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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:  
GRANT OF LOAN TO A THIRD PARTY**

**GRANT OF LOAN**

The Board announces that on 4 March 2021, the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to grant to the Borrower the Loan with a principal amount of HK\$58,000,000 for a term of 12 months, bearing interest at a rate of 6.5% per annum.

**LISTING RULES IMPLICATION**

As the relevant applicable percentage ratios (as defined in the Listing Rules) for the grant of the Loan pursuant to the Loan Agreement exceed 5% but are less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

## **GRANT OF LOAN**

The Board announces that the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower as the borrower, pursuant to which the Lender agreed to grant a loan facility with the principal amount of HK\$58,000,000 to the Borrower for a term of 12 months from the date of the Loan Agreement, bearing interest at a rate of 6.5% per annum to be paid quarterly.

## **THE LOAN AGREEMENT**

The principal terms of the Loan Agreement are summarised as follows:

Date of the Loan Agreement	4 March 2021
Lender	Forwell Finance Limited, an indirect wholly-owned subsidiary of the Company
Borrower	HK Huibo International Trading Limited, a company incorporated in Hong Kong with limited liability.
Principal amount	A loan facility of HK\$58,000,000 to be made available to the Borrower by the Lender upon the terms and conditions of the Loan Agreement.
Maturity Date	12 months from the date of drawdown of the Loan when the Loan and all the outstanding accrued interest are due to be re-paid in full by the Borrower to the Lender.
Repayment	The Borrower shall repay the principal amount and other monies outstanding in respect of the Loan in full on the Maturity Date.
Prepayment	The Borrower may partially or fully prepay the Loan prior to the Maturity Date.

Interest rate	6.5% per annum
Interest payment	The Borrower shall pay to the Lender the loan interest on quarterly basis.
Security	(i) A charge over receivables of the Borrower executed by the Borrower; and  (ii) A personal guarantee executed by the guarantor, namely, Mr. Thomas Shie (the “Guarantor”)

The Loan has been drawn under the Loan Agreement on the date of execution of the Loan Agreement and it was funded by internal resources of the Group.

## **INFORMATION ON THE GROUP AND THE LENDER**

The Group is principally engaged in dealerships of luxury goods and automobiles and provision of after-sales services, property management services, property rental services, film related business including development and investment in films and money lending business. The Group’s operations are mainly based in Hong Kong and Mainland China.

The Lender is an indirect wholly-owned subsidiary of the Company and a licensed money lender in Hong Kong under the MLO.

## **INFORMATION ON THE BORROWER**

The Borrower is a company incorporated in Hong Kong with limited liability and its principal business activity is trading of electronic products. The Borrower is beneficially owned by Mr. Hong ZhongXian, a merchant. The Guarantor is a business partner of Mr. Hong.

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Borrower and its ultimate beneficial owner as well as the Guarantor are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF THE GRANT OF THE LOAN FACILITY**

The Company holds the Lender (which is a licensed money lender) since 2018 and the Company has always been looking for opportunities to develop its money lending business. Reference is made to the announcements of the Company dated 25 January 2021 and 1 February 2021 (the “Announcements”) in relation to the issue of the convertible bonds with aggregate principal of HK\$100 million (the “CBs”). As announced in the Announcements, the Company would utilize approximately HK\$90 million out of the net proceeds of the CBs for development of its money lending business and the remaining for general working capital. Up to date, the Company has received HK\$90 million from the CBs’ subscribers and it expects to receive the remaining HK\$10 million from a subscriber on or before 10 March 2021. With the support of the funding, the Company considers it a right time to develop and expand its money lending business through the operation of the Lender.

The grant of the Loan is in the Lender’s ordinary and usual course of business and in line with the Lender’s credit policy. The terms of the Loan Agreement were negotiated on arm’s length basis between the Lender and the Borrower. The Directors consider that the terms of the Loan Agreement are on normal commercial terms and are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the relevant applicable percentage ratios (as defined in the Listing Rules) for the grant of Loan pursuant to the Loan Agreement exceed 5% but are less than 25%, the grant of the Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

## DEFINITIONS

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Business Day”	a day (other than Saturdays and Sundays) on which banks are open for business in Hong Kong
“Company”	Sparkle Roll Group Limited, an exempted company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 970)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Directors”	directors 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 Parties”	third parties independent of the Company and its connected persons and their respective associates (as defined in the Listing Rules)
“Lender”	Forwell Finance Limited, a limited company incorporated in Hong Kong which is an indirect wholly-owned subsidiary of the Company and a licensed money lender principally engaged in money lending business

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	A term loan in the principal amount of HK\$58,000,000 for a term of 12 months granted pursuant to the Loan Agreement
“Loan Agreement”	The loan agreement dated 4 March 2021 entered into between the Lender and the Borrower in relation to the provision of the Loan
“MLO”	the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Shareholders”	holders of the Shares
“Shares”	ordinary share(s) of HK\$0.002 each in the share capital of the Company
“%”	percent

By order of the Board  
**Sparkle Roll Group Limited**  
**Zheng Hao Jiang**  
*Co-Chairman*

Hong Kong, 4 March 2021

*As at the date of this announcement, the Company has four executive Directors, one non-executive Director and six independent non-executive Directors. The executive Directors are Mr. Zheng Hao Jiang, Mr. Ma Chao, Mr. Zhao Xiaodong and Mr. Zhu Lei. The non-executive Director is Mr. Qi Jian Wei. The independent non-executive Directors are Mr. Choy Sze Chung, Jojo, Mr. Gao Yu, Mr. Lam Kwok Cheong, Mr. Lee Thomas Kang Bor, Mr. Liu Hongqiang and Mr. Liu Xiaoyi.*

\* for identification purpose only