiations or agreements relating to intended acquisition or realisation which are discloseable under Rule 13.23 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

By order of the Board
Chau Cham Wong, Patrick
Chairman

Hong Kong, 5 June 2007

As at the date of this announcement, there were five executive Directors, namely, Mr. Chau Cham Wong, Patrick, Mr. Leung Yung, Mr. Tsang Kwong Chiu, Kevin, Mr. Man Kwok Keung and Mr. Cheng Kwan Ling and five independent non-executive Directors, namely, Ms. Susan So, Mr. Kwok Ping Ki, Albert, Mr. Tang Yat Kan, Mr. Wong Yee Sui, Andrew and Mr. Mak Siu Wing, Clifford.

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