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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Sino Prosper Holdings Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**SINO PROSPER HOLDINGS LIMITED**  
**(中盈控股有限公司)**

*(incorporated in the Cayman Islands with limited liability)*

(stock code: 0766)

- (1) EXTRAORDINARY GENERAL MEETING  
CONVENED UPON REQUISITION BY A SHAREHOLDER,  
(2) EXISTING BOARD RECOMMENDATIONS TO REJECT THE NEW  
DIRECTORS AND SUPPORT THE EXISTING BOARD,  
(3) UPDATE ON THE GROUP'S BUSINESS DEVELOPMENTS  
AND  
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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A notice convening the extraordinary general meeting of Sino Prosper Holdings Limited to be held on 12 June 2007 at 10:00 a.m. at meeting room no. 4, 2nd floor, Mangshi Hotel, No. 58 Baobo Road, Luxi City, Dehong, Yunnan, People's Republic of China, is set out on pages 14 to 15 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar in Hong Kong, Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the extraordinary general meeting if you so wish.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“Announcement”	Announcement of the Company dated 15 May 2007 regarding the reasons for suspension of trading, update on the Group’s business developments, requisition for EGM and resumption of trading
“Articles”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors of the Company
“Companies Ordinance”	Companies Ordinance of Hong Kong (Chapter 32 of the Laws of Hong Kong)
“Company”	Sino Prosper Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Decision”	As defined in the Announcement
“Directors”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be held on 12 June 2007 at 10:00 a.m. at meeting room no. 4, 2nd floor, Mangshi Hotel, No. 58 Baobo Road, Luxi City, Dehong, Yunnan, People’s Republic of China or any adjournment thereof
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	17 May 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Division”	the listing division of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Kan”	Mr. Kan Che Kin, Billy Albert, a substantial shareholder (within the meaning of the Listing Rules) of the Company holding, as at the date of the Requisition Notice, approximately 16.67 per cent. of the issued shares of the Company
“Proposed Directors”	the persons proposed by Mr. Kan in the Proposed Letter for election as Directors

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## DEFINITIONS

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“Proposed Letter”	the fax dated 12 April 2007 sent by Mr. Kan to the Company notifying his intention to propose certain persons for election as Directors at the EGM and the enclosure therewith
“Requisition Notice”	the fax dated 4 April 2007 sent by Mr. Kan to the Company in relation to the requisition for the EGM pursuant to article 64 of the Articles
“SFC”	The Securities and Futures Commission
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers



**SINO PROSPER HOLDINGS LIMITED**  
**(中盈控股有限公司)**

*(incorporated in the Cayman Islands with limited liability)*

(stock code: 0766)

*Executive Directors:*

Leung Ngai Man (*Chairman*)  
Tang Yan Tian (*Chief Executive Officer*)  
Yeung Kit  
Wong Wa Tak

*Non-executive Directors:*

Gao Shi Kui

*Independent non-executive Directors:*

Cai Wei Lun  
Chan Sing Fai  
Leung Wai Cheung

*Registered Office:*

Century Yard  
Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

*Head office and principal place of  
business in Hong Kong:*

Units D-E, 7th Floor  
Neich Tower  
128 Gloucester Road  
Wanchai  
Hong Kong

18 May 2007

*To the Shareholders and, for information only,  
the holders of outstanding options of the Company*

Dear Sir or Madam,

**(1) EXTRAORDINARY GENERAL MEETING  
CONVENED UPON REQUISITION BY A SHAREHOLDER,  
(2) EXISTING BOARD RECOMMENDATIONS TO REJECT THE NEW  
DIRECTORS AND SUPPORT THE EXISTING BOARD,  
(3) UPDATE ON THE GROUP'S BUSINESS DEVELOPMENTS  
AND  
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

The Company has announced on 15 May 2007 that on or about 12 April 2007, the Board received the Requisition Notice from Mr. Kan dated 4 April 2007. Matters proposed in the Requisition Notice are set out as follows:

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## LETTER FROM THE BOARD

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- “(1) to consider and resolve to pass an ordinary resolution to remove all the Directors of the Company as at the time of the EGM in accordance with the Articles;
- (2) to consider and resolve to pass an ordinary resolution to appoint certain persons as Directors of the Company in accordance with the Articles; and/or
- (3) to consider and resolve to pass an ordinary resolution to fix the maximum number of Directors of the Company in accordance with the Articles.”

On or about 12 April 2007, the Board received the Proposed Letter from Mr. Kan listing the candidates proposed by Mr. Kan for election as Directors at the EGM and enclosing notices of their willingness to be elected as Directors.

According to article 64 of the Articles, EGM shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings.

The purpose of this circular is to provide you with further information regarding the above matters and notice of the EGM. **The existing Board recommends that Shareholders reject the proposed appointment of the Proposed Directors and support the existing Board by voting against all resolutions to be proposed at the EGM.**

### REMOVAL OF DIRECTORS

In connection with the proposed business as set out in item (1) of the Requisition Notice, each of the following Directors is proposed by Mr. Kan to be (and, subject to the passing of the relevant resolutions at the EGM, if so passed, will be) removed as a Director with effect from the conclusion of the EGM:

- (1) Mr. Leung Ngai Man, currently the Chairman of the Board and an executive Director;
- (2) Mr. Tang Yan Tian, currently an executive Director;
- (3) Mr. Yeung Kit, currently an executive Director;
- (4) Mr. Wong Wa Tak, currently an executive Director;
- (5) Mr. Gao Shi Kui, currently a non-executive Director;
- (6) Mr. Cai Wei Lun, currently an independent non-executive Director;
- (7) Mr. Chan Sing Fai, currently an independent non-executive Director; and
- (8) Mr. Leung Wai Cheung, currently an independent non-executive Director.

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## LETTER FROM THE BOARD

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According to article 114 of the Articles, the Company may by ordinary resolution remove any Director before the expiration of his period of office. Hence, ordinary resolutions regarding each removal of the Directors will be presented at the EGM in accordance with the Articles.

The recommendation of the Board on these proposed removal resolutions and the reasons for the recommendation is set out in the section headed “Existing Board Recommendation to Reject the Proposed Appointment of the Proposed Directors and Support the Existing Board” in this circular.

### **APPOINTMENT OF DIRECTORS**

In connection with the proposed business as set out in item (2) of the Requisition Notice and the Proposed Letter, each of the following persons is proposed by Mr. Kan to be (and, subject to the passing of the relevant resolutions at the EGM, if so passed, will be) appointed as a Director with effect from the conclusion of the EGM:

- (1) Mr. Kan, as an executive Director;
- (2) Mrs. Kan Kung, Chuen Lai, as an executive Director;
- (3) Ms. Li, Shu Han Eleanor Stella, as an executive Director;
- (4) Mr. Li, Kai Yien Arthur Albert, as an executive Director;
- (5) Mr. Li, Siu Yui, as an independent non-executive Director;
- (6) Mr. Kam, Kin Yat, as an independent non-executive Director; and
- (7) Ms. Tai, Pui Sze, as an independent non-executive Director.

Pursuant to article 111 of the Articles, the Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an additional director. Accordingly, ordinary resolutions regarding each appointment of the Proposed Directors will be proposed at the EGM.

The Appendix to this circular contains the particulars of the above Proposed Directors. The information in the Appendix is based solely on the information supplied by or on behalf of Mr. Kan. The Board would emphasize that due to resource reasons and notwithstanding enquiries made by or on behalf of the Board to Mr. Kan or his representative, particulars of the Proposed Directors as set out in the Appendix and received by the Board has not been independently verified by the Company or the Directors. If any additional information is subsequently obtained and considered to be necessary to be disclosed, the Board will make a further announcement.

Nonetheless, the Proposed Directors, if successfully be appointed as Directors in the EGM, will have an obligation to comply with the relevant requirements under the Listing Rules.

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## LETTER FROM THE BOARD

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The recommendation of the Board on the resolutions for appointment of new directors is set out in the section headed “Existing Board Recommendation to Reject the Proposed Appointment of the Proposed Directors and Support the Existing Board” in this circular.

### **FIXING THE MAXIMUM NUMBER OF DIRECTORS OF THE COMPANY**

Item (3) of the Requisition Notice requested the fixing of a maximum number of directors of the Company in accordance with the Articles. Pursuant to article 110 of the Articles, the Company in general meeting shall from time to time fix and may from time to time by ordinary resolution increase or reduce the maximum and minimum number of director but so that the number of directors shall not be fewer than one. Accordingly, an ordinary resolution regarding the fixing of the maximum number of directors will be proposed at the EGM.

### **EGM**

According to article 64 of the Articles, directors should within 21 days from the date of the deposit of the requisition for convening an extraordinary general meeting proceed duly to convene a meeting for a day not more than 2 months after the deposit of such requisition. As the Requisition Notice dated 4 April 2007 fails to identify which persons are to be elected as directors or the exact size of the proposed new Board, the current Board was advised by counsel that the proposal lacked the necessary specificity to constitute the subject matter of a valid resolution. The current Board was further advised by counsel that such lack of specificity might however be rectified by the Proposed Letter dated 12 April 2007. On such grounds, the current Board was advised that the date a valid requisition from Mr. Kan was lodged would be the date the Proposed Letter was lodged, i.e. 12 April 2007. As such, the EGM, dealing with the Requisition Notice (as might have been rectified by the Proposed Letter dated 12 April 2007), is proposed to be held on 12 June 2007.

A notice convening the EGM is set out on pages 14 to 15 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s share registrar in Hong Kong, Secretaries Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the extraordinary general meeting if you so wish.

### **PROCEDURES TO DEMAND A POLL AT GENERAL MEETING**

Pursuant to article 72 of the Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the chairman of the meeting; or



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## LETTER FROM THE BOARD

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- (ii) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (iv) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
- (v) by any Director or Directors who, individually or collectively, hold proxies in respect of shares in the Company representing not less than five per cent of the total voting rights of all the Shareholders having the right to vote at the meeting.

### **EXISTING BOARD RECOMMENDATION TO REJECT THE PROPOSED APPOINTMENT OF THE PROPOSED DIRECTORS AND SUPPORT THE EXISTING BOARD**

The existing Directors consider that each of the resolutions proposed pursuant to the Requisition Notice is not in the best interests of the Company and all other Shareholders as a whole for the following reasons:-

1. The current Board of Directors has made significant progress in developing the new business strategy of the Company being energy and resources related projects as described hereinafter in this circular and in the Announcement. The Board of Directors is unanimous in its commitment to enhance shareholder value by pursuing energy and resource related investments. The Company is about to benefit from the investments that have been made in the last two years and which the Company will continue to invest and maintain. **Introducing an entirely new board of directors and senior management will result in confusion to the Company's business partners, delay, frustration and possible complication in the implementation and/or cancellation of some or all of these projects.**
2. The lengthy suspension of trading in the shares of the Company was the result of the Listing Division's interpretation that the Company should fall to be a "cash company" under Rule 14.82 of the Listing Rules which the Company had no control. The Company retained new legal advisors and appointed a compliance advisor both of whom were of the opinion that the Company is not a "cash company". **As a result of the report of the compliance advisor and relevant written submissions to the Listing Division, the Directors were able to convince the Listing Division to conclude that the Company is not regarded as a "cash company" for the purpose of Rule 14.82 of the Listing Rules.** As a result, trading in the shares of the Company resumed on 16 May, 2007. Details of which are set out in the Announcement.

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## LETTER FROM THE BOARD

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3. The current Board and management have expertise commensurate with the Company's business strategy of investing in energy and resources related projects in China and elsewhere. It is at least unclear whether the Proposed Directors have relevant experience in these areas.
4. The appointment of the Proposed Directors could result in the loss of key personnel that could temporarily or indefinitely delay the CNPC joint venture, the business of Hainan Tairui and other businesses of the Company (see the Announcement for details).
5. The Board has developed a well thought out business strategy which is now starting to meet with success. **It is at least unclear as to what the Proposed Directors will do and whether there will be cancellation of the existing projects and/or change the business strategy that may result in the loss of much of the Company's investments and the opportunity to profit from these investments.**
6. The Board has been working diligently to resolve the regulatory issues raised by the Stock Exchange that resulted in the suspension of trading. If the Proposed Directors were to cancel the existing businesses or change the business strategy, these regulatory issues might be raised again and which may result in **possibly a further suspension of trading in the shares of the Company. If the Exchange is not satisfied that any new business is suitable for listing there is a risk that the suspension would continue for a lengthy period and could result in a cancellation of the listing of the Company.**
7. As disclosed in the Company's annual report for 2006, as of 31 March, 2006, Mr. Kan held an interest in 533,000,000 shares of the Company representing approximately 46.37% of the Company's shares. Mr. Kan has sold certain of his shares but failed to report certain percentages of the sales within the time required by the SFO. As of the Latest Practicable Date, Mr. Kan held 212,460,000 shares or approximately 16.67% of the shares of the Company.
8. Mr. Kan has been convicted of offences under the SFO, details of which are listed as follows:

Date of conviction: 19 April 2007

Summary of the offences: Eight offences of failing to perform a duty of disclosure to notify the Stock Exchange and the Company of the cessation of his interest in shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO, with details as follows.

Details of the offences:

- (i) Fail to perform a duty of disclosure to notify the Stock Exchange of the cessation of his interest in 3.8 million shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO;

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## LETTER FROM THE BOARD

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- (ii) Fail to perform a duty of disclosure to notify the Company of the cessation of his interest in 3.8 million shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO;
- (iii) Fail to perform a duty of disclosure to notify the Stock Exchange of the cessation of his interest in 10 million shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO;
- (iv) Fail to perform a duty of disclosure to notify the Company of the cessation of his interest in 10 million shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO;
- (v) Fail to perform a duty of disclosure to notify the Stock Exchange of the cessation of his interest in 7 million shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO;
- (vi) Fail to perform a duty of disclosure to notify the Company of the cessation of his interest in 7 million shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO;
- (vii) Fail to perform a duty of disclosure to notify the Stock Exchange of the cessation of his interest in 11,400,000 shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO; and
- (viii) Fail to perform a duty of disclosure to notify the Company of the cessation of his interest in 11,400,000 shares comprised in the relevant share capital of the Company within the period specified in section 325(1)(a) of the SFO.

Penalty: A fine in the amount of HK\$1,500 was imposed on each of the abovementioned eight offences. Mr. Kan was also ordered to pay the SFC's investigation costs in the sum of HK\$17,443.

- 9. The majority of the Proposed Directors are related to each other and all of the proposed executive Directors are family relatives of Mr. Kan.
- 10. Based on the information so far received from or on behalf of Mr. Kan, the Company does not find that the proposed executive Directors appear to have any relevant experience or expertise in investing in and operating businesses in the energy and resources sector. It appears to the Board that the proposed executive Directors are apparently selected by Mr. Kan on the basis of their family relationship and, possibly, loyalty to Mr. Kan, not on the basis of their experience and expertise. These arrangements to gain control could not be in the interest of the Shareholders as a whole.

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## LETTER FROM THE BOARD

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11. Notwithstanding making enquiries with Mr. Kan and/or his representative, the existing Directors have not been able to ascertain the reasons for Mr. Kan making the proposals set out in the Requisition Notice;
12. The Proposed Directors have not provided any details on how they intend to operate or improve the operations of the Company. Mr. Kan has refused to disclose any plans or intentions of the Proposed Directors for the various businesses of the Group for inclusion of such disclosure in this circular;
13. The Board does not know whether there are parties acting in concert with Mr. Kan who may be attempting to gain control of the Company and the Company's cash and other resources to further his/their own personal interests and without making a general offer pursuant to the Takeovers Code to Shareholders.

**Shareholders are also reminded that the interests of Mr. Kan may not serve (or may even conflict with) the interests of all other Shareholders.**

**Accordingly, the Directors recommend the Shareholders to vote against all the resolutions at the EGM.**

The Boards would also like to take this opportunity to update shareholders on the Group's latest business developments as follows:

### **UPDATE ON THE GROUP'S BUSINESS DEVELOPMENTS**

In the Announcement the Directors also announced the latest business developments of the Group, including (i) the progress on the establishment of the Group's CNPC joint venture further to its circular dated 12 April 2005; (ii) the Group's recent acquisition of 95% equity interest in a PRC company, Hainan Tairui, and (iii) the proposed investment in 30% equity interest in Guangxi Shenzhou. Details of which are set out in the Announcement.

**In light of the latest positive business developments of the Group, the Directors recommend the Shareholders to vote against all the resolutions at the EGM.**

Yours faithfully  
For and on behalf of the Board of  
**Sino Prosper Holdings Limited**  
**Leung Ngai Man**  
*Chairman*

Shareholders should note that the information set out below relating to the Proposed Directors is solely based on the information supplied to the Company by or on behalf of Mr. Kan. In view of the time constraint prescribed under the Articles, neither the Company nor the Directors have independently verified such information and Directors expressly disclaim liabilities howsoever arising. If any additional information is subsequently obtained and considered to be necessary to be disclosed, the Board will make further announcement in that respect.

**PROPOSED EXECUTIVE DIRECTORS****Mr. Kan Che Kin, Billy Albert**

Mr. Kan, aged 54, graduated from the University of East Anglia with a Bachelor of Mathematics Degree. Mr. Kan is a qualified accountant in England and Wales and is a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Kan had worked with Deloitte Touche Tohmatsu and KPMG, two of the largest international accounting firms and is equipped with extensive experience in accountancy, taxation and corporate finance. In addition, Mr. Kan has over 20 years' experience in serving on the board of directors of financial institutions and listed companies in Hong Kong, including Security Pacific Finance Limited, Burlingame International Company Limited (now renamed as Interchina Holdings Company Limited) (stock code: 202) and Greater China Holdings Limited (stock code: 431), the securities of the latter two companies being listed on the Stock Exchange. Mr. Kan resigned as director of Interchina Holdings Company Limited in September 2000 and of Greater China Holdings Limited in June 2004, respectively.

As at the Latest Practicable Date, Mr. Kan held 212,460,000 shares of HK\$0.01 each in the share capital in the Company.

**Mrs. Kan Kung, Chuen Lai**

Mrs. Kan, aged 56, is wife of Mr. Kan. Mrs. Kan is, and has been for over 10 years, a director of BK Capital Limited, a private company engaged in a wide variety of business, including merchandise trading, properties investment and securities trading. She has extensive secretarial and administrative experience for over 10 years in an international audit firm.

By virtue of the SFO, Mrs. Kan is deemed to be interested in all the shares of HK\$0.01 each in the share capital in the Company held by Mr. Kan.

**Ms. Li, Shu Han Eleanor Stella**

Ms. Li, aged 37, holds a Bachelor of Business Administration degree from the University of Southern California. Ms. Li has been a Certified Public Accountant since 1992 and is a fellow member of the Hong Kong Institute of Certified Public Accountants. She has extensive experience in accounting and corporate finance, in particular, in issuance of convertible bonds and corporate restructuring. She held the position as Corporate Finance Manager at Kerry Holdings Limited ("KHL") from 1995 to 1999. Prior to her resignation from KHL, Ms. Li was involved in the restructuring of private companies within the KHL group. Ms. Li is currently a director of Wealth Loyal Development Limited, a private company engaged in investment holding.

Ms. Li is a cousin of Mr. Kan and sister of Mr. Li Kai Yien Arthur Albert.

**Mr. Li, Kai Yien Arthur Albert**

Mr. Li, aged 34, graduated from the University of Southern California with a Bachelor of Business Administration degree in 1996. Mr. Li has been a Certified Public Accountant since 1999 and has more than 9 years' experience in accounting and corporate finance. Mr. Li is currently the senior sales and marketing manager of Phillip Securities (HK) Limited.

Mr. Li is a cousin of Mr. Kan and brother of Ms. Li, Shu Han Eleanor Stella.

**PROPOSED INDEPENDENT NON-EXECUTIVE DIRECTORS**

**Mr. Li, Siu Yui**

Mr. Li, aged 37, holds a Master's degree in Business Administration from the University of Wales, and has over 9 years' experience in the area of investment. He has been the investment manager of Sunny Healthy International Limited, a private company since 2002. Mr. Li has been a registered dealer representative with the Securities and Futures Commission and a sales representative with the Stock Exchange since 1997.

**Mr. Kam, Kin Yat**

Mr. Kam, aged 54, has more than 30 years of experience in investment and trade in the mainland China. Mr. Kam was previously an independent non-executive director of Blu Spa Holdings Limited (stock code: 8176), the shares of which is listed on the Growth Enterprise Market of the Stock Exchange, and an executive director of Far East Consortium International Limited (stock code: 35), the shares of which are listed on the Stock Exchange. Mr. Kam resigned as director of Blu Spa Holdings Limited in August 2004 and of Far East Consortium International Limited in early 1992, respectively.

In 1933, Mr. Kam was the senior deputy chief executive officer of Lai Sun Development Company Limited (stock code: 488), a member of the group comprising Lai Sun Garment (International) Limited ("Lai Sun Group") which was delisted on the Stock Exchange after reorganization of the Lai Sun Group in 1988. Mr. Kam was later appointed as the operations executive director of Lai Fung Holdings Limited ("Lai Fung") (stock code: 1125), the shares of which are listed on the Stock Exchange since 1999. Lai Fung is also a member of the Lai Sun Group and is the property development arm of the Lai Sun Group in the PRC. Mr. Kam ceased to be a director of Lai Fung in April 2001.

As at the Latest Practicable Date, Mr. Kam held 800,000 shares of HK\$0.01 each in the share capital in the Company.

**Ms. Tai, Pui Sze**

Ms. Tai, aged 27, is a graduate of the City University of Hong Kong with a Higher Diploma in Accountancy with distinction. Ms. Tai is currently pursuing a Bachelor of Accountancy and Finance with the Heriot-Watt University.

Ms. Tai is a Chartered Certified Accountant and a Certified Public Accountant, and has more than 5 years of experience in accounting. She is currently an accountant at Gain Asset Management Limited and prior to this engagement she was an Audit Supervisor with Li, Tang, Chan & Company.



**SINO PROSPER HOLDINGS LIMITED**

**(中盈控股有限公司)**

*(incorporated in the Cayman Islands with limited liability)*

(stock code: 0766)

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (“**EGM**”) of Sino Prosper Holdings Limited (the “**Company**”) will be held on 12 June 2007 at 10:00 a.m. at meeting room no. 4, 2nd floor, Mangshi Hotel, No. 58 Baobo Road, Luxi City, Dehong, Yunnan, People’s Republic of China for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

**ORDINARY RESOLUTIONS**

- (1) “**THAT** Mr. Leung Ngai Man be removed as a director of the Company with effect from the conclusion of the EGM.”
- (2) “**THAT** Mr. Tang Yan Tian be removed as a director of the Company with effect from the conclusion of the EGM.”
- (3) “**THAT** Mr. Yeung Kit be removed as a director of the Company with effect from the conclusion of the EGM.”
- (4) “**THAT** Mr. Wong Wa Tak be removed as a director of the Company with effect from the conclusion of the EGM.”
- (5) “**THAT** Mr. Gao Shi Kui be removed as a non-executive director of the Company with effect from the conclusion of the EGM.”
- (6) “**THAT** Mr. Cai Wei Lun be removed as an independent non-executive director of the Company with effect from the conclusion of the EGM.”
- (7) “**THAT** Mr. Chan Sing Fai be removed as an independent non-executive director of the Company with effect from the conclusion of the EGM.”
- (8) “**THAT** Mr. Leung Wai Cheung be removed as an independent non-executive director of the Company with effect from the conclusion of the EGM.”
- (9) “**THAT** Mr. Kan Che Kin, Billy Albert be appointed as a director of the Company with effect from the conclusion of the EGM.”
- (10) “**THAT** Mrs. Kan Kung, Chuen Lai be appointed as a director of the Company with effect from the conclusion of the EGM.”



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (11) “**THAT** Ms. Li, Shu Han Eleanor Stella be appointed as a director of the Company with effect from the conclusion of the EGM.”
- (12) “**THAT** Mr. Li, Kai Yien Arthur Albert be appointed as a director of the Company with effect from the conclusion of the EGM.”
- (13) “**THAT** Mr. Li, Siu Yui be appointed as an independent non-executive director of the Company with effect from the conclusion of the EGM.”
- (14) “**THAT** Mr. Kam, Kin Yat be appointed as an independent non-executive director of the Company with effect from the conclusion of the EGM.”
- (15) “**THAT** Ms. Tai, Pui Sze be appointed as an independent non-executive director of the Company with effect from the conclusion of the EGM.”
- (16) “**THAT** the maximum number of Directors be fixed.”

Yours faithfully  
For and on behalf of the board of directors of  
**Sino Prosper Holdings Limited**  
**Leung Ngai Man**  
*Chairman*

Hong Kong, 18 May 2007

Century Yard  
Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

*Notes:*

- (1) A member entitled to attend and vote at the above meeting may appoint a proxy to attend and, on a poll vote on his behalf and such proxy need not be a member of the Company. A form of proxy for use at the meeting is enclosed.
- (2) In order to be valid, the form of proxy, together with any power of attorney or authority under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s registrar in Hong Kong, Secretaries Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting convened or any adjournment thereof and in such event, the authority of the proxy shall be deemed to be revoked.