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

*(formerly known as Sparkle Roll Group Limited 耀萊集團有限公司\*)*  
*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 970)**

**DISCLOSEABLE TRANSACTION IN RELATION TO  
A SUPPLEMENTAL LEASE AGREEMENT**

**SUPPLEMENTAL LEASE AGREEMENT**

By virtue of a Lease Agreement dated 23 August 2010, as supplemented by three supplemental agreements dated 19 January 2011, 21 June 2011 and 17 January 2019, Yang Pu Quan Tian, an indirectly wholly-owned subsidiary of the Company, leased the Premises from the Lessors at the Original Rent.

The Lessors requested to increase the Original Rent with effect from 5 June 2021 and the Parties entered into the Supplemental Lease Agreement.

**LISTING RULES IMPLICATIONS**

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Supplemental Lease Agreement is more than 5% but below 25%, the Supplemental Lease Agreement constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirement but exempt from the Shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

\* for identification purpose only

## **Background**

By virtue of a Lease Agreement dated 23 August 2010, as supplemented by three supplemental agreements dated 19 January 2011, 21 June 2011 and 17 January 2019, Yang Pu Quan Tian leased the Premises from the Lessors at the Original Rent.

The Lessors requested to increase the Original Rent with effect from 5 June 2021 and the Parties entered into the Supplemental Lease Agreement.

## **KEY TERMS OF THE SUPPLEMENTAL LEASE AGREEMENT**

Date : 26 October 2021

Parties : (i) 北京市朝陽區東風鄉人民政府 (the People's Government of Dongfeng Township of Chaoyang District in Beijing, the PRC\*), an Independent Third Party as one of the lessors;

(ii) 北京市朝陽區東風鄉農工商公司 (Beijing Chaoyang District Dongfeng Township Agriculture, Industry and Commerce Company\*), an Independent Third Party as one of the lessors; and

(iii) 洋浦權天商業品牌網絡服務股份有限公司 (Yang Pu Quan Tian Commercial Brand Network Services Shares Limited\*), an indirectly wholly-owned subsidiary of the Company, as the tenant

Premises : 中國北京市朝陽區星火西路17號樓、19號樓 (Building 17 and Building 19, Xinghuo West Road, Chaoyang District, Beijing, the PRC\*)

New Rent : The new rent is as follows:

- (i) RMB31,016,481.19 per year for the period from 5 June 2021 to 4 June 2024;
- (ii) RMB32,567,305.25 per year for the period from 5 June 2024 to 4 June 2027;
- (iii) RMB34,195,670.51 per year for the period from 5 June 2027 to 4 June 2030; and
- (iv) RMB8,976,363.51 in aggregate for the period from 5 June 2030 to 5 September 2030.

New Rent shall be paid in advance on the 15th day before the end of each quarter. The aggregate value of consideration payable under the Supplemental Lease Agreement is approximately RMB302,315,000.

The New Rent shall be paid through the Group's internal source of funding under the normal operating business.

## **RIGHT-OF-USE ASSETS**

Pursuant to HKFRS 16, the tenancy of the Premises will be recognised the increment as lease modification of right-of-use assets of an amount of approximately RMB99,142,000, which is calculated with reference to the present value of the aggregated lease payments to be made under the Supplemental Lease Agreement.

## **REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL LEASE AGREEMENT**

The Company is an investment holding company. Its subsidiaries are 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 television program and money lending business.

The Premises is and has been occupied by Yang Pu Quan Tian for sub-leasing purpose since June 2011 and staying would have sustained its major property rental services business. The Company also understands that the cost incurred in accepting the Lessors' request for rent increment is lower than the costs incurred in terminating the Lease Agreement.

The Directors considered that the transactions contemplated under the Supplemental Lease Agreement was entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiations between the Parties, and the terms of the transactions under the Supplemental Lease Agreement were fair and reasonable and in the increment of the Company and the Shareholders as a whole.

## **INFORMATION ON THE PARTIES**

### **Yang Pu Quan Tian**

洋浦權天商業品牌網絡服務股份有限公司 (Yang Pu Quan Tian Commercial Brand Network Services Shares Limited\*) is a limited liability company established under the laws of the PRC on 19 November 2003 and an indirectly wholly-owned subsidiary of the Company since 25 June 2018 when the Company acquired it through the acquisition of the entire issued share capital of Reliable Intelligence International Limited. For further details, please refer to the announcement titled "Discloseable Transaction in relation to the Acquisition of the entire issued share capital of the Target Company" published by the Company on 25 June 2018. The principal activities of Yang Pu Quan Tian are provision of property management and tenancy and sub-tenancy services in the PRC.

### **Beijing Dongfeng Township Enterprise**

北京市朝陽區東風鄉農工商公司 (Beijing Chaoyang District Dongfeng Township Agriculture, Industry and Commerce Company\*) is a collective-owned enterprise established under the laws of the PRC and one of the lessors under the Supplemental Lease Agreement. The ultimate beneficial owner is Beijing Dongfeng Township Government. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Beijing Dongfeng Township Enterprise and its ultimate beneficial owner, Beijing Dongfeng Township Government, are Independent Third Parties. It is principally engaged in the arrangement of industrial and agricultural production, the provision of service management and other commercial services.

## **Beijing Dongfeng Township Government**

北京市朝陽區東風鄉人民政府 (the People's Government of Dongfeng Township of Chaoyang District in Beijing, the PRC\*) is one of the lessors under the Supplemental Lease Agreement. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Beijing Dongfeng Township Government is an Independent Third Party.

## **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Supplemental Lease Agreement is more than 5% but below 25%, the Supplemental Lease Agreement constitutes a discloseable transaction for the Company, and is therefore subject to the notification and announcement requirement but exempt from the Shareholders' approval requirement pursuant to Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Beijing Dongfeng Township Enterprise”	北京市朝陽區東風鄉農工商公司 (Beijing Chaoyang District Dongfeng Township Agriculture, Industry and Commerce Company*), a collective-owned enterprise established under the laws of the PRC, an Independent Third Party and one of the lessors under the Supplemental Lease Agreement
“Beijing Dongfeng Township Government”	北京市朝陽區東風鄉人民政府 (the People's Government of Dongfeng Township of Chaoyang District in Beijing, the PRC*), an Independent Third Party and one of the lessors under the Supplemental Lease Agreement
“Board”	the board of Directors

“Company”	New Sparkle Roll International Group Limited 新耀萊國際集團有限公司 (formerly known as Sparkle Roll Group Limited 耀萊集團有限公司*), an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 970)
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries
“HKFRS 16”	Hong Kong Financial Reporting Standards 16 “Leases” which includes standards and interpretations promulgated by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“Lessors”	Beijing Dongfeng Township Government and Beijing Dongfeng Township Enterprise
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“New Rent”	the new rent payable by Yang Pu Quan Tian pursuant to the Supplemental Lease Agreement

“Original Rent”	the original rent payable by Yang Pu Quan Tian for the lease of the Premises pursuant to the Lease Agreement dated 23 August 2010, as supplemented by three supplemental agreements dated 19 January 2011, 21 June 2011 and 17 January 2019, that is, (i) RMB16,000,000 per year for the period from 6 September 2010 to 5 September 2014; (ii) RMB16,800,000 per year for the period from 6 September 2014 to 5 September 2018; (iii) RMB17,640,000 per year for the period from 6 September 2018 to 5 September 2022; (iv) RMB18,520,000 per year for the period from 6 September 2022 to 5 September 2026; and (v) RMB19,450,000 per year for the period from 6 September 2026 to 5 September 2030
“Parties”	the Lessors and Yang Pu Quan Tian as parties to the Supplemental Lease Agreement
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, excludes Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Premises”	中國北京市朝陽區星火西路17號樓、19號樓 (Building 17 and Building 19, Xinghuo West Road, Chaoyang District, Beijing, the PRC*)
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.002 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supplemental Lease Agreement”	the supplemental lease agreement dated 26 October 2021 entered into between Yang Pu Quan Tian as the tenant and the Lessors as the lessors
“Yang Pu Quan Tian”	Yang Pu Quan Tian Commercial Brand Network Services Shares Limited* (洋浦權天商業品牌網絡服務股份有限公司), a limited liability company established under the laws of the PRC on 19 November 2003 and an indirectly wholly-owned subsidiary of the Company

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

Hong Kong, 26 November 2021

*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.*