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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)

PROFIT WARNING

This announcement is made by Sparkle Roll Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Based on the preliminary assessment of the latest unaudited consolidated management accounts of the Group and the financial information currently available, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that the Group is expected to record a substantial decrease in the profit attributable to owners of the Company for the year ended 31 March 2020 as compared with a profit attributable to owners of the Company of approximately HK\$97 million for the year ended 31 March 2019.

Such expected substantial decrease in the net profit for the year ended 31 March 2020 was mainly attributable to the following factors: (i) the gross profit of sales of automobiles decreased by approximately 17% in the Auto dealerships segment mainly arising from decline in that of Rolls-Royce; (ii) a decrease in the fair value of the Group's investments in films; and (iii) a proportionate increase in the finance costs due to the increase in borrowing for the purpose of an acquisition of the property used by the Group as showrooms and office in last financial year.

The information contained in this announcement is based merely on the preliminary assessment by the Board according to the information currently available, including the unaudited consolidated management accounts of the Group for the year ended 31 March 2020 which have not yet been audited by the Company's independent auditors. The Company is still in the course of preparing and finalising its annual results for the year ended 31 March 2020 which are expected to be announced before the end of June 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 19 May 2020

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. Zheng Hao Jiang, Mr. Zhao Xiaodong and Mr. Zhu Lei. The non-executive Directors are Mr. Gao Yu, Mr. Qi Jian Wei and Mr. Liu Hongqiang. 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