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If you have sold or transferred all your securities in Sino Prosper Holdings Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer or registered institution in securities 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: 766)

REFRESHMENT OF THE GENERAL MANDATE
AND
NOTICE OF EGM

Financial adviser



信達國際融資有限公司
CINDA INTERNATIONAL CAPITAL LIMITED

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



亞洲資產管理
ASIA INVESTMENT MANAGEMENT

Asia Investment Management Limited

A notice convening a extraordinary general meeting of the Company to be convened at 10:30 a.m. on Monday, 23 November 2009 at Units 1702-04, 17/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong is set out on pages 15 to 17 of this circular. Form of proxy for use in the extraordinary general meeting is enclosed. Whether or not you propose to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting in person should you so wish.

5 November 2009

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DEFINITIONS

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

“Articles”	the articles of association of the Company adopted pursuant to a written resolution passed by all the then Shareholders on 25 April 2002, as amended from time to time
“Asia Investment” or “Independent Financial Adviser”	Asia Investment Management Limited, a licensed corporation to carry out type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the refreshment of the General Mandate
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Sino Prosper Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at 10:30 a.m. on Monday, 23 November 2009 at Units 1702-04, 17/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong, the notice of which is set out on pages 15 to 17 of this circular and any adjournment thereof
“General Mandate”	the general and unconditional mandate granted to the Directors by the Shareholders pursuant to ordinary resolution passed at the Last AGM to exercise the power of the Company to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the Last AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company comprising all the independent non-executive Directors established for the purpose of advising the Independent Shareholders in relation to the refreshment of the General Mandate

DEFINITIONS

“Independent Shareholders”	any Shareholders other than the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates
“Independent Third Party”	a person who is not a connected person of the Company and is independent of and not connected with the Company and its connected persons
“Last AGM”	the annual general meeting of the Company held on 25 September 2009
“Latest Practicable Date”	30 October 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Leung”	Mr. Leung Ngai Man, an executive Director and a substantial shareholder of the Company
“New General Mandate”	the general mandate proposed to be sought at the EGM to authorise the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM
“Placing”	the placing of the Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	DBS Asia Capital Limited, a licensed corporation under the SFO to carry out type 1 (dealing in securities) and type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities
“Placing Agreement”	a placing agreement dated 14 October 2009 and made among Mr. Leung, the Company and the Placing Agent in relation to the Placing
“Placing Shares”	up to a total of 342,270,000 Shares beneficially owned by Mr. Leung to be placed pursuant to the Placing Agreement
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by Mr. Leung pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 14 October 2009 and made between Mr. Leung and the Company
“Subscription Shares”	342,270,000 new Shares to be subscribed by Mr. Leung pursuant to the Subscription
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



SINO PROSPER HOLDINGS LIMITED

中盈控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 766)

Executive Directors:

Mr. Leung Ngai Man (*Chairman*)
Mr. Sung Kin Man (*Chief Executive Officer*)
(appointed on 1 November 2009)
Mr. Ng Kwok Chu, Winfield
Mr. Wong Wa Tak
Mr. Yeung Kit

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent non-executive Directors:

Mr. Cai Wei Lun
Mr. Chan Sing Fai
Dr. Leung Wai Cheung

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

Units 1702-04, 17/F
Shui On Centre
6-8 Harbour Road
Wanchai
Hong Kong

5 November 2009

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

Dear Sir/Madam,

**REFRESHMENT OF THE GENERAL MANDATE
AND
NOTICE OF EGM**

INTRODUCTION

The Directors would put forward to the Independent Shareholders for approval at the EGM the grant of the New General Mandate.

The purpose of this circular is to provide you with information regarding (i) the proposed grant of the New General Mandate; (ii) the recommendation from the Independent Board Committee; (iii) the recommendation from Asia Investment to the Independent Board Committee and the Independent Shareholders in respect of the grant of the New General Mandate; and (iv) the notice of the EGM.

LETTER FROM THE BOARD

REFRESHMENT OF THE GENERAL MANDATE

Background of the General Mandate

At the Last AGM, the Shareholders passed an ordinary resolution to grant to the Directors the General Mandate to allot, issue and deal with a maximum of 342,278,631 Shares, representing 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the Last AGM.

As set out in the announcement of the Company dated 14 October 2009, (i) Mr. Leung, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent agreed to place on a best effort basis up to 342,270,000 Shares held by Mr. Leung to Independent Third Parties; and (ii) the Company and Mr. Leung entered into the Subscription Agreement pursuant to which Mr. Leung has conditionally agreed to subscribe for the Subscription Shares, and such Subscription Shares would be issued pursuant to the General Mandate. As advised by the Company, completion of the Subscription has been taken place on 23 October 2009 and 342,270,000 new Shares have been successfully subscribed to Mr. Leung. Accordingly, the General Mandate has been substantially utilised with only 8,631 Shares remaining outstanding under the General Mandate as at the Latest Practicable Date.

As at the Latest Practicable Date, the net proceeds from the Subscription of approximately HK\$84.2 million has been utilised as the partial settlement of the promissory notes.

Refreshment of the General Mandate since the Last AGM

There was no refreshment of the General Mandate since the date of the Last AGM and up to the Latest Practicable Date.

Reasons for and benefits of the refreshment of the General Mandate

The Company is principally engaged in the investment in energy and resources related projects and production of raw materials for power generation and construction of highways in the PRC.

As the General Mandate has been substantially utilised, and the proceeds from the Subscription are intended to be used for general working capital of the Group and to finance any possible acquisition plan of the Group in the future, the Directors consider it is in the interests of the Company and the Shareholders as a whole to grant the New General Mandate by maintaining the financial flexibility necessary for the Company's future business development and/or the funds raising through the issue of new Shares under the New General Mandate upon refreshed.

LETTER FROM THE BOARD

The Directors consider that equity financing through the use of the New General Mandate is an important avenue of resources to the Group, as it (i) does not incur any interest paying obligations on the Group as in bank financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the capability to capture any capital raising or prospective investment opportunity as and when it arises. For these reasons, the Directors therefore proposed to seek the approval from the Independent Shareholders at the EGM on the grant of the New General Mandate.

The Company had an aggregate of 2,662,063,158 Shares in issue as at the Latest Practicable Date. Assuming that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the date of the EGM and subject to the passing of the ordinary resolution for the approval of the grant of the New General Mandate, the New General Mandate (if granted) will empower the Directors to allot, issue or otherwise deal with up to a maximum of 532,412,631 new Shares. At the EGM, upon the ordinary resolution relating to the grant of the New General Mandate is approved by the Independent Shareholders, the General Mandate will be revoked.

Implication of the Listing Rules

Pursuant to Rule 13.36(4)(a) of the Listing Rules, any controlling shareholders (within the meaning of the Listing Rules) and their associates, or where there are no controlling shareholders, the directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution to approve the grant of the New General Mandate and such resolution shall be voted on by way of poll.

As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors, there was no controlling Shareholder and apart from (i) Mr. Leung Ngai Man, an executive Director and the chairman of the Company and the beneficial owner of Climax Park Limited, was beneficially interested in 771,950,000 Shares (representing approximately 29% of the issued share capital of the Company as at the Latest Practicable Date); and (ii) Mr. Wong Wa Tak, an executive Director of the Company and the beneficial owner of Master Hill Development Limited, was beneficially interested in 1,600,000 Shares (representing approximately 0.06% of the issued share capital of the Company as at the Latest Practicable Date), none of the Directors (including Mr. Ng Kwok Chu, Winfield and Mr. Yeung Kit, each an executive Director) and/or their associates was interested in any issued Shares. Accordingly, Mr. Leung Ngai Man, Mr. Wong Wa Tak, Climax Park Limited, Master Hill Development Limited and any Directors who shall hold Shares as at the date of the EGM and their respective associates are required to abstain from voting in favour of the resolution at the EGM, and such resolution shall be voted on by way of poll.

An Independent Board Committee has been established to make recommendations to the Independent Shareholders, and Asia Investment has been appointed as an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of the New General Mandate.

LETTER FROM THE BOARD

Period during which the New General Mandate will remain effective

The New General Mandate will, if granted, remain effective until the earliest of (i) the date of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting is required to be held by the Articles or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

EGM

The notice of the EGM is set out on pages 15 to 17 of this circular. A form of proxy for use at the EGM is enclosed with this circular.

At the EGM, an ordinary resolution will be proposed to approve the grant of the New General Mandate.

Whether or not you are able to attend the EGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event not later than 48 hours before the time for the EGM or any adjournment thereof to the Company's Hong Kong branch share registrar and transfer office, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors are of the opinion that the refreshment of the General Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to approve the grant of the New General Mandate.

In addition, your attention is drawn to the letter of recommendation from the Independent Board Committee set out on page 8 of this circular and the letter of advice from Asia Investment set out on pages 9 to 14 of this circular, which contains, among other matters, its advice to the Independent Board Committee and the Independent Shareholders in relation to the grant of the New General Mandate and the principal factors considered by it in arriving at its recommendation.

Yours faithfully,
By Order of the Board
Sino Prosper Holdings Limited
Yeung Kit
Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



SINO PROSPER HOLDINGS LIMITED

中盈控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 766)

5 November 2009

To the Independent Shareholders

Dear Sir/Madam,

REFRESHMENT OF THE GENERAL MANDATE

We refer to the circular issued by the Company to the Shareholders and dated 5 November 2009 (“**Circular**”) of which this letter form part.

We have been appointed as the Independent Board Committee to advise the Independent Shareholders in connection with the granting of the New General Mandate, details of which are set out in the circular of the Company to the Shareholders dated 5 November 2009 (the “Circular”), of which this letter forms part. Terms defined in this Circular have the same meanings when used herein unless the context otherwise requires.

Having considered the advice of Asia Investment in relation thereto as set out in the Circular, we are of the opinion that the grant of the New General Mandate is in the best interests of the Company and the Shareholders as a whole and the terms of the granting of the New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the grant of the New General Mandate.

Yours faithfully,

For and on behalf of the

Independent Board Committee

Mr. Cai Wei Lun

Mr. Chan Sing Fai

Dr. Leung Wai Cheung

Independent non-executive Directors

LETTER FROM ASIA INVESTMENT



亞洲資產管理 ASIA INVESTMENT MANAGEMENT

Asia Investment Management Limited

Unit B, 14/F, Vulcan House,
21-23 Leighton Road,
Causeway Bay, Hong Kong

5 November 2009

*To The Independent Board Committee and
the Independent Shareholders of
Sino Prosper Holdings Limited*

Dear Sirs,

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

INTRODUCTION

We refer to our engagement as the independent financial adviser to the independent board committee (the “Independent Board Committee”) and the independent shareholders (the “Independent Shareholders”) of Sino Prosper Holdings Limited (the “Company”) in relation to the proposed refreshment of the general and unconditional mandate granted to the directors of the Company (the “Directors”) to allot, issue and deal with shares of the Company (the “Shares”) not exceeding 20% of the issued share capital of the Company (the “General Mandate”), details of which are contained in the “Letter from the Board”, on page 4 to page 7 of the circular of the Company dated 5 November 2009 (the “Circular”) to the Shareholders. Capitalised terms used in this letter shall have the same meanings as defined in the Circular of which this letter forms part unless the content otherwise requires.

Pursuant to Rule 13.36(4) of the Listing Rules, any refreshment of the general mandate before the next annual general meeting shall be subject to the Independent Shareholders’ approval by way of poll at the EGM. Any controlling Shareholders and their associates or where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution for approving the new general mandate as required under Rule 13.36(4)(a) of the Listing Rules. To the best knowledge and belief of the Directors, as at the Latest Practicable Date, there was no controlling Shareholder, and Mr. Leung and Mr. Wong Wa Tak, both of whom are executive Directors, are respectively interested in 771,950,000 Shares and 1,600,000 Share, representing approximately 29.00% and approximately 0.06% of the existing issued share capital of the Company. Both Mr. Leung and Mr. Wong Wa Tak will abstain from voting the resolution approving the New General Mandate.

LETTER FROM ASIA INVESTMENT

The Independent Board Committee comprising Messrs. Chan Sing Fai, Cai Wei Lun and Leung Wai Cheung, being the independent non-executive Directors, has been formed to advise the Independent Shareholders on whether the granting of the New General Mandate is fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

BASIS OF OUR OPINION

In formulating our opinion and recommendations, we have relied on the information, facts and representations contained or referred to in the Circular and the information, facts and representations provided by, and the opinions expressed by the Directors, the Company and its management. We have assumed that all information, opinions and representations contained or referred to in the Circular are true, accurate and complete in all material respects as at the date of the Circular and that they may be relied upon in formulating our opinion.

The Directors have confirmed to us that no material facts have been withheld or omitted from the information supplied and opinions expressed. We consider that we have been provided with, and we have reviewed, all currently available information and documents which are available under present circumstances to enable us to reach an informed view to provide a reasonable basis for our opinion. We have not, however, for the purpose of this exercise, conducted any independent detailed investigation or audit into the businesses or affairs or future prospects of the Group. Our opinion is necessarily based on the financial, economic, market and other conditions in effect, and the information made available to us, as at the Latest Practicable Date. We do not express any opinion as to the appropriateness, magnitude and frequency of fund raising exercise undertaken by the Group which decision is made at the sole discretion of the Directors and the management of the Company and our recommendation is purely formulated based on current circumstances after the said fund raising exercise has been announced and the General Mandate has been utilised.

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

PRINCIPAL FACTORS CONSIDERED

In arriving at our opinion in respect of the proposed granting of the New General Mandate, we have considered the following principal factors and reasons:

Background of and reasons for the New General Mandate

The Group is principally engaged in the investment in energy and resources related projects and production of raw material for power generation and construction of highways.

LETTER FROM ASIA INVESTMENT

At the Last AGM, the Shareholders approved, among other things, to grant to the Directors the General Mandate under which the Directors are authorized to allot, issue and deal with up to 342,278,631 Shares, which is equivalent to the then 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the Last AGM.

As announced by the Company on 14 October 2009, Mr. Leung and the Placing Agent on 14 October 2009 entered into the Placing Agreement pursuant to which the Placing Agent agreed to place, an aggregate of up to 342.27 million Placing Shares, on a best effort basis, to not fewer than six places, at a price of HK\$0.25 per Share. On the even date, the Company announced that Mr. Leung and the Company on 14 October 2009 entered into the Subscription Agreement pursuant to which Mr. Leung agreed to subscribe for an aggregate of up to 342.27 million Subscription Shares at a price of HK\$0.25 per Share. The Placing and the Subscription were completed on 19 October 2009 and 23 October 2009 respectively.

During the period from the grant of the General Mandate to the Latest Practicable Date, the General Mandate was almost fully utilised (representing approximately 99.99% of the aggregate number of Shares which were allotted and issued under the General Mandate) for the issue of the Placing Shares at the issue price of HK\$0.25 per Share pursuant to the Placing Agreement, details of which are set out in the announcement of the Company dated 14 October 2008. If the General Mandate is not to be renewed, only 8,631 new Shares may be further issued out of the General Mandate. In addition, we were advised by the Directors that the next annual general meeting will not be held until around September 2010, which is about 10 months away from the Latest Practicable Date. If the General Mandate (which has been almost fully utilised) is not to be refreshed at the EGM, the Company will not have sufficient general mandate, if so required, until the general mandate is approved in the next annual general meeting.

The Company has been on the lookout for good investment opportunity to generate greater return for Shareholders. With a view to maintaining the financial flexibility for the Group to manage its business and to raise additional equity capital for any future business development and investment opportunities, the Directors therefore propose to seek the Independent Shareholders' approval at the EGM for the grant of the New General Mandate so that the Directors will be granted the authority to issue, allot and deal with new Shares not exceeding 20% of the total issued share capital of the Company as at the date of passing of the relevant resolution approving the New General Mandate. On the basis of a total of 2,662,063,158 Shares in issue as at the Latest Practicable Date and assuming that no other Shares will be issued or repurchased whatsoever between the Latest Practicable Date and the date of EGM, the New General Mandate (if granted) will empower the Directors to allot, issue and deal with up to a maximum of 532,412,631 Shares, representing 20% of the issue share capital of the Company as at the date of EGM.

As set out in the Letter from the Board, the Board believes that the granting of the New General Mandate is in the interests of the Company and the Shareholders as a whole by maintaining the financial flexibility necessary for the Group's future business development. The Board also considers equity financing to be an important avenue of resources to the Group since it does not create any interest paying obligations on the Group.

LETTER FROM ASIA INVESTMENT

The outlook for the global financial markets has remained gloomy and volatile since the financial turmoil and credit is still very tight. It is considered that it is important for the Company to allow flexibility to possible equity fund raising opportunity. As such, we are of the opinion that the New General Mandate would provide the Company with the necessary flexibility essential for fulfilling any possible funding needs for future business development and/or investment decision and that the granting of the New General mandate will be in the interests of the Company and the Independent Shareholders as a whole.

History of fund raising activities of the Group during the last 12 months

According to the information provided by the Directors, we summarise the fund raising activities of the Company during the past 12 months immediately preceding the Latest Practicable Date in the following table:

Date of announcement	Description	Net proceeds	Intended use of proceeds	Actual use of proceeds
15 October 2008	Placing of 257.23 million Shares at the price of HK\$0.033 per Share	Approximately HK\$7.8 million	Will be utilised as general working capital of the Group and/or funding for future investment	Was utilised as general working capital of the Group
14 October 2009	Placing of 342.27 million existing Shares at the price of HK\$0.25 per Share and top-up subscription of 342.27 million new Shares at the price of HK\$0.25 per Share	Approximately HK\$84.2 million	To be retained as general working capital of the Group and to be utilized to finance any possible acquisition plan of the Group in the future	Was utilised as the partial settlement of the promissory notes

Save as disclosed herein, the Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

The bank balances and cash of the Group was approximately HK\$230 million as at 31 March 2009 according to the latest published annual report of the Company for the year ended 31 March 2009. The Directors noted that the existing cash resources of the Group are sufficient for it to conduct its daily operations and the Group has sufficient working capital to meet its present requirements. However, there is no certainty that such cash resources will be adequate for acquisition of appropriate investments that may be identified by the Company in the future. In the event that the Group identifies a suitable investment opportunity and does not have sufficient cash resources on hand, and it fails to obtain loans on terms which the Directors consider acceptable to the Group or raise funds from the equity market, or it cannot find other alternatives to finance the acquisition of such investment opportunity in a timely manner, the Group may lose its opportunity in an otherwise favourable investment.

LETTER FROM ASIA INVESTMENT

Other financing alternatives

As debt financing may incur interest burden to the Group, equity financing such as issuance of new Shares for cash or equity swaps may be an appropriate means to fund such investments and/or acquisition and provide additional working capital for the future development and expansion of the Group, given the Group financial position, capital structure, cost of funding and the then financial market condition, especially under the situations that the global financial market has remained gloomy and volatile and that credit available in the current debt financing market is still tight. Other financing methods such as debt financing and internal cash resources to fund future business development of the Company shall be taken into consideration in appropriate circumstances.

We consider that the granting of the New General Mandate will provide the Company with an additional alternative given the current gloomy debt financing market. It is reasonable for the Company to have the flexibility in deciding the financing methods for its future development, including equity issuance. As such, we are of the view that the granting of the New General Mandate will be in the interests of the Company and the Independent Shareholders as a whole.

Potential dilution to shareholding of the Independent Shareholders

We set out below the table depicting the shareholding structure of the Company as at the Latest Practicable Date and for illustrative purpose, the potential dilution effect on the shareholdings upon full utilisation of the New General Mandate, assuming no Shares are issued or repurchased, and none of the convertible notes issued by the Company as announced by the Company on 28 April 2009 will be converted, during the period between the Latest Practicable Date and the date of EGM:

Name of Shareholders	As at the Latest Practicable Date		Upon full utilisation of the New General Mandate	
	Shares	%	Shares	%
Mr. Leung	771,950,000	29.00	771,950,000	24.16
Mr. Wong Wa Tak	1,600,000	0.06	1,600,000	0.05
Public Shareholders	1,888,513,158	70.94	1,888,513,158	59.12
Shares that may be issued under the New General Mandate	—	—	532,412,631	16.67
Total	<u>2,662,063,158</u>	<u>100.00</u>	<u>3,194,475,789</u>	<u>100.00</u>

LETTER FROM ASIA INVESTMENT

As illustrated in the table above, assuming no Shares will be issued or repurchased by the Company from the Latest Practicable Date to the date of the EGM, 532,412,631 new Shares can be issued upon full utilisation of the New General Mandate, representing 20% of the issued share capital as at the date of EGM, and the aggregate shareholding of the existing public Shareholders will decrease from approximately 70.94% as at the Latest Practicable Date to approximately 59.12% upon full utilisation of the New General Mandate. The potential dilution to the shareholding of the Shareholders represents a dilution of approximately 16.67%.

Taking into account that (i) the New General Mandate will provide an alternative to increase the amount of capital which may be raised under the New General Mandate; (ii) the New General Mandate provides more flexibility and options of financing to the Group for further business development as well as for other potential future investments and/or acquisitions as and when such opportunities arise, especially during the current gloomy debt financing market; and (iii) the fact that the shareholding interests of all the Shareholders will be decreased in proportion to their respective shareholdings upon any utilisation of the New General Mandate, we consider that such potential dilution or potential dilution to shareholdings of the public Shareholders to be justifiable.

RECOMMENDATION

Having taken into account the principal factors and reasons referred to the above, we are of the opinion that the proposed refreshment of the General Mandate is fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. We therefore advise the Independent Shareholders and recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution(s) approving the New General Mandate at the EGM. Independent Shareholders are however advised to take note of the possible dilution effect on their shareholding interests in the Company when and if the New General Mandate is utilised.

Yours faithfully,
For and on behalf of
Asia Investment Management Limited
Alice Kan **Hidulf Kwan**
Managing Director *Associate Director*

NOTICE OF EGM



SINO PROSPER HOLDINGS LIMITED

中盈控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 766)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that a extraordinary general meeting of Sino Prosper Holdings Limited (the “**Company**”) will be convened at 10:30 a.m. on Monday, 23 November 2009 at Units 1702-04, 17/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution (with or without modifications):

1. “**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares (each, a “**Share**”) in the capital of the Company and to make or grant offers, agreements and options (including any warrants, bonds and debentures convertible into Shares) which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including any warrants, bonds and debentures convertible into ordinary Shares) which might require the exercise of such powers during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares shall not exceed 20 per cent. of the aggregate nominal amount of the ordinary share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

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(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company (the “**Shareholders**”) in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares whose names appear on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares as at that date (subject to such exclusions or other arrangements as the Directors deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong); and

(e) the general mandate granted to the Directors to exercise power of the Company to allot, issue and deal in securities of the Company at the annual general meeting of the Company held on 25 September 2009 be and is hereby revoked (without prejudice to the valid exercise of such general mandate, if any, prior to the passing of this resolution).”

Yours faithfully,
By Order of the Board
Sino Prosper Holdings Limited
Yeung Kit
Director

Hong Kong, 5 November 2009

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Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

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

Units 1702-04, 17/F
Shui On Centre
6-8 Harbour Road
Wanchai
Hong Kong

Notes:

- (1) Any member of the Company entitled to attend and vote at the above meeting convened by this notice is entitled to appoint one or, if he is the holder of two or more shares, more than one proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not to be a Shareholder.
- (2) To be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time for holding the above meeting or any adjournment thereof.
- (3) Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto to if more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (5) Pursuant to Rule 13.36(4)(a) of the Listing Rules, any controlling Shareholders (within the meaning of the Listing Rules) and their associates, or where there are no controlling Shareholders, the directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution as set out in the notice convening the above meeting and such resolution shall be voted on by way of a poll.