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## **SINO PROSPER (GROUP) HOLDINGS LIMITED**

**中盈（集團）控股有限公司**

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

**(Stock Code: 766)**

### **VOLUNTARY ANNOUNCEMENT ACQUISITION OF RAW FLUORITE**

This announcement is made by the Company on a voluntary basis.

The Board is pleased to announce that on 14 August 2020 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Ore Purchase and Sale Contract with the Vendor, pursuant to which the Purchaser has agreed to purchase, and the Vendor has agreed to sell, 100 tons of raw fluorite, at a total consideration of approximately RMB214,700.

#### **THE ORE PURCHASE AND SALE CONTRACT**

The principal terms of the Ore Purchase and Sale Contract are set out as below:

Date: 14 August 2020

Parties: 廣州環亞礦產貿易有限公司\* Guangzhou Central Asia Minerals Trading Co., Ltd., as the vendor

大連廣泓礦業有限公司 Dalian Guanghong Mining Co., Ltd.\*, as the purchaser

Ore to be purchased: 100 tons of raw fluorite, which shall be delivered to the Purchaser at its designated warehouse on or before 31 October 2020

## **Consideration**

The Consideration for the Ore Purchase and Sale Contract is RMB214,700 (equivalent to approximately HK\$238,556), which includes 13% value added tax, which shall be payable in cash by the Purchaser upon the receipt of the raw fluorite. The Consideration was determined after arm's length negotiation between the Vendor and the Purchaser with referencing to the prevailing market price of raw fluorite of similar quality. The Consideration shall be funded by internal resources of the Group.

## **INFORMATION OF THE GROUP, THE PURCHASER AND THE VENDOR**

The principal activity of the Company is investment holding. The Group is principally engaged in (i) investment in energy and natural resources (including precious metals) related projects; (ii) provision of loan financing and investment and management consultation services in the PRC; and (iii) import, distribution and sales of food and beverage products.

The Purchaser is an indirect wholly-owned subsidiary of the Company and was established in the PRC. The Purchaser is principally engaged in the provision of investment, management and mining consultation services in the PRC.

Based on the information provided by the Vendor, the Vendor is a company established under the laws of the PRC whose scope of business includes wholesale of metals and metal mines, wholesale of non-metallic minerals and products, commodity wholesale trade, wholesale and import and export of metal products and electrical equipment, and trade agent for technology import and export. The Vendor is a company wholly owned by Mr. Leung, and hence, a connected person of the Group.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The demand for fluorite, as a national strategic resource, is increasing in the PRC. Fluorite is widely used in traditional areas such as metallurgy, chemical engineering, building materials and optics, and have been initially applied in strategically emerging industries such as new energy and new materials in recent years. The main types of fluorite products are acid fluorite fine powder, high grade fluorite lump ore, metallurgical fluorite fine powder and ordinary fluorite raw ore. As disclosed in the 2020 annual report, the Group has obtained relevant business licences and ordered a batch of fluorite relevant processing and manufacturing facilities. Through processing raw fluorite, the Group would generate income from selling the finished products to third parties.

If the raw fluorite purchased fulfills relevant requirements, it may consider to continue to purchase raw fluorite from the Vendor in the future. The Group shall comply with relevant Listing Rules for any future acquisition of raw fluorite from the Vendor.

The Acquisition is carried out as part of the ordinary and usual course of business of the Group. The terms of the Ore Purchase and Sale Contract were arrived at by the parties thereto after arm's length negotiations. The Directors consider that the terms of the Ore Purchase and Sale Contract are normal commercial terms and are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As all of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition is less than 5%, the entering into the Ore Purchase and Sale Agreement by the Purchaser is exempt from the reporting and announcement requirements under the Listing Rules.

The Vendor is wholly owned by Mr. Leung, a substantial Shareholder of the Company, and therefore is a connected person of the Company. As the Consideration is less than HK\$3,000,000, the Acquisition constitutes a connected transaction but was exempt from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **DEFINITIONS**

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

“Acquisition”	the acquisition of the raw fluorite pursuant to the Ore Purchase and Sale Contract
“Board”	the board of Directors of the Company
“Company”	Sino Prosper (Group) Holdings Limited (中盈(集團)控股有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the total cash consideration of approximately RMB214,700 (equivalent to approximately HK\$238,556) pursuant to the Ore Purchase and Sale Agreement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Leung”	Mr. Leung Ngai Man, the chairman of the Board and the executive Director of the Company
“Ore Purchase and Sale Contract”	the ore purchase and sale contract dated 14 August 2020 entered into between the Vendor and Purchaser, pursuant to which the Purchaser has agreed to purchase, and the Vendor has agreed to sell, 100 tons of raw fluorite
“Purchaser”	大連廣泓礦業有限公司 Dalian Guanghong Mining Co., Ltd.*, an indirect wholly owned subsidiary of the Company
“PRC”	The People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	廣州環亞礦產貿易有限公司 Guangzhou Central Asia Minerals Trading Co., Ltd.*

By Order of the Board  
**Sino Prosper (Group) Holdings Limited**  
**Leung Ngai Man**  
Chairman and Executive Director

Hong Kong, 14 August 2020

*Unless otherwise specified, translation of RMB into HK\$ in this announcement is based on the exchange of RMB0.90:HK\$1.00.*

*\* For identification purpose only.*

*As at the date of this announcement, the executive Directors of the Company are Mr. Leung Ngai Man and Ms. Wong Li Fong, and the independent non-executive Directors of the Company are Mr. Miao Yanan, Mr. Cai Wei Lun and Mr. Zhang Qingkui.*