
IMPORTANT

If you are in any doubt about this circular or as to the action to be taken, you should consult your 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 Spread Prospects Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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Spread Prospects Holdings Limited

展鴻控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

**GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES,
RE-ELECTIONS OF RETIRING DIRECTORS,
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

Resolutions will be proposed at the annual general meeting of Spread Prospects Holdings Limited to be held at Renaissance Harbour View Hotel, Boardroom 3-4, M/F., 1 Harbour Road, Wanchai, Hong Kong, on 6 June 2006 at 10:00 a.m. to approve the matters referred to in this circular. Whether or not you are able to attend the annual general meeting in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

20 April 2006

DEFINITIONS

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

“Annual Report”	the audited consolidated financial statements and the reports of the Directors and auditors of the Company for the year ended 31 December 2005;
“Articles”	the existing articles of association of the Company;
“AGM”	the annual general meeting of the Company to be held at Renaissance Harbour View Hotel, Boardroom 3-4, M/F., 1 Harbour Road, Wanchai, Hong Kong, on 6 June 2006 at 10:00 a.m. at which the Annual Report will be adopted;
“Company”	Spread Prospects Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange;
“Directors”	directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$ and cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	the proposed issue mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution approving this issue mandate;
“Latest Practicable Date”	13 April 2006, being the latest practicable date prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“Repurchase Mandate”	the proposed mandate to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the resolution approving this repurchase mandate;
“Shareholder(s)”	holder(s) of Shares;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;

DEFINITIONS

“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing of their securities in the Stock Exchange;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases approved by the Securities and Futures Commission as amended from time to time.

LETTER FROM THE BOARD



Spread Prospects Holdings Limited

展鴻控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

Directors:

Mr. Yang Zongwang
(Chairman and Chief Executive Officer)
Mr. Xue Xi
Mr. Xue De Fa
Mr. Ng Kin Sun
Mr. Liu Zhi Qiang
Mr. Tong Hing Wah*
Mr. Chong Hoi Fung*
Mr. Ng Wai Man*

* Independent Non-executive Directors

Registered Office:

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

Head Office and Principal

Place of Business:
Unit 2603, 26th Floor
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

20 April 2006

To the Shareholders,

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES,
RE-ELECTIONS OF RETIRING DIRECTORS,
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM for the approval of:

- (i) granting to the Directors general mandate to allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing such a resolution;

LETTER FROM THE BOARD

- (ii) granting to the Directors general mandate to repurchase Shares, the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of such a resolution;
- (iii) granting to the Directors general mandate to extend the Issue Mandate to the nominal amount (up to a maximum of 10% of the aggregate nominal amount of the Company's then issued share capital) of any Shares repurchased by the Company;
- (iv) re-elections of retiring Directors; and
- (v) amendments to the Articles.

These general mandates will remain in effect until whichever is the earliest of (i) the date of the next annual general meeting, (ii) the date by which the next annual general meeting is required to be held by law, and (iii) the date upon which such an authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company. The Directors wish to state that they have no present intention to repurchase any Shares or issue any new Shares in the event that these general mandates are approved.

An explanatory statement as required under the Share Repurchase Rules, given certain information regarding the Repurchase Mandate, is set out as Appendix I to this circular.

RE-ELECTIONS OF RETIRING DIRECTORS

In relation to ordinary resolution number 3 in the notice of AGM regarding the re-elections of retiring Directors, Mr. Ng Kin Sun and Mr. Tong Hing Wah shall retire at the AGM pursuant to article 108(A) of the Articles; and, being eligible, will offer themselves for re-elections. Biographical details of the retiring Directors are set out in Appendix II to this circular.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Listing Rules have been amended by the Stock Exchange by replacing the Code of Best Practice in Appendix 14 of the Listing Rules by the Code on Corporate Governance Practices. Subject to certain transitional arrangements, the amendments took effect from 1 January 2005.

In view of the Code on Corporate Governance Practices, the Directors propose to make amendments to the Articles accordingly. The major amendments are summarised as follows:

- (a) effect voting by way of a poll as required by the Listing Rules;
- (b) disclose the voting figure on a poll if required by the Listing Rules;
- (c) specify that every Director, including those appointed for a specific term, will be subject to retirement by rotation at least once every three years;

LETTER FROM THE BOARD

- (d) 14 days' notice be given for the regular meetings of the board of directors of the Company; and
- (e) to remove Directors at any general meeting by ordinary resolution at any time before the expiration of his period of office.

The proposed amendments to the Articles are subject to the approval of the Shareholders by way of a special resolution to be proposed at the AGM. Apart from the proposed amendments, all existing provisions in the Articles shall remain the same. Full text of the proposed amendments to the Articles are set out as resolution no. 8 in the notice of AGM as a special resolution on pages 14 to 17 of this circular.

RIGHT TO DEMAND A POLL

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 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:

- (a) by the chairman of the meeting; or
- (b) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person (or, in case of a Shareholder being a corporation, by its duly authorised 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
- (d) by any Shareholder or Shareholders present in person (or, in case of a Shareholder being a corporation, by its duly authorised 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.

NOTICE OF ANNUAL GENERAL MEETING

The notice of AGM is set out on pages 12 to 17 of this circular.

There is enclosed a form of proxy for use at the AGM. Pursuant to article 85 of the Articles, any Shareholder entitled to attend and vote at the AGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is a holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the AGM. A proxy need not be a Shareholder.

LETTER FROM THE BOARD

Whether or not you are able to attend the AGM in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and delivery of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

RECOMMENDATION

The Directors consider that the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, the re-elections of the retiring Directors and the amendments to the Articles are in the best interests of the Company and its Shareholders as a whole; hence they recommend you to vote in favour of the resolutions at the forthcoming AGM.

Yours faithfully,
For and on behalf of the Board of
SPREAD PROSPECTS HOLDINGS LIMITED
Yang Zongwang
Chairman

Hong Kong, 20 April 2006

The following explanatory statement contains all the information required pursuant to Rule 10.06 of the Listing Rules to be given to all Shareholders relating to the resolution to be proposed at the AGM authorising the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 422,800,000 Shares. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such a resolution, the Directors would be authorised to repurchase up to 42,280,000 Shares (being 10% of the Shares in issue) during the period up to the next annual general meeting in 2007 or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

2. REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchases when appropriate and beneficial to the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings per Share and will be made only when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

3. GENERAL

As compared with the financial position of the Company as disclosed in its most recent published audited consolidated accounts as at 31 December 2005, the Directors consider that there might be a material adverse impact on the working capital and gearing position of the Company in the event that the Repurchase Mandate was to be exercised in full during the proposed purchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

4. FUNDING OF REPURCHASES

Repurchases must be made out of the funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands.

5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) of the Company has notified the Company of a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so in the event that the proposed Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases of its Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

6. EFFECT OF TAKEOVERS CODE

If on exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such an increase will be treated as an acquisition for the purpose of rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Fu Teng Global Limited (whose sole shareholder is Mr. Yang Zongwang, the Chairman, the chief executive officer and an executive director of the Company) holding approximately 220,900,000 Shares, and representing approximately 52.25% in the total number of issued Shares, was a substantial Shareholder holding more than 10% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted by the Shareholders pursuant to the resolution, the shareholding of Fu Teng Global Limited in the Company would be increased to approximately 58.05% of the issued Shares. It is considered that such an increase in shareholding of Fu Teng Global Limited in the Company will not give rise to an obligation to make a mandatory offer under the Takeovers Code. However, the Directors have no present intention to exercise the new Repurchase Mandate to such extent as would give rise to this obligation.

7. SHARE PURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its Shares during the six months period preceding the Latest Practicable Date.

8. SHARE PRICES

During each of the previous twelve months preceding the Latest Practicable Date, the highest and lowest prices at which the Shares were traded on the Stock Exchange were as follows:

Months	Per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2005		
April	0.6800	0.6100
May	0.6700	0.6000
June	0.6200	0.5700
July	0.6000	0.5700
August	0.5900	0.5700
September	0.6500	0.5700
October	0.6000	0.5300
November	0.6200	0.5500
December	0.6300	0.5800
2006		
January	0.6800	0.6200
February	0.6700	0.6400
March	0.8900	0.6400
April*	0.8000	0.6600

* Up to and including the Latest Practicable Date

The following are the particulars of the Directors who will be required to retire from their office at the AGM pursuant to the Articles and, being eligible, have offered themselves for re-elections.

Mr. Ng Kin Sun (吳健新), aged 36, is an executive director, chief financial officer and company secretary of the Company since June 2003. Mr. Ng is primarily responsible for the financial reporting and regulatory compliance of the Company. Mr. Ng graduated from University of Western Sydney-Nepean of Australia with a bachelor degree in Commerce in 1994. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a Certified Practising Accountant of CPA Australia. Prior to joining the Group in September 2002, Mr. Ng has obtained over 8 years of experience from international accounting firms and industry and trading businesses from multinational corporations. Mr. Ng has not held any directorships in listed public companies in the last three years, except Mr. Ng was formerly appointed as an independent non-executive director of Zhong Hua International Holdings Limited, a company listed on the Stock Exchange, and he has resigned on 23 September 2005. Save as disclosed above, Mr. Ng does not hold any other position in the Group.

There is a services contract between Mr. Ng and the Company entered for an initial term of three years commenced on 2 June 2003 and renewable automatically for successive terms of one year, but will be subject to retirement from office by rotation at each annual general meeting of the Company in accordance with the Articles. Mr. Ng will be entitled not only to a director's emoluments of HK\$600,000 per annum, but also to an additional bonus payment equivalent to his one-month salary of HK\$50,000. The annual emolument is determined upon negotiation between Mr. Ng and the Company at arm's length on the basis of his previous experience, duties and performance.

Mr. Tong Hing Wah (湯慶華), aged 35, is an independent non-executive director of the Company since June 2003. Mr. Tong graduated from the Hong Kong Polytechnic University with a bachelor degree in accountancy in 1993. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants. He has over 12 years of experience in auditing, accounting and financial management. Mr. Tong has not held any directorships in listed public companies in the last three years, except Mr. Tong is currently a chief financial officer and company secretary of China Agrotech Holdings Limited, a company listed on the Stock Exchange and an independent non-executive director of Beauty China Holdings Limited, a company listed on the Singapore Exchange Limited. Save as disclosed above, Mr. Tong does not hold any other position in the Group.

There is no service contract between Mr. Tong and the Company and Mr. Tong will have no fixed term of service with the Company, but will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Tong will be entitled to an annual payment of HK\$120,000 for the performance of his duties as an independent non-executive director of the Company, which is determined with reference to the prevailing market rate and the director's time commitment and expertise in the Company's affairs. Mr. Tong will not be entitled to any bonus payment.

As at the Latest Practicable Date, both of Mr. Ng and Mr. Tong are not connected and do not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company, and they both have no interest in Shares or underlying Shares within the meaning of Part XV of the Securities and Futures Ordinance. There is no information relating to Mr. Ng and Mr. Tong that is required to be disclosed pursuant to Rules 13.51(2)(h)-(v) of the Listing Rules.

Save as disclosed above, there is no other matter in relation to the re-elections of Mr. Ng as executive director of the Company, and Mr. Tong as independent non-executive directors of the Company that needs to be brought to the attention of the Shareholders or the Stock Exchange.

NOTICE OF ANNUAL GENERAL MEETING



Spread Prospects Holdings Limited

展鴻控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Spread Prospects Holdings Limited (the “Company”) will be held at Renaissance Harbour View Hotel, Boardroom 3-4, M/F., 1 Harbour Road, Wanchai, Hong Kong, on 6 June 2006 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and the auditors for the year ended 31 December 2005;
2. To declare a final dividend;
3. To re-elect directors and to authorize the board of directors to fix their remuneration;
4. To re-appoint auditors and to authorize the board of directors to fix their remuneration; and

To consider, and if thought fit, pass the following resolutions as ordinary or special resolutions:

ORDINARY RESOLUTIONS

5. **“THAT**
 - (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
 - (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights under the share option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the memorandum and articles of association of the Company from time to time shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Relevant Period” means the period from 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 memorandum and articles of association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the law of, or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company).”

6. “**THAT**

- (a) the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 memorandum and articles of association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

7. **“THAT**

conditional upon resolution nos. 5 and 6 above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution no. 6 above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no. 5 above.”

SPECIAL RESOLUTIONS

8. **“THAT** the articles of association of the Company be and are hereby amended as follows:

1. Article 72

- (i) by inserting the following words immediately after the words “on a show of hands unless” in the 2nd line of the existing Article 72:

“voting by way of a poll is required by the rules of the stock exchange in the Relevant Territory or”;

- (ii) by deleting the full-stop at the end of the existing Article 72(iv) and substituting a semicolon therefor and thereafter the word “or”; and

- (iii) by inserting the following new Article 72(v) immediately after the existing Article 72(iv):

“(v) if required by the rules of the stock exchange in the Relevant Territory, by the Chairman of such meeting and/or any Directors or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent (5%) or more of the total voting rights of all Shareholders having right to vote at such meeting.”;

2. Article 73

by deleting the existing Article 73 in its entirety and substituting the following therefor as new Article 73:

“Unless a poll is so required or demanded and, in the latter case, not withdrawn, the Chairman of the meeting should indicate to the meeting of the Company the level of proxies lodged on each resolution and the balance for and against the resolution, after it has been dealt with on a show of hands.”;

NOTICE OF ANNUAL GENERAL MEETING

3. Article 74

by inserting the following sentence immediately after the words “which the poll was demanded.” in the 8th line of the existing Article 74:

“The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Exchange.”;

4. Article 105(vii)

by deleting the word “Special” immediately before the words “Resolution of the Company under Article 114.” in the 1st line of the existing Article 105(vii) and substituting the word “Ordinary” therefor;

5. Article 107

by re-numbering the existing Article 107(M) as 107(N) and inserting the new Article 107(M) as follows:

“(M) Where a substantial shareholder (within the meaning of the rules of the stock exchange in the Relevant Territory) or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter should not be dealt with by way of circulation of board resolutions pursuant to this Article or by a committee (except an appropriate board committee set up for that purpose pursuant to a resolution passed in a board meeting) but a board meeting should be held with the presence of the independent non-executive Directors who, and whose associates, have no material interest in the transaction.”;

6. Article 108(A)

Article 108(A) be deleted in its entirety and in substitution thereof the following new Article 108(A):

“108(A) Notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to, but not less than one-third, shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once in every three years. A retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat.”;

NOTICE OF ANNUAL GENERAL MEETING

7. Article 112

by deleting the words “Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.” in the 5th line of the existing Article 112 and substituting the following words therefor:

“Any Director so appointed by the Directors shall hold office only until the next following general meeting of the Company (in the case of the filling of casual vacancy on the Board), or until the next following annual general meeting of the Company (in the case of an addition to the existing Board), and shall then be eligible for re-election at that meeting.”;

8. Article 114

by deleting the word “Special” immediately before the words “Resolution remove any Director.” in Article 114 and substituting the word “Ordinary” therefor;

9. Article 134

by deleting the existing Article 134 in its entirety and substituting the following therefor:

“134. A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Directors. At least 14 days’ notice thereof shall be given to each Director, unless all Directors unanimously waive such notice in writing. The notice may either be given in writing or by telephone or by facsimile or electronic communication at the address or telephone, facsimile number or email address from time to time notified to the Company by such Director or in such other manner as the Directors may from time to time determine, as may be accepted by the stock exchange in the Relevant Territory and permitted under the rules of the stock exchange in the Relevant Territory, provided that notice need not be given to any Director or alternate Director for the time being absent from the territory in which the Head Office is for the time being situate and irrespective of the length of notice being given, a Director’s attendance at the meeting shall be deemed to be a waiver of the requisite length of notice of the meeting by the Director.”; and

10. General updating

by updating all references to refer to the “(2004 Revision)” of the Companies Law of the Cayman Islands.” and

NOTICE OF ANNUAL GENERAL MEETING

9. “**THAT**, conditional upon the passing of the special resolution set out above, the existing articles of association of the Company be and is hereby replaced in its entirety with the form of the amended and restated articles of association of the Company produced at the meeting and as approved by the shareholders of the Company.”

Yours faithfully,
For and on behalf of the Board of
SPREAD PROSPECTS HOLDINGS LIMITED
Yang Zongwang
Chairman

Hong Kong, 20 April 2006

Principal Office:

Unit 2603, 26th Floor
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Notes:

- (1) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (2) The Register of Members of the Company will be closed from 1 June 2006 to 6 June 2006, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for receiving the final dividends and attending the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited of Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:00 p.m. on 30 May 2006.