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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)

INSIDE INFORMATION
RECEIPT OF WRIT OF SUMMONS

This announcement is made by Sparkle Roll Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “**SFO**”).

The Company received a writ of summons issued from the High Court of Hong Kong by the plaintiff, Sparkle Roll Holdings Limited (In Receivership) (the “**Plaintiff**”), on 6 July 2021 in which the Company and its financial controller and company secretary (the “**Secretary**”) were, among other defendants, named as the defendants.

In the statement of claim indorsed with the writ, the Plaintiff alleged that the 1st defendant, being the beneficial owner of the Plaintiff, inter alia, breached his statutory obligation under the SFO by failing to make public disclosures of interest to the Stock Exchange in respect of the certain transfers of his ultimate beneficial interests in the shares of the Company. The Plaintiff further alleged that by failing to take action to rectify the 1st Defendant's failure, the Company and the Secretary also breached their statutory reporting obligations under the SFO and conspired to injure the Plaintiff by unlawful means. The Plaintiff thus claimed against, among the other defendants, the 1st defendant, the Company and the Secretary jointly and severally for damages of approximately HK\$143 million, interest and costs.

The Company has obtained a preliminary written advice from a Senior Counsel whose preliminary view is that the Plaintiff's pleaded case against the Company and the Secretary lacks sufficient particulars so as to disclose a viable claim on the face of the pleadings and hence not sustainable at this stage. The Company and the Secretary consider that the Plaintiff's claim is of little merit and will vigorously defend against the legal proceedings. The board of directors of the Company does not foresee any material adverse impacts on the financial and operational aspects of the Group arising from the legal proceedings at the moment.

Further announcement will be made to update the shareholders and the potential investors of the Company of any significant development of the legal proceedings in accordance with the requirements under the Listing Rules as and when appropriate.

Shareholders of the Company and the potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 9 July 2021

As at the date of this announcement, the Company has four executive Directors, one non-executive Director and five 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. Liu Hongqiang and Mr. Liu Xiaoyi.

* for identification purpose only