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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Peace Mark (Holdings) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, the licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Peace Mark (Holdings) Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 304)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Peace Mark (Holdings) Limited (the “Company”) to be held at 4:00 p.m. on Wednesday, 27th August, 2008 at Churchill Room, 26th Floor, The Park Lane Hotel, 310 Gloucester Road, Causeway Bay, Hong Kong is set out on pages 14 to 18 of this circular. You are advised to read the notice and, if you do not intend to attend and vote at the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company’s branch share registrar in Hong Kong at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and, in any event, not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

31st July, 2008

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DEFINITIONS

In this circular (including its appendices), unless the context otherwise requires, the following expressions have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company convened to be held at 4:00 p.m. on Wednesday, 27th August, 2008 at the Churchill Room, 26th Floor, The Park Lane Hotel, 310 Gloucester Road, Causeway Bay, Hong Kong;
“AGM Notice”	the notice dated 31st July, 2008 convening the Annual General Meeting as set out in pages 14 to 18 of this circular;
“associates”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Bye-laws”	the Bye-laws of the Company as may be amended from time to time;
“Company”	Peace Mark (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) (including independent non-executive directors) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	29th July, 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Option Holder(s)”	holder(s) of the outstanding share options granted by the Company under the Share Option Scheme;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	the shareholder(s) of the Company;
“Share Option Scheme”	the share option scheme adopted by the Company on 24th January, 2002;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“%”	per cent..

LETTER FROM THE BOARD



Peace Mark (Holdings) Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 304)

Executive Directors:

Mr. Chau Cham Wong, Patrick (*Chairman*)
Mr. Leung Yung (*Chief Executive Officer*)
Mr. Tsang Kwong Chiu, Kevin (*Chief Financial Officer*)
Mr. Man Kwok Keung
Mr. Cheng Kwan Ling
Mr. de Jaillon Hugues Jacques

Non-executive Director:

Mr. Tay Liam Wee

Independent non-executive Directors:

Ms. Susan So
Mr. Kwok Ping Ki, Albert
Mr. Wong Yee Shui, Andrew
Mr. Tang Yat Kan
Mr. Mak Siu Wing, Clifford

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal

place of business in Hong Kong:
Unit 3, 12th Floor
Cheung Fung Industrial Building
23-39 Pak Tin Par Street
Tsuen Wan
Hong Kong

31st July, 2008

*To the Shareholders and, for information only,
the Option Holders*

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed for the Shareholders to consider, and if thought fit, to approve at the Annual General Meeting:

- (i) the ordinary resolutions granting the Directors general mandates to issue and repurchase shares;

LETTER FROM THE BOARD

- (ii) the ordinary resolutions relating to re-election of Directors at the Annual General Meeting.

Under the Listing Rules, the Company is required to provide you with information reasonably necessary to enable you to make informed decisions as to whether to vote for or against the resolutions to be proposed at the Annual General Meeting. This circular is also prepared for such purpose.

2. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution, as set out as resolution no. 5(A), will be proposed for the shareholders to consider and if, thought fit, to grant a general and unconditional mandate to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of such resolution (the "Issue Mandate"). The full text of the ordinary resolution to be proposed at the Annual General Meeting in relation to the Issue Mandate is set out in resolution 5(A) in the AGM Notice.

Subject to the passing of the ordinary resolution granting the Issue Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Issue Mandate to issue 251,727,217 Shares, being 20% of the entire issued share capital of the Company as at the date of passing of this resolution in relation to the Issue Mandate.

The Issue Mandate to issue shares will remain effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable law to be held; and (iii) the date on which the authority set out in the said resolution no. 5(A) are revoked or varied by passing an ordinary resolution in general meeting of the Company.

At the Annual General Meeting, an ordinary resolution, as out as resolution no. 5(B), will be proposed for the shareholders to consider and if, thought fit, to grant a general and unconditional mandate to enable the Directors to repurchase the Shares on the Stock Exchange up to maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution (the "Repurchase Mandate"). The full text of the ordinary resolution to be proposed at the Annual General Meeting in relation to the Repurchase Mandate is set out in resolution no. 5(B) in the AGM Notice.

In accordance with the requirements of the Listing Rules, an explanatory statement containing all relevant information relating to the Repurchase Mandate is set out in the Appendix I to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

Subject to the passing of the proposed resolutions regarding the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the Annual General Meeting that the Issue Mandate will be extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant

LETTER FROM THE BOARD

to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company pursuant to the Repurchase Mandate being approved provided that such extended amount will not exceed 10% of the aggregate of the total nominal amount of the issued capital of the Company in issue at the date of the resolution approving the Issue Mandate. The full text of such ordinary resolution to be proposed at the Annual General Meeting is set out in resolution No. 6 in the AGM Notice.

3. RE-ELECTION OF DIRECTORS

In accordance with Bye-law 86(2) of the Bye-laws, Mr. de Jaillon Hugues Jacques and Mr. Tay Liam Wee, who were appointed by the Board, shall hold office until the forthcoming Annual General Meeting and being eligible, offer themselves for re-election. In accordance with Bye-laws 87(1) and 87(2) of the Bye-Laws, Mr. Cheng Kwan Ling and Ms. Susan So shall retire and being eligible to offer themselves for re-election at the forthcoming Annual General Meeting. Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at 4:00 p.m. on Wednesday, 27th August, 2008 at Churchill Room, 26th Floor, The Park Lane Hotel, 310 Gloucester Road, Causeway Bay, Hong Kong is set out on pages 14 to 18 of this circular. Special resolutions will be proposed at the Annual General Meeting to approve the amendments to Bye-laws; while ordinary resolutions will be proposed to approve, among other things, the grant of the Issue Mandate and the Repurchase Mandate, the Renewal of 10% General Limit and the re-election of Directors.

A separate form of proxy for use at the Annual General Meeting is enclosed with this circular. If you are not able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar in Hong Kong at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

5. PROCEDURE TO DEMAND A POLL AT THE ANNUAL GENERAL MEETING

Pursuant to the Bye-law 66 of the Bye-laws, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is required by the Listing Rules (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (i) by the chairman of such meeting; or
- (ii) by at least three members of the Company present in person or in the case of a member of the Company being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or

LETTER FROM THE BOARD

- (iii) by a member or members of the Company present in person or in the case of a member of the Company being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all the members of the Company having the right to vote at the meeting; or
- (iv) by member or members of the Company present in person or, in the case of a member of the Company being a corporation by its duly authorized corporate representative or by proxy, and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
- (v) if required by the Listing Rules or the rules of other designated stock exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at such meeting.

A demand by a person as proxy for a member of the Company or in the case of a member of the Company being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a member of the Company.

6. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquires, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

7. RECOMMENDATION

The Directors believe that the proposed resolutions in relation to the proposed granting the Directors general mandates to issue and repurchase shares and re-election of Directors listed in the notice convening the Annual General Meeting set out on pages 14 to 18 of this circular are in the best interests of the Company, the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions set out in the notice of the Annual General Meeting.

8. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
for and on behalf of the Board
Chau Cham Wong, Patrick
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to the Shareholders for their consideration of the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES

The Listing Rules permit a company whose primary listing is on the Stock Exchange to repurchase its securities on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(a) Shareholders' Approval

The Listing Rules provide that all on-market securities repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval in relation to specific transactions.

(b) Sources of Funds

Repurchases must be funded out of funds which are legally available for the purpose and in accordance with the constitutional documents of the Company and the laws of the jurisdiction in which the company is incorporated.

2. SHARE CAPITAL AND TOTAL NUMBER OF SHARES SUBJECT TO REPURCHASE MANDATE

As at the Latest Practicable Date, the Company has an aggregate of 1,258,636,087 Shares in issue and aggregate of 81,573,000 share options outstanding.

On the basis of this figure and assuming that no outstanding share options are exercised or converted and no Shares are allotted and issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 125,863,608 Shares subject to the passing of the proposed resolution for the grant of the Repurchase Mandate.

3. REASONS FOR REPURCHASES

The Directors believe that the grant of Repurchase Mandate to the Directors would give flexibility to the Company and is in the best interests of the Company and the Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such exercise of Repurchase Mandate will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association of the Company, the Bye-laws, the Listing Rules and the applicable laws of Bermuda.

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position as at 31st March, 2008. However, the Directors do not intend to make any repurchase to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Group which in the opinion of the Directors are from time to time appropriate for the Group.

5. SHARE PRICES

The higher and lowest at which the Shares have traded on the Stock Exchange during each of the previous twelve months and up to the Latest Practicable Date were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
July	14.16	10.80
August	12.30	6.60
September	12.98	11.14
October	12.74	10.68
November	13.68	10.82
December	13.34	11.00
2008		
January	12.80	8.45
February	10.30	8.00
March	8.88	5.31
April	9.10	6.00
May	9.80	7.81
June	9.18	5.42
July (up to the Latest Practicable Date)	5.50	3.82

6. DIRECTORS' PARTICIPATION IN ANY REPURCHASE

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention to sell to the Company or its subsidiaries any of the Shares if the Repurchase Mandate is approved by the Shareholders at the Annual General Meeting.

7. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Bermuda and the memorandum of association of the Company and the Bye-laws.

8. IMPLICATIONS UNDER THE TAKEOVERS CODE

If a shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, A-ONE INVESTMENT LIMITED ("A-ONE"), a company owned as to 50.45% and 49.55% by Mr. Chau Cham Wong, Patrick ("Mr. Chau") and Mr. Leung Yung ("Mr. Leung") respectively was interested in 305,758,459 Shares representing approximately 24.29% of the issued share capital of the Company. Mr. Chau and United Success Enterprise Limited ("United Success"), a company 100% owned by Mr. Leung, are beneficially interested in 65,631,077 Shares (5.22%) and 28,416,795 Shares (2.26%) respectively. A-ONE, Mr. Chau and United Success are regarded as concert parties for the purpose of the Takeovers Code. If on the exercise of the power in full to repurchase Shares pursuant to the Repurchase Mandate, the shareholdings of A-ONE would be increased to approximately 27.0% and together with Mr. Chau and United Success, their collective shareholdings would be increased to 35.29% of the issued share capital of the Company. A general offer would therefore be required to be made to the Shareholders under the Takeovers Code. The Company has no present intention to exercise the Repurchase Mandate to the extent that would give rise to an obligation to make a general offer under the Takeovers Code.

Save as above, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

9. PUBLIC FLOAT

In the event that the power to repurchase securities pursuant to the Repurchase Mandate is exercised in full, the number of Shares held by the public would not fall below 25%.

10. CONNECTED PERSONS

As at the Latest Practicable Date, no connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares nor has such connected person undertaken not to sell any of the shares held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

11. SHARES REPURCHASE MADE BY THE COMPANY

The Company had not repurchases any of the Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

The particulars of the Directors who will offer themselves for re-election at the Annual General Meeting, are set out below:

Mr. de Jaillon Hugues Jacques, aged 52, an Executive Director

Mr. Jaillon is an Executive Director of the Company since 30th May, 2008 and is the Chief Executive Officer of Peace Mark Holdings SAS (a member of the Company in Paris of France). Mr. Jaillon is responsible for developing and managing new businesses for the Company within European Union region as well as other new markets. He has over 25 years experience in China trade and headed numerous operations related to imports, exports and manufacturing. He holds a Bachelor degree in Commerce and Law.

Save as disclosed above, Mr. Jaillon does not hold any other position with the Company or any other members of the group of the Company and does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Jaillon did not hold any directorship in any other listed public companies in the three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Jaillon is deemed to be interested in 2,452,000 shares (representing approximately 0.2% of the entire issued share capital of the Company) within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Jaillon and he is not appointed for a specific term. For the financial year ended 31st March, 2008, Mr. Jaillon received remuneration (including any fixed discretionary bonuses payment) of HK\$1,195,000. Mr. Jaillon's emoluments are to be determined by reference to the recommendations of the Remuneration Committee of the Company with reference to the director's duties, responsibilities, performance and results of the Company as well as the prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr. Jaillon that need to be brought to the attention of the Shareholders or any information to be disclosed pursuant to the requirement of Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Cheng Kwan Ling, aged 57, an Executive Director

Mr. Cheng is an executive Director of the Company and is for the general management and finance of the Group's operations in the PRC. Mr. Cheng holds a diploma in Management Association and is a member of the British Institute of Management. He has over 32 years' experience in accountancy and general management and has been with the Group for over 19 years. Mr. Cheng also the director of a number of subsidiaries of the Company and has non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company.

As at the Latest Practicable Date, Mr. Cheng is deemed to be interested in 1,093,904 Shares (representing approximately 0.09%) of the entire issued share capital of the Company) within the meaning of Part XV of the SFO. Mr. Cheng is not related to any directors, senior management, substantial or controlling shareholders of the Company. Mr. Cheng did not hold any directorship in any other listed public companies in the three years preceding the Latest Practicable Date.

There is no service agreement between the Company and Mr. Cheng and he is not appointed for a specific term. For the financial year ended 31st March, 2008. Mr. Cheng received remuneration (including any fixed or discretionary bonuses payment) of HK\$500,000. Mr. Cheng's emoluments are to be determined by reference to the recommendation of the Remuneration Committee of the Company with reference to the directors' duties, responsibilities, performance and results of the Company as well as the prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr. Cheng that need to be brought to the attention of the Shareholders or any information to be disclosed pursuant to the requirement of Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Tay Liam Wee, aged 49, a non-executive Director

Mr. Tay is Non-executive Director of the Company. Mr. Tay is the Chairman of Sincere Watch (Hong Kong) Limited ("SWHK") and the Managing Director of Sincere Watch Limited ("SWL"). Mr. Tay is responsible for the overall formulation of business strategies and market development of the Group. Mr. Tay graduated with a bachelor of business administration degree from Lakehead University, Canada and has over 26 years of experience in retail and distribution of fine watches within the Asia Pacific region. Mr. Tay won the Lifestyle and Retail Entrepreneur of the Year 2004, Ernst and Young Entrepreneur of the Year Singapore 2004 and Tourism Entrepreneur of the Year 2005 from Singapore Tourism Board. He is the brother-in-law of Mr. Soh Gim Teik, the Non-executive Director of SWHK and the finance director of SWL, the cousin of Ms. Tay Liam Wuan, the Executive Director and the Chief Executive Officer of SWHK. Mr. Tay joined the Group since 1st April, 2008.

As at the Latest Practicable Date, Mr. Tay holds 23,876,001 shares (representing approximately 2.19% of the entire share issued share capital of the Company) through TBJ Holdings Pte. Ltd, of which he is the legal and beneficial owner within the meaning of Part XV of the SFO.

Mr. Tay has not entered into a service contract with the Company. He receives remuneration under a service contract dated 19th September, 2005 with SWHK and a service contract dated 14th August, 1993 with SWL, as amended. He does not receive any additional remuneration for his role as a non-executive director of the Company.

Mr. Tay did not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Save as disclosed above, there are no other matters concerning Mr. Tay that need to be brought to the attention of the Shareholders or any information to be disclosed pursuant to the requirement of Rule 13.51(2)(h) to (v) of the Listing Rules.

Ms. Susan So, aged 55, an independent non-executive Director

Ms. So is an Independent Non-executive Director of the Company and she is the member of Nomination Committee and Remuneration Committee of the Company. She is the Managing Director of Guo Ye Holdings Co., Limited and Guo Ye Enterprises Limited, the principal activities of which are investment holding and the provision of investment consultancy services covering, among others, telecommunication, media, energy supply in the PRC. Ms. So has extensive management experience in relation to trade and investment projects (including information technology, sales and marketing) in the PRC. She has been a consultant of various companies in USA and PRC. Ms. So does not hold any directorships in other listed public companies in the past three years nor does he hold any directorships in any member of the Group.

As at the Latest Practicable Date, Ms. So is deemed to be interested in 600,000 Shares (representing approximately 0.06% of the issued share capital of the Company) within the meaning of Part XV of the SFO. Ms. So did not has any relationships with any directors, senior management or substantial or controlling shareholders of the Company. Ms. So is appointed for a term of 3 years and subject to retirement by rotation and re-election in accordance with the Company's Bye-laws.

For the financial year ended 31st March, 2008, Ms. So received remuneration (including any fixed discretionary bonuses payment) of HK\$80,000. Ms. So's emoluments are to be determined by reference to the recommendations of the Remuneration Committee of the Company with reference to the directors' duties, responsibilities, performance and results of the Company as well as the prevailing market conditions.

Save as disclosed above, there are no other matters concerning Ms. So that need to be brought to the attention of the Shareholders or any information to be disclosed pursuant to the requirement of Rule 13.51(2)(h) to (v) of the Listing Rules.



Peace Mark (Holdings) Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 304)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Peace Mark (Holdings) Limited (the “Company”) will be held at 4:00 p.m. on 27th August, 2008 at Churchill Room, 26th Floor, The Park Lane Hotel, 310 Gloucester Road, Causeway Bay, Hong Kong for the following purposes:

As ordinary business

1. To receive and adopt the audited financial statements of the Company, the reports of the directors (the “Directors”) and auditors (the “Auditors”) of the Company for the year ended 31st March, 2008;
2. To re-elect the following Directors:
 - (a) Mr. de Jaillon Hugues Jacques who was appointed as an executive director retiring by rotation;
 - (b) Mr. Cheng Kwan Ling who was appointed as an executive director retiring by rotation;
 - (c) Mr. Tay Liam Wee who was appointed as a non-executive director retiring by rotation; and
 - (d) Ms. Susan So who was appointed an independent non-executive director retiring by rotation;
3. To authorize the board of Directors to fix the remuneration of Directors by reference to the recommendations of the Remuneration Committee of the Company;
4. To re-appoint the Auditors and to authorize the board of Directors to fix their remuneration;

As special business

5. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

A. **“THAT:**

- (a) subject to paragraph (c) of this resolution 5A, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional share(s) in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into or exchangeable for shares of the Company) which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution 5A shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and to be issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution 5A, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution 5A); (ii) an issue of shares of the Company as scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on the shares in accordance with the by-laws of the Company or (iii) an issue of shares under the Company’s share option scheme or any similar arrangements for the time being adopted by the Company and/or any of its subsidiaries for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- or

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or other applicable laws to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by passing an ordinary resolution in general meeting of the Company; and

“**Rights Issue**” means an offer of shares in the Company or issue of options to subscribe for shares in the Company open for a period fixed by the directors of the Company to holders of shares in the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares in the Company (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

B. “**THAT**

- (a) subject to paragraph (b) of this resolution 5B, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) of this resolution 6B) of all powers of the Company to purchase shares of the Company on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, and in accordance with the provisions of, and in the manner specified in, the Rules Governing the Listing of Securities on the Stock Exchange or of any stock exchange (as amended from time to time), be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company which are authorized to be repurchased or agreed conditionally or unconditionally to be repurchased by the directors of the Company pursuant to the approval in paragraph (a) of this resolution 5B during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution, and the said approval shall be limited accordingly.”

(c) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or other applicable laws to be held; or
 - (iii) the date on which the authority set out in this resolution is revoked or varied by passing an ordinary resolution in general meeting of the Company;” and
6. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

“**THAT** conditional upon the passing of the resolutions 5A and 5B above, the general mandate granted to the directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with new shares pursuant to the resolution 5A in this notice of Annual General Meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to the resolution 5B above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution.”

By Order of the Board

Fong Ho Yan

Company Secretary

Hong Kong, 31st July, 2008

Head office and

principal place of business:

Unit 3, 12th Floor

Cheung Fung Industrial Building

23-39 Pak Tin Par Street

Tsuen Wan

Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxy to attend and, in the event of the poll and, subject to the provisions of the Bye-laws of the Company, vote on his behalf. A proxy need not be a member of the Company but must be present in person to represent the member.
2. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority, must be deposited with the Company's share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you wish.
3. The register of members of the Company will be closed from Friday, 22nd August, 2008 to Tuesday, 26th August, 2008, both dates inclusive, during which period no transfer of shares can be registered. In order to qualify for the proposed final dividend, all completed transfer forms accompanied by relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on Thursday, 21st August, 2008.
4. Members of the Company are advised to read the circular dated 31st July, 2008 which contains information concerning the relevant resolutions to be purposed in the notice.

As at the date of this AGM Notice, the board of Directors of the Company comprises six executive Directors, namely Mr. Chau Cham Wong, Patrick (Chairman), Mr. Leung Yung (Chief Executive Director), Mr. Tsang Kwong Chiu, Kevin, Mr. Cheng Kwan Ling, Mr. Man Kwok Keung and Mr. de Jaillon Hugues Jacques 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 and an non-executive Director, namely Mr. Tay Liam Wee.