



# Peace Mark (Holdings) Limited

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 0304)

## ANNOUNCEMENT RELATING TO LISTING RULE 13.18

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

The Company has entered into the Facility Agreement as guarantor on 1 February 2008 with, amongst others, (i) A-A United, an indirect wholly-owned subsidiary of the Company, as borrower, (ii) the Company and eight other subsidiaries of the Company as guarantors, (iii) ABN AMRO, BNP Paribas and ING as co-ordinating arrangers, (iv) ABN AMRO Bank N.V., Hong Kong Branch, BNP Paribas, Hong Kong Branch and ING Bank N.V., Hong Kong Branch as original lenders and (v) ABN AMRO Bank N.V., Singapore Branch as agent and security trustee.

The Facility contains certain events of default, including:

- (a) if Mr. Chau Cham Wong, Patrick ceases at any time to be the Chairman of the Company and the Group;
- (b) if Mr. Chau Cham Wong, Patrick and Mr. Leung Yung collectively (1) are no longer holding beneficially (directly or indirectly) more than 30 per cent. of the voting share capital of the Company; or (2) no longer have management control of the Group; and
- (c) if Mr. Tay Liam Wee is not appointed as a director of the Company within 45 days after the Offer has become or been declared unconditional in all respects and he ceases at any time to be a director of the Company after the appointment.

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**”).

### **Rule 13.18 of the Listing Rules**

The directors of Peace Mark (Holdings) Limited (the “**Company**”) announce that a facility agreement has been entered into on 1 February 2008 (the “**Facility Agreement**”) between (i) A-A United Limited (“**A-A United**”), an indirect wholly-owned subsidiary of the Company, as borrower, (ii) the Company and eight other subsidiaries of the Company as guarantors, (iii) ABN AMRO Bank N.V. (“**ABN AMRO**”), BNP Paribas (“**BNP Paribas**”) and ING Bank N.V. (“**ING**”) as co-ordinating arrangers, (iv) ABN AMRO Bank N.V., Hong Kong Branch, BNP Paribas, Hong Kong Branch and ING Bank N.V., Hong Kong Branch as original lenders and (v) ABN AMRO Bank N.V., Singapore Branch as agent and security trustee.

Pursuant to the Facility Agreement, the lenders agreed to make available to A-A United a term loan facility in an aggregate amount of US\$500,000,000 (the “**Facility**”) upon the terms set out in the Facility Agreement. The Facility consists of Facility A (as defined in the Facility Agreement) in an amount of up to US\$200,000,000, which is to be made available to A-A United for the purchase of shares in Sincere Watch Limited pursuant to the conditional voluntary general offer (the “**Offer**”) by A-A United in accordance with the Singapore Code on Take-overs and Mergers, and Facility B (as defined in the Facility Agreement) in an amount of up to US\$300,000,000, which is to be made available to A-A United as a stand-by facility for the repayment of the Existing Facilities (as defined in the Facility Agreement) by the borrowers of such Existing Facilities. The Facility is for a term of eight months after the date of the Facility Agreement or, if earlier, 30 September 2008.

The Facility Agreement contains certain events of default including:

- (a) if Mr. Chau Cham Wong, Patrick ceases at any time to be the Chairman of the Company and the Company and its subsidiaries (the “**Group**”);
- (b) if Mr. Chau Cham Wong, Patrick and Mr. Leung Yung collectively (1) are no longer holding beneficially (directly or indirectly) more than 30 per cent. of the voting share capital of the Company; or (2) no longer have management control of the Group; and
- (c) if Mr. Tay Liam Wee is not appointed as a director of the Company within 45 days after the Offer has become or been declared unconditional in all respects and he ceases any time to be a director of the Company after the appointment.

Upon the occurrence of an event of default under the Facility Agreement and for so long as it is continuing, ABN AMRO Bank N.V., Singapore Branch acting in its capacity as agent may, among other things, if so directed by the Majority Lenders (as defined in the Facility Agreement) by written notice to A-A United:

- (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 Loans (as defined in the Facility Agreement), 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;
- (c) declare that all or part of the Loans be payable on demand, whereupon the Loans or the relevant part of the Loans shall immediately become payable on demand by ABN AMRO Bank N.V., Singapore Branch in its capacity as agent on the instructions of the Majority Lenders; and/or
- (d) exercise or direct ABN AMRO Bank N.V., Singapore Branch in its capacity as security trustee to exercise any or all of its rights, remedies, powers or discretions under the Finance Documents,

provided that during the Certain Funds Period (as defined in the Facility Agreement), exercise of the above rights would not prevent or limit the making of a drawdown during the Certain Funds Period.

By Order of the Board  
**Peace Mark (Holdings) Limited**  
**Mr. Chau Cham Wong, Patrick**  
*Chairman*

Hong Kong, 1 February 2008

*The directors of the Company (including any who may have delegated detailed supervision of this announcement) jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company), the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this announcement.*

*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.*