



Spread Prospects Holdings Limited

展鴻控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

ADJUSTMENT TO CONVERSION PRICE

Reference is made to the announcements of the Company dated 2 December 2004 and 3 June 2005. The Company announces that the conversion price for the Convertible Note has been adjusted from HK\$0.63 per Share to HK\$0.61 per Share as a result of the approval for a payment of the final dividend of HK\$0.024 per Share for the year ended 31 December 2005, which adjustment became effective from 7 June 2006.

Reference is made to the announcements of Spread Prospects Holdings Limited (the “Company”) dated 2 December 2004 and 3 June 2005 in relation to, inter alia, the issue of the Convertible Note and adjustment to conversion price respectively. Unless otherwise defined, terms used in this announcement shall have the same meanings as defined in the announcement dated 2 December 2004.

The Company announces that the conversion price for the Convertible Note in the principal amount of HK\$30,000,000.00 issued by the Company on 13 December 2004 (the “Convertible Note”) pursuant to the Subscription Agreement has been adjusted from HK\$0.63 per Share to HK\$0.61 per Share as a result of the approval from shareholders of the Company for a payment of the final dividend of HK\$0.024 per Share for the year ended 31 December 2005 in cash at the Company’s annual general meeting held on 6 June 2006. All the other terms of the Convertible Note remain unchanged. The adjustment of the conversion price became effective from 7 June 2006, being the day next following the record date for the determination of the aforesaid dividend entitlements.

By order of the Board
Spread Prospects Holdings Limited
Yang Zongwang
Chairman

Hong Kong, 6 June 2006

As at the date of this announcement, the board of directors of the Company comprises of five executive directors namely, Mr. Yang Zongwang, Mr. Xue De Fa, Mr. Xue Xi, Mr. Ng Kin Sun and Mr. Liu Zhi Qiang and three independent non-executive directors namely, Mr. Tong Hing Wah, Mr. Chong Hoi Fung and Mr. Ng Wai Man.

Please also refer to the published version of this announcement in China Daily.