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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 22 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\$32,000,000 for a term of 12 months, bearing interest at a rate of 7% 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.

\* for identification purpose only

## **GRANT OF LOAN**

The Board announces that on 22 March 2021, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to grant a loan facility with the principal amount of HK\$32,000,000 to the Borrower for a term of 12 months from the date of the Loan Agreement, bearing interest at a rate of 7% per annum.

## **THE LOAN AGREEMENT**

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

Date of the Loan Agreement	22 March 2021
Lender	Forwell Finance Limited, an indirect wholly-owned subsidiary of the Company
Borrower	Mr. Tsui Ngai Eddie
Principal amount	A loan facility of HK\$32,000,000 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	7% per annum
Interest payment	The Borrower shall pay interests accrued on the Loan on quarterly basis
Security	A personal guarantee executed by the guarantor, namely, Ms. Zhang QianQian (the “ <b>Guarantor</b> ”)

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 merchant and deals in environmental products. The Guarantor is a business partner of the Borrower.

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Borrower and the Guarantor are Independent Third Parties.

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

Reference is made to the announcements of the Company dated 25 January 2021 and 1 February 2021 in relation to the issue of the convertible bonds with aggregate principal of HK\$100 million (the “CBs”). The Company planned to 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. The issuance of the CBs has been duly completed and the Company has received net proceeds of approximately HK\$99.8 million from the CBs’ subscribers.

As disclosed in the announcement on 4 March 2021, the Company has utilized HK\$58 million out of the proceeds of the CBs issuance for a previous loan transaction with a third party. The Lender now finds another business opportunity to enter into the Loan Agreement with the Borrower to further expand its money lending business and the funding of the facility in sum of HK\$32 million would be financed by the remaining allocated proceeds from the CBs issuance as planned.

The grant of the Loan is in the Lender’s ordinary and usual course of business. 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 Loan Facility 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
“Borrower”	Mr. Tsui Ngai Eddie
“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 Party”	third party 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\$32,000,000 for a term of 12 months granted pursuant to the Loan Agreement
“Loan Agreement”	The loan agreement dated 22 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, 22 March 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.*