PROSPERITY INVESTMENT HOLDINGS LIMITED
嘉進投資國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 310)

PROFIT WARNING

This announcement is made by Prosperity Investment Holdings Limited (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to announce that, based on the preliminary review of the unaudited management accounts of the Company and its subsidiaries (together the "**Group**"), despite the substantive savings in overall operating expenses, the Group expects to record a significant increase in loss for the year ended 31 December 2013, as compared with the loss for the year ended 31 December 2012, primarily due to the following reasons:

(i) increase in loss arose from the change in fair value of held-for-trading listed equity investments which was caused by the fluctuation of the stock market; and

(ii) no gain on disposal of subsidiaries and available-for-sales investment for the year ended 31 December 2013.

The information contained in this announcement is only based on the preliminary assessment by the Board based on the information currently available, including the unaudited consolidated management accounts of the Group for the year ended 31 December 2013 which have not been audited or reviewed by the auditors of the Company.

* *For identification purpose only*

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Prosperity Investment Holdings Limited
Cheng Hairong
Chairman and Executive Director

Hong Kong, 14 January 2014

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Cheng Hairong, one non-executive Director, namely Mr. Lau Tom Ko Yuen and three independent non-executive Directors, namely Mr. Feng Nien Shu, Mr. Lui Siu Tsuen, Richard and Ms. Wong Lai Kin, Elsa.