



Peace Mark (Holdings) Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 0304)

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The board of directors (the “Board”) of Peace Mark (Holdings) Limited (the “Company”, and together with its subsidiaries, the “Group”) has noted today’s decrease in the price of, and increase in the trading volume of, the shares of the Company and wishes to state that the Board is not aware of any reasons for such fluctuations.

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

We also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations 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.

Made by the order of the Board the directors of which individually and jointly accept responsibility for the accuracy of this announcement.

GENERAL

The directors of the Company (the “Directors”) have noted a media report that the fall in the price of the shares of the Company is related to EganaGoldpfeil (Holdings) Limited (“Egana”), which is a former substantial shareholder of the Company. The Directors wish to state that as far as the Directors are aware, Egana is no longer a substantial shareholder of the Company and the Company does not have material business relationship with Egana. The Company produces timepiece products for Egana and such amount represented less than 0.01% of the Group’s turnover for the year ended 31 March 2007.

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Chau Cham Wong, Patrick, Mr. Leung Yung, 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.

On behalf of the Board
Peace Mark (Holdings) Limited
Chau Cham Wong, Patrick
Chairman

Hong Kong, 1 August 2007

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