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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 TRANSACTIONS - SUBSCRIPTION OF P2P FINANCING PORTFOLIOS**

The Group had, during the Relevant Period, subscribed for certain P2P Financing Portfolios from the Xiao Ying Group. The aggregate subscription amount of the P2P Financing Portfolios with the Xiao Ying Group during the Relevant Period amounted to RMB100,000,000.

As one of the applicable percentage ratios of the aggregate subscription amount of the P2P Financing Portfolios is more than 5% but less than 25%, the relevant transactions under the Investment Agreements when aggregated constitute a discloseable transaction which is subject to reporting and announcement requirements only but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

### **SUBSCRIPTION OF P2P FINANCING PORTFOLIOS**

The Board announces that eight subsidiaries of the Company, namely Beijing De Te Motors Trading, Beijing Mei He Zhen Yong Motors Trading, Beijing Sparkle Roll Xin Tian Di Commerce Development, Sparkle Roll Oriental (Beijing) Trading Development, Beijing Sparkle Roll Goldence Saga International Exhibition, Beijing Sparkle Roll Aerial Advertising Multi-media, Sparkle Roll Online (Beijing) Business Service and Sparkle Roll Bo Ce Trading Development had subscribed for certain P2P Financing Portfolios from the Xiao Ying Group in the aggregate amount of RMB100,000,000 during the Relevant Period, the details of which are set out as follows:

Parties:

Investment Agreement A and Investment Agreement B:

- Beijing De Te Motors Trading and Xiao Ying Pu Hui Technology

Investment Agreement C and Investment Agreement E:

- Beijing Mei He Zhen Yong Motors Trading and Xiao Ying Pu Hui Technology

Investment Agreement D:

- Beijing Sparkle Roll Xin Tian Di Commerce Development and Ying Zhong Tong Finance Information

Investment Agreement F:

- Sparkle Roll Oriental (Beijing) Trading Development and Xiao Ying Pu Hui Technology

Investment Agreement G:

- Beijing Sparkle Roll Xin Tian Di Commercial Development and Xiao Ying Pu Hui Technology

Investment Agreement H and Investment Agreement N:

- Beijing Sparkle Roll Goldence Saga International Exhibition and Xiao Ying Pu Hui Technology

Investment Agreement I and Investment Agreement M:

- Beijing Sparkle Roll Aerial Advertising Multi-media and Xiao Ying Pu Hui Technology

Investment Agreement J:

- Sparkle Roll Online (Beijing) Business Service and Xiao Ying Pu Hui Technology

Investment Agreement K:

- Sparkle Roll Bo Ce Trading Development and Xiao Ying Pu Hui Technology

Investment Agreement L:

- Sparkle Roll Oriental (Beijing) Trading Development and Xiao Ying Pu Hui Technology

Aggregate subscription amount:

RMB100,000,000

Term of investment period: Investment Agreement A, Investment Agreement C, Investment Agreement D, Investment Agreement F, Investment Agreement H, Investment Agreement I, Investment Agreement J and Investment Agreement K:

- 30 days

Investment Agreement B, Investment Agreement E, Investment Agreement G, Investment Agreement L, Investment Agreement M and Investment Agreement N:

- 3 months

Maturity date:

Investment Agreement A: 19 October 2017

Investment Agreement B: 18 December 2017

Investment Agreement C: 19 October 2017

Investment Agreement D: 21 October 2017

Investment Agreement E: 20 December 2017

Investment Agreement F: 26 October 2017

Investment Agreement G: 28 December 2017

Investment Agreement H: 29 October 2017

Investment Agreement I: 31 October 2017

Investment Agreement J: 31 October 2017

Investment Agreement K: 31 October 2017

Investment Agreement L: 9 January 2018

Investment Agreement M: 18 January 2018

Investment Agreement N: 19 January 2018

Expected rate of investment return:	<p>Investment Agreement A, Investment Agreement C, Investment Agreement D, Investment Agreement F, Investment Agreement H, Investment Agreement I, Investment Agreement J and Investment Agreement K:</p> <ul style="list-style-type: none"> <li>• 6.00% per annum</li> </ul> <p>Investment Agreement B, Investment Agreement E, Investment Agreement G, Investment Agreement L, Investment Agreement M and Investment Agreement N:</p> <ul style="list-style-type: none"> <li>• 6.10% per annum</li> </ul>
Scope of investment:	<p>Any loan(s) to individual borrower(s) or debt transfer portfolios posted on the online platform of the Xiao Ying Group, contracts of which shall be insured by ZhongAn Online P&amp;C Insurance</p>
Authorisation to the Xiao Ying Group:	<p>During the term of the relevant Investment Agreement, the Subscriber irrevocably authorises Xiao Ying Pu Hui Technology or Ying Zhong Tong Finance Information (as the case may be) to exercise its full discretion to invest the whole or part of the subscription amount set out under the relevant Investment Agreement in any P2P Financing Portfolios posted on the online platform of the Xiao Ying Group and sign any relevant documents in relation to the investment and implement the investment.</p>
Role and limited liability of Xiao Ying Group:	<p>Each of the Subscribers acknowledges that Xiao Ying Pu Hui Technology or Ying Zhong Tong Finance Information (as the case may be) only serves as an intermediary platform between the Subscribers and the borrowers and neither Xiao Ying Pu Hui Technology nor Ying Zhong Tong Finance Information (as the case may be) warrants, guarantees or in any way protects the principal and/or the rate of return of any of the P2P Financing Portfolios under the Investment Agreements. Neither Xiao Ying Pu Hui Technology nor Ying Zhong Tong Finance Information (as the case may be) shall under any circumstances be liable to the Subscribers for the default, if any, of the borrowers under any of the P2P Financing Portfolios.</p>
Payment of due principal and return:	<p>The return and the principal shall be paid to the Subscriber in one lump sum within two working days after the maturity date as set out in the relevant Investment Agreement.</p>

Investment consultancy fee: If the actual investment return of the P2P Financing Portfolios under the relevant Investment Agreement does not reach the expected rate of investment return set out therein, no investment consulting fee will be charged by Xiao Ying Pu Hui Technology or Ying Zhong Tong Finance Information (as the case may be). However, if the investment return of the P2P Financing Portfolios under the relevant Investment Agreement exceeds the expected rate of investment return set out therein, the portion of the investment profit which exceeds the stipulated expected rate of investment return will be charged as investment consulting fee by Xiao Ying Pu Hui Technology or Ying Zhong Tong Finance Information (as the case may be).

## **REASONS FOR AND BENEFITS OF SUBSCRIBING FOR P2P FINANCING PORTFOLIOS FROM XIAO YING GROUP**

The Group reasonably uses its funds to subscribe for the P2P Financing Portfolios from the Xiao Ying Group and such subscriptions would not affect the working capital of the Group or the operation of the Group's principal business. Although the P2P Financing Portfolios with the Xiao Ying Group are not principal protected nor with guaranteed return, the underlying financing contracts are insured by ZhongAn Online P&C Insurance. Such short-term investment in P2P Financing Portfolios with low risk exposure is conducive to enhancing the utilization of capital and generating investment return from the Group's temporarily idle fund.

As such short-term investment in P2P Financing Portfolios offers better returns to the Company when compared to the fixed-term deposit interest rates offered by commercial banks in the PRC, the Directors consider that the subscriptions for the P2P Financing Portfolios and the entering into the Investment Agreements are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

## **INFORMATION ABOUT THE COMPANY AND THE PARTIES**

The principal activity of the Company is investment holding. The Group is principally engaged in the distributorships of luxury goods. The operations are mainly based in Hong Kong, the PRC and Malaysia.

Beijing De Te Motors Trading is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the trading of automobiles and related parts and accessories and provision of after-sales services in the PRC.

Beijing Mei He Zhen Yong Motors Trading is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the trading of automobiles and related parts and accessories and provision of after-sales services in the PRC.

Beijing Sparkle Roll Xin Tian Di Commerce Development is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the provision of consultancy services in the PRC.

Sparkle Roll Oriental (Beijing) Trading Development is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the trading of branded watches, branded jewellery and fine wines and provision of consultancy services in the PRC.

Beijing Sparkle Roll Goldence Saga International Exhibition is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the provision of consultancy services in the PRC.

Beijing Sparkle Roll Aerial Advertising Multi-media is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the provision of marketing and advertising services in the PRC.

Sparkle Roll Online (Beijing) Business Service is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the provision of e-commerce platform operation in the PRC.

Sparkle Roll Bo Ce Trading Development is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the provision of corporate management and consultancy services in the PRC.

Xiao Ying Pu Hui Technology is a company established in the PRC with limited liability and is a direct wholly-owned subsidiary of the Xiao Ying Technology. It is principally engaged in computer data processing; computer and information technology services; design, technology development of and technical services for computer hardware; sales and technical consultancy; computer facilities maintenance services; information system integration; information technology consultancy; corporate image planning; venture investment (projects are separately reported); investment consultancy; financial information consultancy; corporate management consultancy; economic information consultancy; business information consultancy (excluding restricted items); marketing planning; corporate information collection; advertising business (for those advertising businesses which are required by the laws and regulations and by the State Council of the PRC to apply for separate approval for operation, relevant approval shall have been granted prior to commencement of operation); copyright agency; conference planning; exhibition and show planning; e-commerce activities (excluding restricted items); data processing and database services; sales of electronic products; equipment leasing; and domestic trading (excluding monopolized or franchised commodities and commodities under special government control). To the best knowledge, information and belief of the Directors, Xiao Ying Pu Hui Technology, its group members and its ultimate beneficial owners are Independent Third Parties.

Ying Zhong Tong Finance Information is a company established in the PRC with limited liability and is a direct wholly-owned subsidiary of the Xiao Ying Technology. It is principally engaged in financial information network business services; technology development, technology consultancy, technology services and technology transfer in the field of professional computer networking; development and sales of computer system integration, hardware and software; data processing services; market information consultancy; exhibition services; corporate management consultancy; investment consultancy; corporate image planning; and advertising business (for those advertising businesses which are required by the laws and regulations and by the State Council of the PRC to apply for separate approval for operation, relevant approval shall have been granted prior to commencement of operation). To the best knowledge, information and belief of the Directors, Ying Zhong Tong Finance Information, its group members and its ultimate beneficial owners are Independent Third Parties.

## **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios of the aggregate subscription amount of the P2P Financing Portfolios is more than 5% but less than 25%, the relevant transactions under the Investment Agreements when aggregated constitute a discloseable transaction which is subject to reporting and announcement requirements only but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“Beijing De Te Motors Trading”	北京德特汽車貿易有限公司 (Beijing De Te Motors Trading Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Beijing Mei He Zhen Yong Motors Trading”	北京美合振永汽車貿易有限公司 (Beijing Mei He Zhen Yong Motors Trading Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Beijing Sparkle Roll Aerial Advertising Multi-media”	北京耀萊空中廣告傳媒有限公司 (Beijing Sparkle Roll Aerial Advertising Multi-media Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Beijing Sparkle Roll Goldence Saga International Exhibition”	北京耀萊盛世傳奇國際會展有限公司 (Beijing Sparkle Roll Goldence Saga International Exhibition Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;

“Beijing Sparkle Roll Xin Tian Di Commerce Development”	北京耀萊新天地商業發展有限公司 (Beijing Sparkle Roll Xin Tian Di Commerce Development Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Board”	the board of Directors;
“Company”	Sparkle Roll Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 970);
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons (as defined in the Listing Rules);
“Investment Agreements”	collectively, Investment Agreement A, Investment Agreement B, Investment Agreement C, Investment Agreement D, Investment Agreement E, Investment Agreement F, Investment Agreement G, Investment Agreement H, Investment Agreement I, Investment Agreement J, Investment Agreement K, Investment Agreement L, Investment Agreement M and Investment Agreement N;
“Investment Agreement A”	the investment agreement entered into between Beijing De Te Motors Trading and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB5,000,000 dated 19 September 2017;
“Investment Agreement B”	the investment agreement entered into between Beijing De Te Motors Trading and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB10,000,000 dated 19 September 2017;
“Investment Agreement C”	the investment agreement entered into between Beijing Mei He Zhen Yong Motors Trading and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB5,000,000 dated 19 September 2017;
“Investment Agreement D”	the investment agreement entered into between Beijing Sparkle Roll Xin Tian Di Commerce Development and Ying Zhong Tong Finance Information in respect of P2P Financing Portfolios in the sum of RMB5,000,000 dated 21 September 2017;



“Investment Agreement E”	the investment agreement entered into between Beijing Mei He Zhen Yong Motors Trading and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB10,000,000 dated 21 September 2017;
“Investment Agreement F”	the investment agreement entered into between Sparkle Roll Oriental (Beijing) Trading Development and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB5,000,000 dated 26 September 2017;
“Investment Agreement G”	the investment agreement entered into between Beijing Sparkle Roll Xin Tian Di Commercial Development and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB10,000,000 dated 29 September 2017;
“Investment Agreement H”	the investment agreement entered into between Beijing Sparkle Roll Goldence Saga International Exhibition and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB5,000,000 dated 29 September 2017;
“Investment Agreement I”	the investment agreement entered into between Beijing Sparkle Roll Aerial Advertising Multi-media and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB5,000,000 dated 1 October 2017;
“Investment Agreement J”	the investment agreement entered into between Sparkle Roll Online (Beijing) Business Service and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB5,000,000 dated 1 October 2017;
“Investment Agreement K”	the investment agreement entered into between Sparkle Roll Bo Ce Trading Development and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB5,000,000 dated 1 October 2017;
“Investment Agreement L”	the investment agreement entered into between Sparkle Roll Oriental (Beijing) Trading Development and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB10,000,000 dated 10 October 2017;
“Investment Agreement M”	the investment agreement entered into between Beijing Sparkle Roll Aerial Advertising Multi-media and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB10,000,000 dated 19 October 2017;

“Investment Agreement N”	the investment agreement entered into between Beijing Sparkle Roll Goldence Saga International Exhibition and Xiao Ying Pu Hui Technology in respect of P2P Financing Portfolios in the sum of RMB10,000,000 dated 20 October 2017;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“P2P Financing Portfolios”	the peer-to-peer (P2P) internet financing portfolios made or to be made to individual borrower(s) via the online platform of the Xiao Ying Group on contracts insured by ZhongAn Online P&C Insurance;
“Relevant Period”	the period from 19 September 2017 to 20 October 2017;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan);
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholders”	the shareholders of the Company;
“Sparkle Roll Bo Ce Trading Development”	耀萊博策貿易發展有限公司 (Sparkle Roll Bo Ce Trading Development Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Sparkle Roll Online (Beijing) Business Service”	耀萊在綫(北京)商業服務有限公司 (Sparkle Roll Online (Beijing) Business Service Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Sparkle Roll Oriental (Beijing) Trading Development”	耀萊東方(北京)貿易發展有限公司 (Sparkle Roll Oriental (Beijing) Trading Development Limited*), a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscribers”	Beijing De Te Motors Trading, Beijing Mei He Zhen Yong Motors Trading, Beijing Sparkle Roll Xin Tian Di Commercial Development, Sparkle Roll Oriental (Beijing) Trading Development, Beijing Sparkle Roll Goldence Saga International Exhibition, Beijing Sparkle Roll Aerial Advertising Multi-Media, Sparkle Roll Online (Beijing) Business Services and Sparkle Roll Bo Ce Trading Development (and “Subscriber” means any of them);

“Xiao Ying Group”	Xiao Ying Technology and its subsidiaries from time to time, including Xiao Ying Pu Hui Technology and Ying Zhong Tong Finance Information;
“Xiao Ying Pu Hui Technology”	深圳市小贏普惠科技有限責任公司 (Shenzhen Xiao Ying Pu Hui Technology Co., Ltd.*), a company established in the PRC with limited liability and an Independent Third Party;
“Xiao Ying Technology”	深圳市小贏科技有限責任公司 (Shenzhen Xiao Ying Technology Co., Ltd.*), a company established in the PRC with limited liability and an Independent Third Party;
“Ying Zhong Tong Finance Information”	深圳市贏眾通金融信息服務有限責任公司 (Shenzhen Ying Zhong Tong Finance Information Services Co., Ltd.*), a company established in the PRC with limited liability and an Independent Third Party;
“ZhongAn Online P&C Insurance”	眾安在綫財產保險股份有限公司 (ZhongAn Online P&C Insurance Co., Ltd.*), a joint stock limited company incorporated in the PRC with limited liability and carrying on business in Hong Kong as “ZA Online Fintech P & C”, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 6060); and
“%”	per cent.

By Order of the Board  
**Sparkle Roll Group Limited**  
**Tong Kai Lap**  
*Chairman*

Hong Kong, 23 October 2017

*As at the date of this announcement, the Company has three executive Directors, three non-executive Directors and three independent non-executive Directors. The executive Directors are Mr. Tong Kai Lap, Mr. Zheng Hao Jiang and Mr. Zhu Lei. The non-executive Directors are Mr. Zhang Si Jian, Mr. Gao Yu and Mr. Qi Jian Wei. The independent non-executive Directors are Mr. Choy Sze Chung, Jojo, Mr. Lam Kwok Cheong and Mr. Lee Thomas Kang Bor.*

\* for identification purpose only