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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)

DISCLOSEABLE TRANSACTIONS PROVISION OF LOANS TO INDEPENDENT THIRD PARTIES

On 1 August 2019, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreements with each of the Borrowers respectively. Except for the parties involved in and the principal loan amount of each of the Loan Agreements, other principal terms of the Loan Agreements are the same.

THE LOAN AGREEMENTS

The principal terms of the Loan Agreements are set out as below:

Parties involved as lender	Parties involved as borrower	Loan amount RMB	Loan amount HK\$
The Lender	Borrower A	7,500,000	8,522,727
	Borrower B	7,000,000	7,954,545
	Borrower C	7,500,000	8,522,727
	Borrower D	7,500,000	8,522,727
	Borrower E	6,000,000	6,818,182
	Borrower F	7,500,000	8,522,727
	Borrower G	7,500,000	8,522,727
	Borrower H	7,500,000	8,522,727
	Borrower I	7,500,000	8,522,727
	Borrower J	7,500,000	8,522,727
	Borrower K	7,500,000	8,522,727
	Borrower L	7,500,000	8,522,727

Date : 1 August 2019

Interest rate : 0.5% per month on the respective loan amounts as set out in the respective Loan Agreements

Maturity date : 31 January 2020

Guarantee : guaranteed by a guarantee company

The lending of the loans as set out in the Loan Agreements has been funded by internal resources of the Group.

INFORMATION OF THE GROUP, THE LENDER AND THE BORROWERS

The principal activity of the Company is investment holding. The Group is principally engaged in (i) the investment and operation in energy and natural resources (including precious metals) related projects and services; and (ii) the provision of loan financing and investment and management consultation services in the PRC.

The Lender is an indirect wholly-owned subsidiary of the Company and was established in the PRC. The Lender is principally engaged in the provision of loan financing and investment in the PRC.

The Borrowers are individuals who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are Independent Third Parties not connected with the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE LOANS

The provision of the loans as set out in the Loan Agreements are transactions carried out as part of the ordinary and usual course of business of the Group and is expected to generate an aggregate of interest income of RMB2,640,000 (equivalent to approximately HK\$3,000,000) for the Group.

The terms of the Loan Agreements (including the interest rate) were arrived at by the parties thereto after arm's length negotiations. The Directors consider that the terms of the Loan Agreements 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 one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of each of the Loan Agreements with each of the Borrowers is more than 5% but less than 25%, the entering into each of the Loan Agreements by the Group and each of the Borrowers constitutes discloseable transactions of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

IMPLEMENTATION OF MEASURES TO TIGHTEN INTERNAL CONTROL

Attributable to the inadvertent overlook by the management of the subsidiary of the Company, the Directors discovered that the entering into the Loan Agreements constituted notifiable transactions under the Listing Rules during the monthly review of the Group's operation.

The Company shall tighten the internal control through the following measures as soon as practicable:

- (1) ensure all Directors and all staff of the Group that they must comply with the existing internal control guideline in relation to the notifiable transactions (as set out in the Listing Rules) of the Company (“**Internal Control Guideline**”);
- (2) the internal control department of the Company shall perform monthly checks on whether the staff of the Group have complied with the Internal Control Guideline;
- (3) the Company will improve its financial control system, and improve the communication, coordination and reporting arrangements for notifiable transactions among the relevant departments (the “**Relevant Departments**”) of the Group, including the management of the subsidiaries of the Group, the internal control department, the Board and the company secretary of the Company. Prior to entering into any relevant potential transaction in the future, the management of the subsidiaries of the Group will (i) seek approval from the Board and the internal control department; and (ii) perform size test analysis accordingly. Where disclosure threshold under the Listing Rules is met, the Relevant Departments shall make the relevant disclosures to ensure compliance with the Listing Rules; and
- (4) the Company will improve its communication with its subsidiaries and emphasise the importance of ensuring the Company's compliance with the Listing Rules.

The Company takes this opportunity to emphasize that the Group shall continue to enhance its internal control management on entering into loan agreements. Going forward, the Group will continue to comply with the Internal Control Guideline and make appropriate disclosure in a timely manner to ensure compliance with the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Borrowers”	Borrower A, Borrower B, Borrower C, Borrower D, Borrower E, Borrower F, Borrower G, Borrower H, Borrower I, Borrower J, Borrower K and Borrower L

<p>“Borrower A”, “Borrower B”, “Borrower C”, “Borrower D”, “Borrower E”, “Borrower F”, “Borrower G”, “Borrower H”, “Borrower I”, “Borrower J”, “Borrower K”, and “Borrower L”</p>	<p>each is an individual who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is an Independent Third Party not connected with the Company and its connected persons</p>
<p>“Company”</p>	<p>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 Main Board of the Stock Exchange (Stock Code: 766)</p>
<p>“connected person(s)”</p>	<p>has the meaning ascribed to it under the Listing Rules</p>
<p>“Director(s)”</p>	<p>the director(s) of the Company</p>
<p>“Group”</p>	<p>the Company and its subsidiaries</p>
<p>“HK\$”</p>	<p>Hong Kong dollars, the lawful currency of Hong Kong</p>
<p>“Hong Kong”</p>	<p>the Hong Kong Special Administrative Region of the PRC</p>
<p>“Independent Third Party(ies)”</p>	<p>party(ies) who is (are) not connected person(s) of the Group and is (are) third party(ies) independent of the Company and connected persons of the Company</p>
<p>“Lender”</p>	<p>Jilin Ruixin Microfinance Co., Ltd. [吉林市瑞信小額貸款有限公司], a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company</p>
<p>“Listing Rules”</p>	<p>the Rules Governing the Listing of Securities on the Stock Exchange</p>
<p>“Loan Agreements”</p>	<p>together, the respective loan agreement between (i) the Lender; and (ii) Borrower A, Borrower B, Borrower C, Borrower D, Borrower E, Borrower F, Borrower G, Borrower H, Borrower I, Borrower J, Borrower K and Borrower L</p>

“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 PRC 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

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

Hong Kong, 22 August 2019

Unless otherwise specified, translation of RMB into HK\$ in this announcement is based on the exchange of RMB0.88: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.