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SPARKLE ROLL GROUP LIMITED

耀萊集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 970)

DISCLOSEABLE TRANSACTION PURCHASE OF WEALTH MANAGEMENT PRODUCTS

The Group had, during the Relevant Period, purchased certain wealth management products from China Minsheng. The aggregate purchase amount of the wealth management products with China Minsheng during the Relevant Period amounted to RMB102,980,000. As at the date of this announcement, save and except the relevant wealth management product under Investment Agreement M in the sum of RMB33,000,000, all of the wealth management products were redeemed.

As one of the applicable percentage ratios of the aggregate purchase amount of the wealth management products is more than 5% but less than 25%, the relevant transactions under the Investment Agreements when aggregated constitute a discloseable transaction which is subject to reporting and announcement requirements only but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

PURCHASE OF WEALTH MANAGEMENT PRODUCTS

The Board announces that three subsidiaries of the Company, namely Beijing De Te Motors Trading, Beijing Mei He Zhen Yong Motors Trading and Yang Pu Quan Tian, had purchased certain wealth management products from China Minsheng in the aggregate amount of RMB102,980,000 during the Relevant Period. As at the date of this announcement, save and except the relevant wealth management product under Investment Agreement M in the sum of RMB33,000,000, all of the wealth management products were redeemed. The details of the wealth management products are set out as follows:

A. Wealth Management Product A

Parties to the relevant Investment Agreements in respect of Wealth Management Product A	:	Investment Agreement A: Beijing Mei He Zhen Yong Motors Trading and China Minsheng Investment Agreement M: Beijing De Te Motors Trading and China Minsheng
Product name	:	Extraordinary Asset Management Tianyijin Corporate A* (Product FGAC15168A) (非凡資產管理天溢金機構A款)
Aggregate purchase amount	:	RMB65,000,000
Term of product	:	From the date of purchase to 31 December 2099
Type of investment return	:	Non-principal guaranteed with floating return
Risk level of product (internal risk assessment by the bank)	:	Lower risk (level 2 on a scale of 1 to 5 according to the internal risk scale of China Minsheng)
Rate of return of product expected by the Company	:	Approximately 3%
Right of early termination or redemption	:	Investors have the right to redeem the product on any Working Day China Minsheng is entitled to early termination of this product with 1 Working Day's announcement
Balance as at the date of this announcement	:	Investment Agreement A: Nil (All the products under such agreement were redeemed) Investment Agreement M: RMB33,000,000

B. Wealth Management Product B

Parties to the relevant Investment Agreements in respect of Wealth Management Product B	:	Investment Agreement B, Investment Agreement C, Investment Agreement D, Investment Agreement E, Investment Agreement F, Investment Agreement G, Investment Agreement H, Investment Agreement I, Investment Agreement J, Investment Agreement K and Investment Agreement L: Yang Pu Quan Tian and China Minsheng
Product name	:	Extraordinary Asset Management Tianyijin Corporate B* (Product FGAC15168B) (非凡資產管理天溢金機構B款)
Aggregate amount	:	RMB37,980,000
Term of product	:	From the date of purchase to 31 December 2099
Type of investment return	:	Non-principal guaranteed with floating return
Risk level of product (internal risk assessment by the bank)	:	Lower risk (level 2 on a scale of 1 to 5 according to the internal risk scale of China Minsheng)
Rate of return of product expected by the Company	:	Approximately 3%
Right of early termination or redemption	:	Investors have the right to redeem the product on any Working Day China Minsheng is entitled to early termination of this product with 1 Working Day's announcement
Balance as at the date of this announcement	:	Investment Agreement B, Investment Agreement C, Investment Agreement D, Investment Agreement E, Investment Agreement F, Investment Agreement G, Investment Agreement H, Investment Agreement I, Investment Agreement J, Investment Agreement K and Investment Agreement L: Nil (All the products under such agreement were redeemed)

BACKGROUND OF AND REASONS FOR ENTERING INTO THE INVESTMENT AGREEMENTS FOR PURCHASE OF THE WEALTH MANAGEMENT PRODUCTS AND THEIR BENEFITS TO THE COMPANY

The Group invested in the Investment Agreements as short-term investments. The transactions under the Investment Agreements were financed from the internal resources (mainly surplus funds) of the Group. By entering into the Investment Agreements, the Group can enhance its overall capital gain, which is consistent with the core objectives of the Group to ensure capital safety and liquidity. The average rate of return of those redeemed wealth management products under the Investment Agreements is approximately 3% per annum and as at the date of this announcement, the Group did not experience any losses on the relevant wealth management products. Taking into account of, among others, the low level of risks and the expected rates of returns, the Company considers that entering into the Investment Agreements will provide the Group with better returns than the returns on deposits generally offered by commercial banks and increase the Group's overall earnings in the long run.

In consideration of the above, the Directors (including the independent non-executive Directors) are of the view that the transactions were fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE GROUP

The Company is an investment holding company. Its subsidiaries are principally engaged in distributorships of luxury goods. The operations are mainly based in Hong Kong, the PRC and Malaysia.

Beijing De Te Motors Trading is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the trading of automobiles and related parts and accessories and provision of after-sales services in the PRC.

Beijing Mei He Zhen Yong Motors Trading is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the trading of automobiles and related parts and accessories and provision of after-sales services in the PRC.

Yang Pu Quan Tian is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the trading of automobiles and related parts and accessories and provision of after-sales services in the PRC.

INFORMATION OF CHINA MINSHENG

China Minsheng, incorporated in Beijing on 12 January 1996, is the first national joint stock commercial bank with contributions from non-state-owned enterprises in China. China Minsheng and its subsidiaries mainly provide corporate and personal banking, treasury business, finance leasing, asset management and other financial services in China. Its shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1988). To the best knowledge, information and belief of the Directors, China Minsheng, its group members and its ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios of the aggregate purchase amount of the wealth management products is more than 5% but less than 25%, the relevant transactions under the Investment Agreements when aggregated constitute a discloseable transaction which is subject to reporting and announcement requirements only but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“Beijing De Te Motors Trading”	北京德特汽車貿易有限公司 (Beijing De Te Motors Trading Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Beijing Mei He Zhen Yong Motors Trading”	北京美合振永汽車貿易有限公司 (Beijing Mei He Zhen Yong Motors Trading Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“China Minsheng”	China Minsheng Banking Corporation Limited (中國民生銀行股份有限公司), a national joint stock commercial bank with contributions from non-state-owned enterprises in China, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1988);
“Company”	Sparkle Roll Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 970);
“Directors”	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 People's Republic of China;

“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons (as defined in the Listing Rules);
“Investment Agreement A”	the investment agreement entered into between Beijing Mei He Zhen Yong Motors Trading and China Minsheng in respect of Wealth Management Product A in the sum of RMB32,000,000 dated 17 October 2018;
“Investment Agreement B”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB10,000,000 dated 13 August 2018;
“Investment Agreement C”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB3,300,000 dated 13 August 2018;
“Investment Agreement D”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB2,000,000 dated 30 August 2018;
“Investment Agreement E”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB8,800,000 dated 13 September 2018;
“Investment Agreement F”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB4,800,000 dated 25 September 2018;
“Investment Agreement G”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB900,000 dated 27 September 2018;
“Investment Agreement H”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB800,000 dated 28 September 2018;
“Investment Agreement I”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB3,500,000 dated 24 October 2018;
“Investment Agreement J”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB380,000 dated 22 November 2018;

“Investment Agreement K”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB2,300,000 dated 12 December 2018;
“Investment Agreement L”	the investment agreement entered into between Yang Pu Quan Tian and China Minsheng in respect of Wealth Management Product B in the sum of RMB1,200,000 dated 24 December 2018;
“Investment Agreement M”	the investment agreement entered into between Beijing De Te Motors Trading and China Minsheng in respect of Wealth Management Product A in the sum of RMB33,000,000 dated 3 January 2019;
“Investment Agreements”	collectively, Investment Agreement A, Investment Agreement B, Investment Agreement C, Investment Agreement D, Investment Agreement E, Investment Agreement F, Investment Agreement G, Investment Agreement H, Investment Agreement I, Investment Agreement J, Investment Agreement K, Investment Agreement L and Investment Agreement M;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan);
“percentage ratios”	as defined in the Listing Rules;
“Relevant Period”	the period from 13 August 2018 to 3 January 2019;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Working Day”	the statutory working day of China Minsheng according to the laws of the PRC;
“Wealth Management Product A”	the wealth management product FGAC15168A available for purchase by corporate investors via the online platform of China Minsheng on standardized investment agreements with China Minsheng;

“Wealth Management Product B” the wealth management product FGAC15168B available for purchase by corporate investors via the online platform of China Minsheng on standardized investment agreements with China Minsheng;

“Yang Pu Quan Tian” 洋浦權天商業品牌網絡服務股份有限公司 (Yang Pu Quan Tian Commercial Brand Network Services Shares Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company; and

“%” per cent.

By Order of the Board
Sparkle Roll Group Limited
Zheng Hao Jiang
Chairman and Chief Executive Officer

Hong Kong, 7 January 2019

As at the date of this announcement, the Company has three executive Directors, two non-executive Directors and three independent non-executive Directors. The executive Directors are Mr. Zheng Hao Jiang, Mr. Zhu Lei and Mr. Zhao Xiaodong. The non-executive Directors are Mr. Gao Yu and Mr. Qi Jian Wei. The independent non-executive Directors are Mr. Choy Sze Chung, Jojo, Mr. Lam Kwok Cheong and Mr. Lee Thomas Kang Bor.

* *for identification purpose only*