



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)

DISCLOSURE UNDER RULE 17.20 OF THE GEM LISTING RULES

This announcement is made in compliance with Rule 17.20 of the GEM Listing Rules.

On 4 August 2008, the Company entered into the Term Facility Agreement whereby subject to the terms of the Term Facility Agreement, the Bank has agreed to make available to the Company a term facility of US\$4,100,000.

Also, on 4 August 2008, Prosperity Cement entered into the Trade Facility Agreement whereby subject to the terms of the Trade Facility Agreement, the Bank has agreed to make available to Prosperity Cement a trade facility of HK\$60,000,000.

Pursuant to the terms of the Term Facility Agreement and the Trade Facility Agreement, the Company and Prosperity Cement have undertaken to procure Mr. Wong to continue to be the controlling shareholder and director of the Company.

The board of directors (the “**Board**”) of Prosperity International Holdings (H.K.) Limited (the “**Company**”) makes the following disclosures in compliance with Rule 17.20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

THE TERM FACILITY AGREEMENT

On 4 August 2008, the Company entered into a term facility agreement (the “**Term Facility Agreement**”) with Hang Seng Bank Limited (the “**Bank**”). Pursuant to the Term Facility Agreement, a term loan facility of US\$4,100,000 (equivalent to approximately HK\$31,980,000 based on the exchange rate of US\$1:HK\$7.8) is made available to the Company for a term of two years commencing from the date of first drawdown of the Loan (“**First Drawdown Date**”). The term loan is repayable by quarterly instalments with the first repayment instalment due on the date falling 9 months after the First Drawdown Date.

* *for identification purpose only*

THE TRADE FACILITY AGREEMENT

Also, on 4 August 2008, Prosperity Cement (Asia) Limited, an indirect wholly-owned subsidiary of the Company, (“**Prosperity Cement**”) entered into a trade facility agreement (the “**Trade Facility Agreement**”) with the Bank. Pursuant to the Trade Facility Agreement, a trade facility of HK\$60,000,000 is made available to Prosperity Cement for the issuance of documentary credits, trust receipt facility and issuance of standby documentary credits.

Pursuant to the terms of the Term Facility Agreement and the Trade Facility Agreement, the Company and Prosperity Cement have undertaken, among other things, to procure Mr. Wong Ben Koon (“**Mr. Wong**”), a director and the controlling shareholder of the Company, to continue to be the director and the controlling shareholder of the Company. Default will be caused in respect of the term loan facility and/or the trade facility which are significant to the operations of the Company when such undertaking is breached.

As at the date of this announcement, Mr. Wong, whether directly or indirectly, holds approximately 41.63% of the entire issued share capital of the Company. Mr. Wong is also deemed to be interested in 0.85% of the entire issued share capital of the Company beneficially held by his wife namely Ms. Shing Shing Wai.

The Company will continue to comply with the disclosure requirements under the GEM Listing Rules for so long as circumstances giving rise to the obligation continue to exist.

This announcement is made in compliance with Rule 17.20 of the GEM Listing Rules.

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

Hong Kong, 4 August 2008

The Directors of the Company 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, for which the directors of the Company 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 of the Company 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 at least seven days from the date of its posting and on the Company’s website at <http://www.equitynet.com.hk/8139>.