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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 : 803)

**ANNOUNCEMENT OF AUDITED 2010 AUDIT RESULTS
OF A SUBSIDIARY TRADED ON
THE AIM OF THE LONDON STOCK EXCHANGE**

This announcement is issued pursuant to rule 13.09 of the Listing Rules.

The Board of the Company announces that PMHL, the Company's subsidiary traded on the AIM of the London Stock Exchange plc., has released its audited consolidated financial results for the twelve months ended 31st March, 2010 on 6th July, 2010.

Reference is made to the overseas regulatory announcement of the Company dated 6th July, 2010.

This announcement is issued pursuant to rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The board of directors (the "Board") of Prosperity International Holdings (H.K.) Limited (the "Company") announces that Prosperity Minerals Holdings Limited ("PMHL"), a subsidiary of the Company whose shares are admitted for trading on the AIM of the London Stock Exchange plc. ("AIM"), has released its audited consolidated financial results for the twelve months ended 31st March, 2010 on 6th July, 2010 in England. The Company completed its acquisition of PMHL on 24th September, 2009 and currently holds an effective 53.89% shareholding interest in PMHL. PMHL's results for the period from 25th September, 2009 to 31st March, 2010 (both dates inclusive) will be consolidated into the Company's financial statements for the twelve months ended 31st March, 2010.

PMHL reported that a dividend of US\$9 cents (HK\$0.7) per ordinary share had been declared by PMHL's board of directors for the twelve months ended 31st March, 2010 (2009: US\$1.7 cents (HK\$0.13)) and PMHL and its subsidiaries (the "PMHL Group") recorded the following results:-

- Revenue up 31% to US\$849.0m (HK\$6,622.2m) (2009: US\$647.7m (HK\$5,052.1m))
- EBITDA down 2% to US\$43.5m (HK\$339.3m) (2009: US\$44.3m (HK\$345.5m))
- Net profit before taxation up 140% to US\$18.5m (HK\$144.3m) (2009: US\$7.7m (HK\$60.1m))

PMHL Group's financial summary

US\$ million (HK\$ million)	Twelve months ended 31 March		% change
	2010	2009	
Revenue	849.0 (6,622.2)	647.7 (5,052.1)	+31%
EBITDA	43.5 (339.3)	44.3 (345.5)	-2%
Profit from operations	35.6 (277.7)	21.6 (168.5)	+65%
Profit before taxation	18.5 (144.3)	7.7 (60.1)	+140%

The results of the cement operations and iron ore trading of the PMHL Group are as follows:

I. Cement manufacturing operations (discontinued operations¹, except for Auhui Chaodong Cement Co., Ltd. ("ACC"))

US\$ million (HK\$ million)	twelve months ended 31 March		% change
	2010	2009	
Profit/(loss) from discontinued operations [#]	20.4 (159.1)	(4.9) (38.2)	N/A
Share of profit/(loss) of ACC	0.1 (0.8)	(4.0) (31.2)	N/A

[#] Profit from discontinued operations: Net profit after taxation, adjusted for head office or corporate administrations which are not specifically attributable to individual segment.

Note:

¹ Discontinued operations: On 11 December 2009, PMHL entered into a conditional sale and purchase agreement with TCC International Holdings Limited ("TCCI") pursuant to which PMHL agreed to sell its cement manufacturing business, except for its 33.06% interest in ACC, to TCCI. As a result of the sale, PMHL's business operations in manufacture and sale of cement and clinker were discontinued. Profit from discontinued operations contributed US\$20.4 million (HK\$159.1 million) (2009: loss of US\$4.9 million (2009: loss of HK\$38.2 million)).

II. Iron ore trading

	twelve months ended		
	31 March		% change
	2010	2009	
Segment results ^{##}			
US\$ million	10.3	14.7	-30%
(HK\$ million)	(80.3)	(114.7)	
Volume ('million tonnes)	7.9	4.4	+80%
Segment results per tonne	1.3	3.3	-60%
US\$ (HK\$)	(10.1)	(25.7)	

^{##} *Segment results: Net profit after taxation, adjusted for head office or corporate administrations which are not specifically attributable to individual segment.*

The aforesaid results of PMHL, together with the media release from PMHL, are available for viewing on PMHL's website at "www.pmhl.co.uk". In the event that shareholders of the Company wish to obtain a hard copy of PMHL's released results, please contact the Company Secretarial Department of the Company on (852) 3187-2695 for the same during normal office hours.

The Board expects to publish the Company's audited consolidated results for the twelve months ended 31st March, 2010 in accordance with the requirements of the Listing Rules before 31st July, 2010.

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

Hong Kong, 6 July 2010

** For identification purpose only*

As at the date of this announcement, the executive Directors are Mr. Wong Ben Koon (Chairman), Mr. Sun Yong Sen (Deputy Chairman), Mr. Mao Shuzhong (Chief Executive Officer), Mr. Kong Siu Keung, Mr. Johannes Petrus Mulder and Ms. Gloria Wong and the independent non-executive Directors are Mr. Mo Kwok Choi, Mr. Yuen Kim Hung, Michael and Mr. Yung Ho.

For the purposes of this announcement, unless otherwise specified, conversions of US\$ into HK\$ are based on the approximate exchange rate of US\$1.00 to HK\$7.8 for the purposes of illustration only. No representation is made that any amount in US\$ or HK\$ could have been or could be converted at the above rate or at any other rates.