



Peace Mark (Holdings) Limited

(Incorporated in Bermuda with limited liabilities)

(Stock Code: 0304)

ANNOUNCEMENT RELATING TO LISTING RULE 13.18

This announcement is made in compliance with Rule 13.18 of the Listing Rules.

Peace Mark (Holdings) Limited has entered into a Facility Agreement on 22 June 2007 with inter alia ABN AMRO Bank N.V., Hong Kong Branch and ING Bank N.V. and (i) 7 other international banks as mandated co-ordinating arrangers; and (ii) 24 other international banks and financial institutions as lenders in respect of the Facility, which contains certain events of default including:

- (a) if Mr. Chau Cham Wong, Patrick ceases at any time during the subsistence of the Facility Agreement to be the Chairman of the Company and the Group; and
- (b) if Mr. Chau Cham Wong, Patrick and Mr. Leung Yung collectively (1) are no longer the single largest shareholder of the Company, holding beneficially (directly or indirectly) more than 30% of the voting share capital of the Company; or (2) no longer have management control of the Group.

This announcement is made in compliance with Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The directors of Peace Mark (Holdings) Limited (the “**Company**”) announce that a facility agreement has been entered into on 22 June 2007 (the “**Facility Agreement**”) between (i) the Company as borrower, (ii) various subsidiaries of the Company as guarantors, (iii) ABN AMRO Bank N.V., Hong Kong Branch and ING Bank N.V. and 7 other international banks as mandated co-ordinating arrangers, (iv) ABN AMRO Bank N.V., Hong Kong Branch and ING Bank N.V. and 24 other international banks as lenders, (v) ABN AMRO Bank N.V. as agent; and (vi) a number of other international banks and financial institutions as lead arrangers and senior managers. Pursuant to the Facility Agreement, the lenders agreed to make available to the Company a term loan and revolving credit facility in an aggregate amount of HK\$1,200,000,000 (the “**Facility**”) upon the terms set out in the Facility Agreement. The Facility has a tenor of 48 months from the date of the Facility Agreement.

The Facility Agreement contains certain events of default including:

- (a) if Mr. Chau Cham Wong, Patrick ceases at any time during the subsistence of the Facility Agreement to be the Chairman of the Company and the Company and its subsidiaries (the “**Group**”); and
- (b) if Mr. Chau Cham Wong, Patrick and Mr. Leung Yung collectively (1) are no longer the single largest shareholder of the Company, holding beneficially (directly or indirectly) more than 30% of the voting share capital of the Company; or (2) no longer have management control of the Group.

Upon the occurrence of an event of default under the Facility Agreement and so long as it is continuing, ABN AMRO Bank N.V. as agent may, inter alia, if so directed by the Majority Lenders (as defined in the Facility Agreement):

- (a) cancel the Total Commitments (as defined in the Facility Agreement) whereupon they shall immediately be cancelled and reduced to zero;
- (b) declare that all or part of the Facility, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents (as defined in the Facility Agreement) be immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (c) declare that all or part of the Facility be payable on demand, whereupon the Facility shall immediately become payable on demand by ABN AMRO Bank N.V. on the instructions of the Majority Lenders.

By Order of the Board
Chau Cham Wong Patrick
Chairman

Hong Kong, 22 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.