

This announcement, for which the directors of Prosperity International Holdings (H.K.) Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) for the purpose of giving information with regard to Prosperity International Holdings (H.K.) Limited. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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.



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)

ANNOUNCEMENT

This announcement is made at the request of The Stock Exchange of Hong Kong Limited. The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

The directors (the “Directors”) of Prosperity International Holdings (H.K.) Limited (the “Company”) have noted today’s increase in the price and trading volume of the shares of the Company and wish to state that they are not aware of any reasons for such fluctuation.

As disclosed in the announcement of the Company dated 4 January 2008, at the special general meeting of the Company held on 4 January 2008, ordinary resolutions were duly passed approving, among other things, the acquisition by the Company of a 60% equity interest in WM Aalbrightt Investment Holdings (Hong Kong) Limited (the “Acquisition”) and the 1-for-10 sub-division of the shares of the Company (the “Sub-division”). The Company is in the process of preparing for completion of the Acquisition and the Sub-division became effective from 7 January 2008. In addition, the Company is in preliminary discussions with an independent third party for a potential acquisition in, and conducting due diligence on, a company which engages principally in the distribution of building materials and related business in Asia (the “Target”). As at the date hereof, no agreement has been reached as regards the terms or timetable for the acquisition of the Target and the acquisition may or may not materialise. Save for the aforesaid, the Directors confirm that there are no negotiations or agreements relating to intended

acquisitions or realisations which are discloseable under Chapters 19 and 20 of the GEM Listing Rules, neither is the board of Directors (the “Board”) aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.

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

Hong Kong, 8 January 2008

The Directors as at the date of this announcement are:

Executive Directors

Mr. Wong Ben Koon (*Chairman*)

Mdm. Hon Ching Fong

Mr. Kong Siu Keung

Independent non-executive Directors

Mr. Mo Kwok Choi

Mr. Yuen Kim Hung, Michael

Mr. Yung Ho

This announcement will remain on the Company’s website at <http://www.equitynet.com.hk/8139> and on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least seven days from the date of its posting.

** For identification purpose only*