



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 announcement of the Company dated 2nd December, 2004. The Company announces that the conversion price for the Convertible Note has been adjusted from HK\$0.66 per Share to HK\$0.63 per Share as a result of the approval for a payment of the final dividend of HK\$0.028 per Share for the year ended 31st December 2004, which adjustment became effective from 4th June, 2005.

Reference is made to the announcement of Spread Prospects Holdings Limited (the “Company”) dated 2nd December, 2004 in relation to, inter alia, the issue of the Convertible Note. Unless otherwise defined, terms used in this announcement shall have the same meanings as defined in the announcement dated 2nd 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 13th December, 2004 (the “Convertible Note”) pursuant to the Subscription Agreement has been adjusted from HK\$0.66 per Share to HK\$0.63 per Share as a result of the approval from shareholders for a payment of the final dividend of HK\$0.028 per Share for the year ended 31st December 2004 in cash at the Company’s annual general meeting held on 3rd June, 2005. All the other terms of the Convertible Note remain unchanged. The adjustment of the conversion price became effective from 4th June, 2005, 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, 3rd June, 2005

As at the date of this announcement, the board of directors of the Company comprises of 5 executive directors namely, Mr. Yang Zongwang, Mr. Xue Xi, Mr. Xue De Fa, Mr. Ng Kin Sun and Mr. Liu Zhi Qiang and 3 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.