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PRIME INVESTMENTS HOLDINGS LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 721)

ANNOUNCEMENT

AGREEMENT IN RELATION TO THE ACQUISITION OF 20% EQUITY INTEREST IN THE TARGET

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board is pleased to announce that on 19 June 2008, the Purchaser, the Vendor and the Guarantor entered into the Agreement, pursuant to which, the Purchaser agreed to acquire from the Vendor the Sale Equity for a consideration of RMB27,789,396. Such consideration will be settled by the Purchaser in cash.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

THE ACQUISITION

INTRODUCTION

The Board is pleased to announce that on 19 June 2008, the Purchaser, the Vendor and the Guarantor entered into the Agreement, pursuant to which, the Purchaser agreed to acquire from the Vendor the Sale Equity for a consideration of RMB27,789,396. Such consideration will be settled by the Purchaser in cash.

AGREEMENT

Date : 19 June 2008

Parties : (i) the Purchaser;
(ii) the Vendor; and
(iii) the Guarantor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor, the Guarantor and their ultimate beneficial owners are third parties independent of the Company and its connected persons and is not a connected person of the Company.

Consideration:

The consideration payable by the Purchaser to the Vendor is RMB27,789,396 which is equivalent to 20% registered capital of the Target. Such consideration shall be payable by the Purchaser in Hong Kong dollars in cash within five business days after the Agreement Date. Pursuant to the Agreement, the Vendor shall remit such consideration to the Target to satisfy its capital commitment in respect of the Sale Equity in the Target.

Condition Precedent:

The completion of the agreement is conditional upon

- (i) completion of the change of the beneficial and registered owner of the Sale Equity in the Target from the Vendor to the Purchaser.
- (ii) all necessary consents and approvals required to be obtained on the part of the Vendor, the Purchaser and the Guarantor in respect of the sale and purchase of the Sale Equity as well as the matters contemplated thereunder having been obtained; and
- (iii) creation of a share charge in respect of 5,714 issued shares in the Vendor by the Guarantor in favour of the Purchaser and the delivery of duly signed blank bought and sold note and instrument of transfer in respect of the Charged Shares.

The Agreement further provides that should the satisfaction of all of the above conditions not occur within 8 months from the date of Agreement, that is 18 February 2009, or otherwise, (i) the Purchaser, the Vendor and the Guarantor may agree in writing to postpone the completion of the Agreement, or (ii) the Purchaser shall enforce the Share Charge by transferring not more than 4,999 shares in the Vendor or assigning wholly or partly of the Charged Shares to the third parties independent of the Company, the Vendor and the Guarantor and their respective associates; or (iii) the Purchaser may terminate the Agreement (shall terminate and neither party shall have any liability to the other except for antecedent breaches of the Agreement) and the Vendor shall refund the consideration to the Purchaser with interest accrued thereon. The interest rate will be calculated at the rate of eight month fix deposit as quoted in the Hong Kong and Shanghai Banking Corporation Limited.

Completion

The Completion shall take place simultaneously when all the conditions precedent are satisfied.

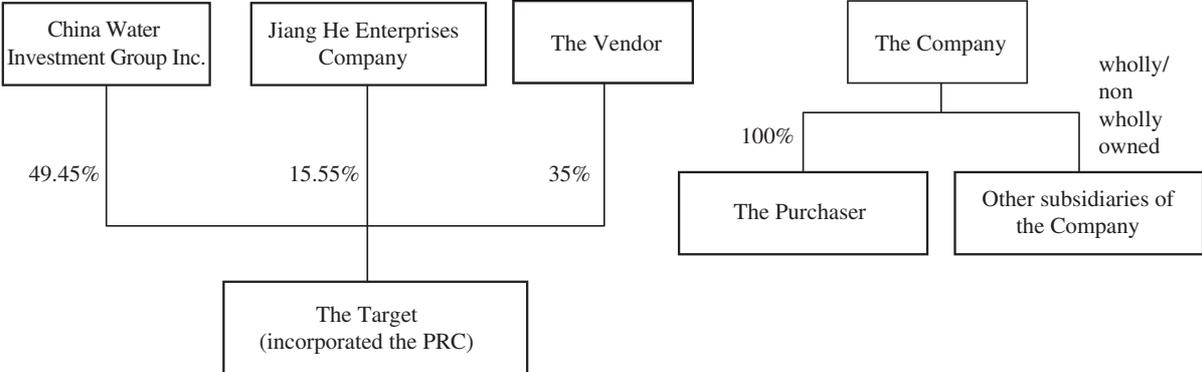
Board representation of the Vendor and the Target

As at the date of this announcement, the board of the directors of the Vendor comprises of one director. From the date of the Agreement until completion, the Purchaser is entitled to nominate additional two directors to the board of the directors of the Vendor while the Guarantor is entitled to appoint additional one director to the board of the Vendor. The Purchaser is further entitled to nominate a deputy managing director of the Target and the Guarantor is entitled to nominate the deputy general manager of the Target.

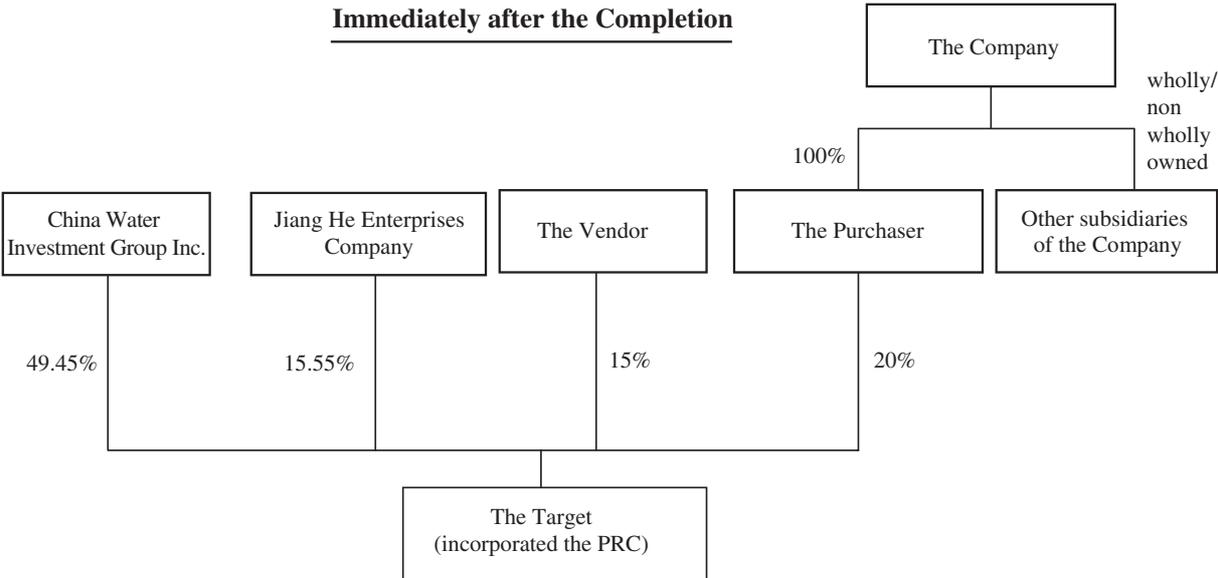
Group structure

The following charts show the group structure of the Target Group immediately before and after the Completion:

Immediately before the Completion



Immediately after the Completion



INFORMATION ON THE TARGET

Originally the Target is a joint venture established in the PRC of which 70% equity interest is owned by China Water Investment Group Inc. (中國水利投資集團公司[#]) and 30% equity interest is owned by Jiang He Enterprises Company Limited (江河實業公司[#]). On 1 February 2008, the Vendor entered into an agreement with China Water Investment Group Inc. (中國水利投資集團公司[#]) and Jiang He Enterprises Company (江河實業公司[#]), pursuant to which, the parties thereto agreement to increase the registered capital of the Target to RMB136,940,000, China Water Investment Group Inc. (中國水利投資集團公司[#]) will hold 49.45% of the total equity interest of the Target Group, Jiang He Enterprises Company will hold 15.55% of the total equity interest of the Target Group and the Vendor will hold 35% total equity interest of the Target Group. The Vendor Company should invest RMB48,631,443 to the Target for the acquisition of 35% of the enlarged registered capital of the Target. As at the date of this announcement, the Vendor has contributed RMB20,842,047 to the Target equivalent to 15% of the enlarged issued registered capital of the Target, the Vendor is obliged to further contribute RMB27,789,396 equivalent to 20% of the enlarged issued registered capital of the Target.

The Target is principally engaged in wind power electricity generation. In June 2007, the Target commenced the installation of 66 wind power generators in Diaobingshan, Liaoning Province, the PRC. Such installation was completed in February 2008. Such 66 wind power generators had started trial operation in June 2008. As at the date of the Agreement, the accumulate electricity generated by those 66 wind power generator was over 16.38 million watts.

REASONS FOR THE AGREEMENT

The Company is an investment holding company and its principal subsidiaries are engaged in the holding of equity or equity-related investments in listed and unlisted companies in Hong Kong and the PRC. The Company is actively exploring opportunities to expand its investment horizon. In view that the PRC economy continues to grow and demands for electricity supply will increase whilst the electricity supply in the PRC is in shortage, the Directors believe that the investment in the electricity supply industry will provide a good return to the Company. Given that electricity supply is regulated and controlled industry in the PRC and wind power is clean, environmental friendly and regenerative which conform to the national energy industrial policy development requirement, the Directors consider that the Acquisition represents a good opportunity for the Company to expand its investment to the electricity supply industry in the PRC. Further, the operation costs of wind power is relative low when comparing with other means of electricity generation. In addition, Diaobingshan has a geographical feature of strong wind around the year, the wind mill power electricity generation will generate stable and high return in long-term.

Lastly but not the least, in view of the Acquisition is at cost of the Vendor's obliged commitment to the Target without premium, the Directors consider that the Acquisition is fair and reasonable and in the best interest of the Company and its shareholders as a whole.

DEFINITIONS

In this announcement, the following words and expressions shall, unless the context otherwise requires, have the meanings ascribed below:

“Acquisition”	the acquisition of the Sale Equity from the Vendor by the Purchaser pursuant to the Agreement
“Agreement	an agreement dated 19 June 2008 entered into among the Purchaser, the Vendor and the Guarantor in relation to the Acquisition
“associates”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Charged Shares”	the 5,714 issued shares of the Vendor beneficially owned by the Guarantor and to be charged to the Purchaser by way of security to secure the obligations of the Vendor under the Agreement
“Company”	Prime Investments Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange
“Completion”	completion of the Agreement in accordance with the terms and conditions thereunder
“connected person”	has the same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and all its subsidiaries
“Guarantor”	Captain Success Investments Limited, a company incorporated in the British Virgin Islands with limited liabilities, the beneficial owner of the entire issued capital of the Vendor

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	People’s Republic of China
“Purchaser”	Globe Capital Resources Investment Limited, a company incorporated in the British Virgin Islands with limited liabilities, wholly owned subsidiary of the Company
“Sale Equity”	20% of the equity interest of in the Target
“Share Charge”	a share charge, in relation to the charge of the 5,714 shares in the Vendor, to be given by the Guarantor in favour of the Purchaser as a form of security for the valid change of the legal and beneficial title of the Sale Equity from the Vendor to the Purchaser in the Target
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“RMB”	Renminbi, the lawful currency of the PRC
“Target”	CWIG Diaobingshan Windpower Company Limited (國水投資集團調兵山風電有限公司), a company established in the PRC with the registered capital of RMB136,940,000
“Vendor”	Wide Success International Enterprise Limited, a company incorporated in Hong Kong under the Companies Ordinance (Cap 32 of laws of Hong Kong) with limited liabilities. The entire issued share capital of which are owned by Captain Success Investments Limited
“%”	per cent.

By order of the Board
Prime Investments Holdings Limited
Wang Wen Xia
Executive Director/CEO

Hong Kong, 19 June 2008

As at the date of this announcement, the Board comprises Ms. Wang Wen Xia and Mr. Pong Po Lam, Paul being the executive Directors, Dr. Chan Po Fun, Peter, Mr. Fung Cheuk Nang, Clement, Mr. Ding Xiaobin and Mr. Ma Jie being the non-executive Directors and Dr. Cheung Wai Bun, Charles, Mr. Zhang Yong and Mr. Zeng Xianggao being the independent non-executive Directors.

[#] *The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*