



PROSPERITY INTERNATIONAL HOLDINGS (H.K.) LIMITED
昌興國際控股(香港)有限公司

ANNOUNCES ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2010

TURNOVER SURGES APPROXIMATELY 230% TO ABOUT HK\$2.6 BILLION
NET PROFIT RISES 130% TO ABOUT HK\$57.4 MILLION

STRIVE FOR BECOMING ONE OF THE LEADING BUILDING MATERIALS AND
MINERAL RESOURCES SUPPLIERS IN ASIA

STRONG CAPITAL BASE FOR INVESTING IN NATURAL RESOURCES AND
PROPERTY BUSINESS OF HIGH RETRUNS

Financial Highlights	For 12 months ended 31 March (HKD'000)		
	2010	2009	Change
Turnover	2,559,700	786,500	+2.3 times
Gross profit	154,974	83,430	+86%
Net profit	57,400	24,600	+ 1.3 times
Final dividend (Basic)	HK1.5 cents	HK1.2 cents	+25%

(Hong Kong, 21 June 2010) – Prosperity International Holdings (H.K.) Limited (“Prosperity International” or the “Group”)(SEHK: 803) announces its annual results for the year ended 31 March 2010 (“the Year”).

During the Year, the Group’s continuing business operation recorded a turnover of approximately HK\$2,559,700,000 (2009: HK\$786,500,000), representing a sharp increase of 230% comparing to the previous year. The increase was mainly due to the taking up of iron ore trading business of Prosperity Minerals Holdings Limited (“Prosperity Minerals”). Net profit was approximately HK\$57,400,000 (2009: 24,600,000), representing an increase of 130% comparing to the previous year.

The board of directors recommended distributing a final dividend of HK2 cents per share (2009: none).

Mr. Wong Ben Koon, Chairman of Prosperity International said, “During the Year, the Group completed the acquisition of Prosperity Minerals, which brought a significant growth in results, and recommended the HK\$3.8 billion cash disposal of interests of the Group’s clinker and cement manufacturing segment, which strengthened the Group’s cash position. In order to step up business deployment, the Group signed multiple agreements on 31 May this year, including engaging in the iron ore master off-take agreement, acquisition of two property projects in China, and acquisition of the Xiamen project, Fujian, preparing for the Group’s future business development. The Group continues to focus on consolidating the current clinker, cement and iron ore trading businesses. Furthermore, we also marched into related businesses to create synergy effects. After years of efforts, the Group has mastered the developing strategies and blueprint. Leveraging on strong cash position, well-established connections, and timely emerging of quality projects, the Group will seize the opportunity to further expand and enhance the overall returns of our Group.”

Chairman Wong added, “Looking forward, based on China’s huge demand for mineral resources, together with the existing professional management team, the Group will continuously explore the mineral resources business and seek opportunities to invest or

acquire mining and exploration projects; aggressively explore mineral resources opportunities in China and Asia, to exert the Group team's professional experience and specialty. The Group's target is to progressively become one of the leading building and mineral material resources suppliers with consolidated business platform in Asia."

Trading of Clinker and Cement

During the Year, the trading of clinker and cement business recorded a turnover of HK\$495,000,000. The Group sold clinker and cement aggregating approximately 1,509,000 tonnes. The Group was still able to secure our export sales, despite the weaknesses in demand in the international market. This segment remains to be an important part of the Group and it constitutes a strong platform that supports further development of other building material businesses.

Granite Material Production

During the Year, granite material production business contributes approximately HK\$8,291,000 (2009: HK\$2,597,000) to the Group's turnover, representing an increase of 220% compared to previous year. The construction of the new feldspar powder production plant was completed in mid 2010, providing production capacity of 100,000 tonnes per annum. It is expected to commence commercial production at the end of 2010.

Operation of Public Port and Other Related Facilities

The Group engages in the operation of a public port and other related setup facilities through a 25%-owned joint venture unit with Anhui Conch Venture Investment Company Limited in October 2006. The public port is located in Jiangdu City of Jiangsu Province, with nine berth docks in total (three for 70,000 tonnage vessels and six for 5,000 tonnage vessels) and a terminal storage area of approximately 360,000 meter squares. The terminal can achieve massive throughput of 8 million tonnes per year.

During the Year, the port already obtained the necessary licenses for its operations from relevant government authorities and the construction of port facilities commenced in November last year. The public port and other related facilities are expected to commence commercial operation by the end of 2011.

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About Prosperity International Holdings (H.K.) Limited (SEHK: 803)

Established in 2001, Prosperity International is a leading building materials supplier in Asia, focusing on natural resources exploitation, clinker and cement trading, iron ore trading and granite material production, public port and warehousing services provision. In December 2008, the Group successfully transferred its listing from Growth Enterprise Market to Main Board. In September 2009, the Group acquired approximately 54.28% shares of PMHL. PMHL is a listed company on Alternative Investment Market of London Stock Exchange plc. In April 2010, the Group completed the disposal of the interests of clinker and cement production business of PMHL and focuses on the iron-ore and mineral resources related businesses, and development the property and investment businesses through PMHL.

Company's website: www.pihl-hk.com

Issued by PR ASIA Consultants Limited on behalf of **Prosperity International Holdings (H.K.) Limited**.

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