



PRIME INVESTMENTS HOLDINGS LIMITED

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

(Stock Code: 721)

DESPATCH OF CIRCULAR

The Circular issued by the Company containing, among other things, (i) the proposed increase in authorised share capital, the Open Offer and the application for the Whitewash Waiver; (ii) the letter of advice from the Independent Board Committee; (iii) the letter from Grand Cathay to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of SGM, will be despatched to the Shareholders on 8 October 2007.

Reference is made to the announcement (the “**Announcement**”) of the Company dated 6 September 2007 in respect of, among other things, the proposed increase in authorised share capital, the Open Offer and the Whitewash Waiver. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Circular issued by the Company containing, among other things, (i) the proposed increase in authorised share capital, the Open Offer and the application for the Whitewash Waiver; (ii) the letter of advice from the Independent Board Committee; (iii) the letter from Grand Cathay to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of SGM, will be despatched to the Shareholders on 8 October 2007.

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

Hong Kong, 7 October 2007

As at the date of this announcement, the Board comprises Ms. Wang Wen Xia and Mr. Pong Po Lam, Paul and Mr. Wong Kwong Chi, Simon being the executive Directors, Mr. Lan Ning, Mr. Chan Yan Ting, Gordon, Dr. Chan Po Fun, Peter, Mr. Ding Xiaobin and Mr. Chan Wing Chung, Eric being the non-Executive Directors and Dr. Cheung Wai Bun, Charles, Mr. Zhang Yong and Mr. Gu Qiu Rong being the Independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.