

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



New Sparkle Roll International Group Limited
新耀萊國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 970)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



ELSTONE SECURITIES LIMITED

On 9 September 2022 (after the trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed to place, on a best effort basis, up to 538,000,000 Placing Shares to Placee(s) at the Placing Price of HK\$0.093 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date (save for the allotment and issue of the Placing Shares), the maximum number of the 538,000,000 Placing Shares representing approximately 9.83% of the existing issued share capital of the Company as at the date of this announcement and approximately 8.95% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

The Placing Price of HK\$0.093 per Placing Share represents (i) a discount of approximately 7% to the closing price of HK\$0.1 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 5.68% to the average of the closing prices per Share of HK\$0.0986 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

Assuming that the Placing Shares are fully placed under the Placing, the gross proceeds from the Placing are estimated to be approximately HK\$50 million and the net proceeds from the Placing (after deducting the placing commission for the Placing and other relevant expenses) will be approximately HK\$49.1 million. The Company intends to apply (i) approximately HK\$10 million of the net proceeds for repayment of the existing loans granted to the Group; (ii) approximately HK\$25 million of the net proceeds for our Group's non-auto dealership business in Hong Kong for cigars and smoker's accessories and audio equipment; and (iii) the remaining proceeds for our Group's general working capital.

The Placing is conditional upon, inter alia, the Listing Committee granting an approval for the listing of, and permission to deal in, the Placing Shares subscribed for by the Placee(s).

As Completion is subject to the satisfaction of the conditions as set out in the Placing Agreement and the Placing is on a best effort basis, the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date

9 September 2022 (after trading hours)

Issuer

The Company

Placing Agent

Elstone Securities Limited

The Placing Agent has conditionally agreed to place, on a best effort basis, up to 538,000,000 Placing Shares and in consideration thereof, it will receive a placing commission of 1.75% on the gross proceeds of the Placing upon completion of the Placing. The Directors are of the view that the placing commission accords with the market rate and is fair and reasonable.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placee(s)

The Placing Shares will be placed to Placee(s) which are individual(s), corporation(s) and/or institutional or professional investor(s), who and whose ultimate beneficial owners are Independent Third Parties. Further announcement will be made by the Company in accordance with the requirements of the Listing Rules whenever it is necessary.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date (save for the allotment and issue of the Placing Shares), the maximum number of the 538,000,000 Placing Shares represents approximately 9.83% of the existing issued share capital of the Company as at the date of this announcement and approximately 8.95% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

Placing Price

The Placing Price of HK\$0.093 per Placing Share represents (i) a discount of approximately 7% to the closing price of HK\$0.1 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 5.68% to the average closing price of HK\$0.0986 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement. The Placing Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent with reference to the prevailing market price and conditions of the Shares. The Directors consider that the Placing Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Ranking of the Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the other Shares in issue as at the date of allotment and issue of the Placing Shares.

General Mandate

No Shareholders' approval is required for the Placing and the Placing Shares will be issued and allotted by the Company pursuant to the General Mandate. At the annual general meeting of the Company held on 21 September 2021, the Shareholders granted to the Directors, among others, the General Mandate to issue up to 1,094,390,689 new Shares, representing 20% of the issued share capital of the Company as at the date of the passing of the resolution. As at the date of this announcement, no new Shares have been issued pursuant to the General Mandate granted on 21 September 2021.

Conditions of the Placing

The Placing is conditional upon the following conditions being fulfilled:

- (i) the Listing Committee granting an approval for the listing of and permission to deal in the Placing Shares subscribed for by the Placee(s);
- (ii) all necessary consents, approvals, authorisations and/or waivers having been obtained by the Company to effect the execution, completion and performance of the obligations and other terms of the Placing Agreement; and
- (iii) the Placing Agent having received from the Company certified board resolutions approving the Placing and the entering into of the Placing Agreement.

In the event the above conditions are not fulfilled by 30 September 2022 (or such later date as may be agreed between the Company and the Placing Agent), the Placing Agreement shall terminate and all rights, obligations and liabilities of the parties in relation to the Placing shall cease and determine and none of the parties shall have any claim against the other party in respect of the Placing save for any antecedent breach.

Application for listing

Application will be made by the Company to the Listing Committee for the grant of the listing of, and permission to deal in, the Placing Shares.

Termination

Notwithstanding that anything contained in the Placing Agreement, if, at any time prior to 10:00 a.m. (Hong Kong time) on the Completion Date, in the reasonable opinion of the Placing Agent the success of the Placing or the business or financial prospects of the Group would or might be adversely affected by:

- (i) any material breach of any of the representations, warranties and undertakings of the Company set out in the Placing Agreement; or
- (ii) any of the following events:
 - (a) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
 - (b) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date of the Placing Agreement and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or
 - (c) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
 - (d) a change or development involving a prospective change in taxation in Hong Kong, Bermuda or the implementation of exchange controls which shall or might materially and adversely affect the Group (as a whole) or its present or prospective shareholders in their capacity as such; or

- (e) any change or deterioration in the conditions of local, national or international securities markets occurs,

then and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company, provided that such notice is received prior to 10:00 a.m. (Hong Kong time) on the Completion Date. In the event that the Placing Agent terminates the Placing Agreement by giving such notice, all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing Agreement except for any breach arising prior to such termination.

Completion of the Placing

Completion of the Placing will take place at 4:00 p.m. (Hong Kong time) (or at such other time to be agreed between the Company and the Placing Agent) on the Completion Date.

As completion of the Placing is subject to the satisfaction of the conditions as set out in the Placing Agreement and the Placing is on a best effort basis, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company and its subsidiaries are principally engaged in distributorships of luxury goods and automobiles, provision of after-sales services, provision of property management services, provision of property rental services, provision of money lending services, and film related business including development and investment in films and television program.

Assuming that the Placing Shares are fully placed under the Placing, the gross proceeds from the Placing are estimated to be approximately HK\$50 million and the net proceeds from the Placing (after deducting the placing commission for the Placing and other relevant expenses) will be approximately HK\$49.1 million. The Company intends to apply (i) approximately HK\$10 million of the net proceeds for repayment of the existing loans granted to the Group; (ii) approximately HK\$25 million of the net proceeds for our Group's non-auto dealership business in Hong Kong for cigars and smoker's accessories and audio equipment; and (iii) the remaining proceeds for our Group's general working capital.

The Board is of the view that the Placing represents an opportunity to raise additional capital for the Group and to broaden the shareholder base and the capital base of the Company as well as enhance the liquidity of the Company. Accordingly, the Board considers that the Placing is in the interests of the Company and the Shareholders as a whole. The Board also considers that the terms of the Placing Agreement and the transactions contemplated thereunder are fair and reasonable and based on the current market conditions and are in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

The Directors confirm that the Company has not conducted any fund raising activities involving the issue of its equity securities in the twelve months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement, and (ii) immediately after completion of the Placing, assuming that all of the 538,000,000 Placing Shares will be placed in full and no further Shares will be issued or repurchased before completion of the Placing:

Name of Shareholders	Shareholding as at the date of this announcement		Shareholding immediately after completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Sze Ching Lau	797,200,000	14.57	797,200,000	13.26
UBS Group AG	361,173,000	6.60	361,173,000	6.01
Lam Chi Kin	354,720,000	6.48	354,720,000	5.90
Tam Cho Wai Josephine	340,000,000	6.21	340,000,000	5.66
Zheng Hao Jiang	10,640,000	0.19	10,640,000	0.18
Choy Sze Chung, Jojo	1,000,000	0.02	1,000,000	0.01
Liu Hongqiang	296,000	0.01	296,000	0.01
Public Shareholders				
Placee(s)	–	–	538,000,000	8.95
Others	3,606,924,447	65.92	3,606,924,447	60.02
Total	5,471,953,447	100	6,009,953,447	100

DEFINITIONS

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

- “Board” means the board of Directors
- “Business Day” means any day (excluding a Saturday, Sunday, public holiday or any day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks generally are open for business in Hong Kong
- “Company” means New Sparkle Roll International Group Limited, an exempted company incorporated in Bermuda with limited liability and whose Shares are listed on the Stock Exchange (stock code: 970)
- “Completion” means completion of the Placing in accordance with the terms and conditions as set out in the Placing Agreement
- “Completion Date” means not later than the fifth Business Day following the satisfaction of the conditions specified in the Placing Agreement or such other date as the Company and the Placing Agent shall agree
- “connected person(s)” has the meaning ascribed to it under the Listing Rules
- “Director(s)” means the director(s) of the Company
- “General Mandate” means the general mandate granted by the Shareholders to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company to allot, issue and deal with up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date thereof
- “Group” means collectively, the Company and its subsidiaries

“HK\$”	means Hong Kong Dollars, the lawful currency in Hong Kong
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	means party(ies) who is (are) not connected person(s) of the Company and its subsidiaries and is (are) third party(ies) independent of the Company and its connected persons
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	means any individual(s), corporation(s) and/or institutional or professional investor(s) who are Independent Third Parties procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	means the placing of up to 538,000,000 new Shares by the Placing Agent on a best effort basis pursuant to the terms and conditions of the Placing Agreement
“Placing Agent”	Elstone Securities Limited, a licensed corporation incorporated in Hong Kong to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Placing Agreement”	the placing agreement dated 9 September 2022 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	means the price of HK\$0.093 per Placing Share

“Placing Shares”	means up to 538,000,000 new Shares to be issued under the General Mandate and to be placed under the Placing
“Shares”	means ordinary shares of HK\$0.002 each in the share capital of the Company
“Shareholders”	means holders of the Shares
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“%”	means per cent.

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

Hong Kong, 9 September 2022

As at the date of this announcement, the Company has four executive Directors 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 independent non-executive Directors are Mr. Choy Sze Chung, Jojo, Mr. Lam Kwok Cheong, Mr. Gao Yu, Mr. Liu Hongqiang and Mr. Liu Xiaoyi.