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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)**

## **RE-DESIGNATION OF DIRECTOR**

The Board announces that Mr. Liu Hongqiang has been re-designated as an independent non-executive Director with effect from 13 November 2020 for a fixed period of two years, renewable for one year, and subject to the retirement by rotation and re-election in accordance with the Bye-laws of the Company.

The Nomination Committee and the Board have considered various factors and are of the view that Mr. Liu is independent notwithstanding that he has been appointed as a non-executive Director since 21 February 2020.

The board (the “**Board**”) of directors (the “**Directors**”) of Sparkle Roll Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that Mr. Liu Hongqiang, currently a non-executive Director (“**Mr. Liu**”), has been re-designated as an independent non-executive Director with effect from 13 November 2020 in order to further enhance the corporate governance of the Company.

\* *for identification purpose only*

## **BIOGRAPHICAL DETAILS OF MR. LIU AND TERMS OF HIS APPOINTMENT**

Mr. Liu, aged 39, graduated from the North China University of Technology with a Bachelor degree in Economic Laws. In addition, Mr. Liu obtained a Master of Business Administration jointly awarded by The School of Economics and Management of the University of Science and Technology Beijing and the University of Texas at Arlington, and a degree of Executive Master of Business Administration from the University of Texas at Arlington.

Mr. Liu has over 10 years' experience in the legal and investment field and is also a qualified lawyer in the People's Republic of China (the "PRC"). Mr. Liu worked in law firms in the PRC, including Hogan Lovells International LLP. He founded Higgs Capital Group Limited and served as the Chief Representative of the Association of Corporate Counsel Beijing Office and an executive partner of Songshan Capital Management Company Limited\* (嵩山資本管理有限公司). He currently serves as an executive director of 21 Capital Co., Ltd.

Mr. Liu (i) does not hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) does not hold any other positions in the Company or any member of the Group; and (iii) does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the date of this announcement, Mr. Liu does not have, and/or is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporations (as defined under Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong).

Mr. Liu has entered into an appointment letter with the Company as an independent non-executive Director for a fixed period of two years, renewable for one year, and subject to the retirement by rotation and re-election in accordance with the Bye-laws of the Company. The appointment letter is terminable by either party by serving the other party one month's prior written notice. Mr. Liu will be entitled to a director's fee of HK\$240,000 per annum, which has been recommended by the remuneration committee of the Company and approved by the Board based on his qualifications, experience, level of responsibilities undertaken, the prevailing market conditions and the Company's remuneration policy.

## **INDEPENDENCE OF MR. LIU**

In assessing the independence of a non-executive director, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) will take into account of the factors set out in Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

As confirmed by Mr. Liu, he satisfies the independence guidelines as set out in Rule 3.13 of the Listing Rules except Rule 3.13(7) as he has been appointed as a non-executive Director with the Company since 21 February 2020.

The Board has considered the following factors and is of the view that such relationship of Mr. Liu with the Company will not affect his independence:

- (a) Mr. Liu attended the Board meetings and contributed his overall guidance towards the matters discussed at the Board meetings or by Board written resolutions based on his knowledge and experience, particularly in legal and corporate governance matters;
- (b) Mr. Liu has not had any executive or day-to-day management role or functions in the Company or any member of the Group since his appointment as a non-executive Director;
- (c) Mr. Liu has not actually participated in the day-to-day operations of the Company or any member of the Group;
- (d) Mr. Liu does not hold any interests in the Company or any member of the Group;
- (e) Mr. Liu is independent of any connected person (within the meaning of the Listing Rules) of the Company;
- (f) apart from the signing of a letter of appointment with the Company, Mr. Liu has not been under the employment of any member of the Group;
- (g) Mr. Liu did not have any relationship (including but not limited to employment relationship) with the Company prior to his appointment as a non-executive Director;  
and

(h) Mr. Liu satisfies the independence guidelines as set out in Rule 3.13 of the Listing Rules except Rule 3.13(7).

The nomination committee of the Company comprising Mr. Lee Thomas Kang Bor, Mr. Choy Sze Chong, Jojo and Mr. Lam Kwok Cheong, all being independent non-executive Directors, (the “**Nomination Committee**”) had also made assessment on Mr. Liu and considers that Mr. Liu’s non-executive role in the Company has no impact on his independence and Mr. Liu possesses the experience, character and integrity to carry out the duty as an independent non-executive Director impartially and independently.

The Board is of the same view of the Nomination Committee and believes that Mr. Liu is eligible to be re-designated as an independent non-executive Director and he will continue to contribute effectively to the Board.

Submissions have been made to the Stock Exchange which has been persuaded that Mr. Liu is independent to act as an independent non-executive Director based on the information provided by the Company.

Save as disclosed above, there are no other matters concerning Mr. Liu’s re-designation as an independent non-executive Director that need to be brought to the attention of the shareholders of the Company nor is there any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

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

Hong Kong, 13 November 2020

*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. Gao Yu, Mr. Choy Sze Chung, Jojo, Mr. Lam Kwok Cheong, Mr. Lee Thomas Kang Bor, Mr. Liu Hongqiang and Mr. Liu Xiaoyi.*