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Peace Mark (Holdings) Limited

(incorporated in Bermuda with limited liability)

Stock Code: 0304

PLACING OF EXISTING SHARES AND SUBSCRIPTION FOR NEW SHARES

Reference is made to the announcement dated 30 March 2004 made by the Company in relation to the placing of existing Shares and the subscription of New Shares by A-ONE and United Success. This announcement provides an update on the information contained in the 30 March 2004 announcement.

The Company and the Vendors have agreed that the number of New Shares to be subscribed for by each of A-ONE and United Success pursuant to the Subscription be amended, as a result of which A-ONE will subscribe for 59,135,771 Shares and United Success will subscribe for 67,364,229 Shares and their respective shareholdings after the Placing and Subscription will be changed to approximately 34.4% and 8.3% respectively.

Reference is made to the announcement dated 30 March 2004 made by the Company in relation to the placing of existing Shares and the subscription of New Shares by A-ONE and United Success (the “Announcement”). This announcement provides an update on the information contained in the Announcement. Terms used in this announcement shall have the same meanings as defined in the Announcement unless otherwise stated.

The Sole Bookrunner and Lead Manager has confirmed that all of the 93,500,000 Placing Shares have been placed pursuant to the Placing, of which 32,512,752 Shares were sold by A-ONE and 60,987,248 Shares were sold by United Success.

CHANGE IN ALLOCATION OF NEW SHARES BETWEEN THE VENDORS

In order to ensure that the Vendors’ respective percentage shareholding interests in the Company on completion of the Placing and Subscription do not exceed their respective percentage shareholding interests immediately prior to the Placing and Subscription, the Company and the Vendors have agreed that the number of New Shares to be subscribed for by each of A-ONE and United Success pursuant to the Subscription be amended. As a result of such amendment, A-ONE will subscribe for 59,135,771 Shares (instead of 43,987,841 Shares) and United Success will subscribe for 67,364,229 Shares (instead of 82,512,159 Shares) and their respective shareholdings will be changed from approximately 36.8% and 8.8% respectively immediately

prior to the Placing and Subscription to approximately 34.4% and 8.3% respectively after the Placing and Subscription (instead of approximately 32.6% and 10.1% respectively as disclosed in the Announcement).

The total number of Shares placed under the Placing and to be subscribed for pursuant to the Subscription and the total net proceeds to the Company and their uses will not be changed under this arrangement.

EFFECT OF THE PLACING AND THE SUBSCRIPTION (AS AMENDED)

As a result of the Subscription (as amended), the effects on the shareholding structure of the Company pursuant to the Placing and the Subscription are as follows:

	At present		Immediately after completion of the Placing but before Subscription		Immediately after completion of the Placing and Subscription	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
A-ONE	254,613,398	36.8	222,100,646	32.1	281,236,417	34.4
United Success	60,987,248	8.8	0	0	67,364,229	8.3
Mr. Chau Cham Wong, Patrick	64,621,369	9.4	64,621,369	9.4	64,621,369	7.9
Vendors and parties acting in concert	380,222,015	55.0	286,722,015	41.5	413,222,015	50.6
Other Directors	6,191,459	0.9	6,191,459	0.9	6,191,459	0.8
Placees	0	0.0	93,500,000	13.5	93,500,000	11.4
Public	304,340,057	44.1	304,340,057	44.1	304,340,057	37.2
Total	<u>690,753,531</u>	<u>100.00</u>	<u>690,753,531</u>	<u>100.00</u>	<u>817,253,531</u>	<u>100.00</u>

Note:

The above figures assume that, other than the New Shares, no new Shares are issued and no existing Shares are purchased by the Company and, other than the Placing Shares, no Shares are sold or purchased by the Vendors or parties acting in concert with them, in each case after the date of this announcement and up to the date of completion of the Subscription.

Save as indicated above, the other contents of the Announcement remain unchanged.

As at the date of this announcement, the board of Directors comprises five executive Directors, being Mr. Chau Cham Wong, Patrick, Mr. Leung Yung, Mr. Tsang Kwong Chiu, Kevin, Mr. Man Kwok Keung and Mr. Cheng Kwan Ling, and four independent non-executive Directors, being Ms. Susan So, Mr. Kwok Ping Ki, Albert, Mr. Tang Yat Kan and Mr. Wong Yee Sui, Andrew.

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

Hong Kong, 2 April 2004

Please also refer to the published version of this announcement in The Standard.