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Peace Mark (Holdings) Limited

(Incorporated in Bermuda with limited liability)

(Provisional Liquidators Appointed)

(Stock code: 304)

ANNOUNCEMENT

On 5 November 2009, the Investor, the Provisional Liquidators and the Escrow Agent entered into the Agreement whereby the Investor was granted exclusivity for a period up to 4 May 2010, in order to negotiate and conclude a legally binding agreement with the Company for the implementation of the Restructuring Proposal.

Shareholders of the Company and potential investors should note that the detailed terms and conditions of the Restructuring Proposal are yet to be finalised and the Restructuring Proposal remains subject to contract.

Trading in the shares of the Company has been suspended since 18 August 2008 and will remain suspended until further notice. Further announcements will be made should there be any further major development in respect of the Restructuring Proposal.

ESCROW AND EXCLUSIVITY AGREEMENT

Date: 5 November 2009

Parties: i) Global Peak Investments Limited (the “Investor”);

- ii) Mr. Fok Hei Yu and Mr. Roderick John Sutton, both of Ferrier Hodgson Limited as joint and several provisional liquidators of the Company (the “Provisional Liquidators”); and
- iii) Ferrier Hodgson Limited as escrow agent (the “Escrow Agent”).

To the best of the knowledge, information and belief of the Provisional Liquidators, having made all reasonable enquiries, the Investor, its beneficial owners and their respective associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)), and the Escrow Agent are not connected persons (as defined in the Rules Governing the Listing of Securities on the Stock Exchange) of Peace Mark (Holdings) Limited (the “Company”).

Pursuant to the escrow and exclusivity agreement (the “Agreement”), the Investor has submitted to the Provisional Liquidators a proposal (the “Restructuring Proposal”) for the restructuring of the Company, its subsidiaries and its associated companies (if any) (the “Group”). The Provisional Liquidators agreed to grant the Investor an exclusivity period of six months up to 4 May 2010 (the “First Exclusivity Period”) for the negotiation of a legally binding agreement for the implementation of the Restructuring Proposal (the “Restructuring Agreement”). The First Exclusivity Period shall be extended for a further period of six months (the “Second Exclusivity Period”, together with the “First Exclusivity Period”, the “Exclusivity Periods”) if the Investor has not withdrawn the Restructuring Proposal by written notice to the Provisional Liquidators, or neither party has terminated the Agreement in writing.

The Provisional Liquidators undertake that they will not negotiate or enter into any binding commitment with or solicit, directly or indirectly, offers from any other party for the restructuring of, disposal or otherwise dealing in the outstanding indebtedness and/or share capital and/or assets of the Group during the Exclusivity Periods.

The Investor has deposited HK\$8 million as escrow money upon signing of the Agreement on 5 November 2009, of which HK\$5 million shall be non-refundable and will be applied towards the costs and expenses of the Provisional Liquidators and their advisers incurred in the preparation of the Agreement and the negotiation, preparation and execution of the Restructuring Agreement. The balance of HK\$3 million shall be allocated towards the working capital requirements of the Company. The Investor also undertook to make available an additional working capital facility of HK\$2 million to the Company, which may be drawn down at any time during the Exclusivity Periods by the Provisional Liquidators. Any amount made available to the Company in respect of the aforesaid deposit and working capital facility, and which is used by the Company to fulfill its working capital requirement, shall not be refundable.

In the event that the Company requires further working capital during the Exclusivity Periods, the parties to the Agreement agreed to negotiate in good faith, and endeavour to enter into, a suitable arrangement for the provision of further working capital by the Investor to the Group.

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For and on behalf of
Peace Mark (Holdings) Limited
(Provisional Liquidators Appointed)
Roderick John Sutton and Fok Hei Yu
Joint and Several Provisional Liquidators

Hong Kong, 5 November 2009

On the basis of the information available from the previous announcements made by the Company, Mr. Chau Cham Wong, Patrick, Mr. Leung Yung, Mr. Tsang Kwong Chiu, Kevin, Mr. Man Kwok Keung and Mr. De Jaillon Hugues Jacques are executive directors of the Company.