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Prosperity International Holdings (H.K.) Limited

昌興國際控股（香港）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8139)

COMPLETION OF THE PLACING

The Board hereby announces that completion of the Placing took place on 24 July 2007.

Reference is made to the announcement of Prosperity International Holdings (H.K.) Limited (the “**Company**”) dated 11 July 2007 in relation to the Placing (the “**Announcement**”). Unless otherwise stated, terms used in this announcement shall have the same meanings as defined in the **Announcement**.

The Board is pleased to announce that the Placing Agent has successfully placed a total of 27,800,000 Placing Shares at a placing price of HK\$0.84 per Placing Share of which 11,500,000 Shares have been placed to an existing Shareholder, namely, Harmony Asset Limited and the remaining 16,300,000 were placed to not less than six individuals or institutional investors.

Prior to the Placing, Harmony Asset Limited holds 11,800,000 Shares, represents approximately 8.49% of the total issued share capital of the Company. Immediately after completion of the Placing, Harmony Asset Limited will hold a total of 23,300,000 Shares, representing approximately 13.97% of the enlarged share capital of the Company and will become a substantial shareholder of the Company (as defined in the GEM Limited Rules).

Completion of the Placing took place on 24 July 2007. The Placing Shares represent (i) 20.00% of the issued share capital of the Company immediately before the completion of the Placing; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the completion of the Placing.

Saved as above and to the best of the Directors’ and the Placing Agent’s knowledge, information and belief, having made all reasonable enquiries, the placees and their ultimate beneficial owners are Independent Third Parties.

SHAREHOLDING STRUCTURE

The changes of the shareholding of the Company as a result of the Placing, are as follows:

| Shareholders | Prior to the Placing | | Immediately after the completion of the Placing | |
|---|----------------------|---------------|---|---------------|
| | <i>No. of Shares</i> | <i>%</i> | <i>No. of Shares</i> | <i>%</i> |
| Well Success Group Limited (<i>notes 1 & 2</i>) | 31,917,600 | 22.96 | 31,917,600 | 19.13 |
| Mr. Wong Ben Koon | 53,385,106 | 38.40 | 53,385,106 | 32.00 |
| Harmony Asset Limited | 11,800,000 | 8.49 | 23,300,000 | 13.97 |
| Public shareholders | | | | |
| – the placees (other than Harmony Asset Limited) | – | – | 16,300,000 | 9.77 |
| – other public shareholders | 41,914,400 | 30.15 | 41,914,400 | 25.13 |
| Total | <u>139,017,106</u> | <u>100.00</u> | <u>166,817,106</u> | <u>100.00</u> |

Notes:

1. The entire issued share capital of Well Success Group Limited is beneficially owned as to 25.2% by Mr. Wong Ben Koon, an executive Director, as to 16.4% by Mr. Ng Hon Fai, and as to 58.4% by Advance Success Limited.
2. The entire issued share capital of Advance Success Limited is equally and beneficially owned by Mr. Wong Ben Koon and Madam Hon Ching Fong, both are executive Director. Mr. Wong Ben Koon is the sole director of Advance Success Limited.

By order of the Board
Prosperity International Holdings (H.K.) Limited
Wong Ben Koon
Chairman

Hong Kong, 24 July 2007

As at the date of this announcement, the Board comprises Mr. Wong Ben Koon, Madam Hon Ching Fong and Mr. Kong Siu Keung as executive Directors, and Mr. Mo Kwok Choi, Mr. Yuen Kim Hung, Michael and Mr. Yung Ho as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- i. the information contained in this announcement is accurate and complete in all material respects and not misleading; ii. there are no other matters the omission of which would make any statement in this announcement misleading; and iii. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at www.hkgem.com on the “ Latest Company Announcements ” page for seven days from the day of its posting.

** for identification purpose only*