

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 appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of New Sparkle Roll International Group Limited.



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)

ANNOUNCEMENT
(1) IN RELATION TO THE VOLUNTARY
CONDITIONAL CASH OFFERS AND
(2) RESUMPTION OF TRADING IN THE SHARES

Reference is made to the Offeror Announcement dated 5 October 2023 in relation to the Offers.

THE OFFERS

The Board announces that on 28 September 2023 (after trading hours), it received a letter from the Offeror notifying the Board that he had firm intention to make, through Shenwan Hongyuan, the Offers to acquire all the issued Shares and the outstanding Convertible Bonds (other than those already owned by or to be acquired by the Offeror and his Concert Parties), and to cancel all outstanding Share Options.

On 5 October 2023, the Offeror issued the Offeror Announcement setting out details of the Offers, which was published on the Stock Exchange's website and can be accessed through the following link:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/1005/2023100501566.pdf>

As disclosed in the Offeror Announcement, the offer price under the Offers:

- (a) for each Offer Share is HK\$0.9 in cash;
- (b) for every HK\$1 face value of the Convertible Bonds is HK\$0.225 in cash; and
- (c) for cancellation of each Share Option is HK\$0.01 in cash.

In respect of the Option Offer, the Company refers to the Share Option Schemes which provided, among other things, that if a general offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner, is made to all the Shareholders, or all Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Optionholders (or their personal representative(s)) on the same terms, *mutatis mutandis*, and assuming that they will become Shareholders by the exercise in full of the Share Options granted to them. If such offer becomes or is declared unconditional, the Optionholders (or their personal representative(s)) shall, notwithstanding any other terms on which the Share Options were granted, be entitled to exercise the Share Option (to the extent not already exercised) to its full extent or to the extent specified in the notice of the Optionholders (or their personal representative(s)) to the Company. Subject to the above, the Share Option will lapse automatically (to the extent not exercised) on the date which such offer (or, as the case may be, the revised offer) closed.

Reference is also made to the Offeror Announcement regarding the comparison of the value of the Share Offer Price with the Company's consolidated net asset value attributable to owners of the Company as set out in sub-paragraph (v) of the section headed "Comparison of Value". Based on the total number of Shares in issue of 341,997,090 Shares as at 31 March 2023 and the audited consolidated net asset value attributable to owners to the Company of HK\$2,199,224,000 as at 31 March 2023, as disclosed in the Company's annual report for the year ended 31 March 2023, the Share Offer Price of HK\$0.9 per Share represents a discount of approximately 86.0% to the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$6.43 per Share as at 31 March 2023.

CONDITIONS TO THE OFFERS

The Offers are subject to satisfaction (or waiver, if applicable) of the Conditions as set out in the Offeror Announcement and accordingly, the Offers may or may not become unconditional. The Board wishes to draw the attention of the Independent Shareholders, the Optionholders and the CB Holders to the Offeror Announcement for details of the Conditions.

Conditions to the Share Offer

Based on the Offeror Announcement, the Share Offer is subject to the following Conditions:

- (a) valid acceptances of the Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) by the Offeror in respect of such number of Offer Shares which, together with Shares already owned or agreed to be acquired before or during the Offers, would result in the Offeror and his Concert Parties holding more than 50% of the voting rights in the Company as at the Closing Date;
- (b) the Shares remaining listed and traded on the Stock Exchange up to the Closing Date (or, if earlier, the Unconditional Date) save for any temporary suspension(s) of trading in the Shares as a result of the Offers and no indication being received on or before the Closing Date (or, if earlier, the Unconditional Date) from the SFC and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn, other than as a result of either the Offers or anything done or caused by or on behalf of the Offeror or his Concert Parties;

- (c) no event, up to the Closing Date, having occurred which would make the Offers or the acquisition of any of the Shares under the Offers void, unenforceable or illegal or their implementation being prohibited or which would impose material conditions, limitations or obligations with respect to the Offers;
- (d) no Relevant Authority(es) in Hong Kong or any other jurisdictions having taken or instigated any action, proceeding, suit, investigation or enquiry, or enacted or made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Offers or the acquisition of any of the Shares or securities of the Company under the Offers void, unenforceable or illegal or prohibit the implementation of, or which would impose any material conditions, limitations or obligations with respect to, the Offers (other than such items or events above as would not have a material adverse effect on the legal ability of the Offeror to proceed with or consummate the Offers);
- (e) no event occurring or having occurred which is an event of default or other event giving any lender to any member of the Group a right to accelerate the repayment of any obligations prior to their stated maturity date arising from any financing documentation to which any member of the Group is a party or by which it is bound and no lender to any member of the Group indicating on or prior to the date to be stated in the Offer Document as the Closing Date that it will exercise such rights to accelerate repayment or claim an event of default; and
- (f) since the date of the last audited consolidated financial statements of the Company, there having been no change, effect, fact, event or circumstance which has had or would reasonably be expected to have a material adverse effect on, or to cause a material adverse change in, the general affairs, management, financial position, business, prospects, conditions (whether financial, operational, legal or otherwise), earnings, solvency, current or future consolidated financial positions, shareholders' equity or results of operations of the Company or any other member of the Group.

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions set out above save that Conditions (a) and (c) cannot be waived.

As at the date of this announcement, no event mentioned in Condition (e) above exists.

Condition to the Convertible Bond Offer

Based on the Offeror Announcement, the Convertible Bond Offer is conditional upon the Share Offer becoming or being declared unconditional in all respects.

Condition to the Option Offer

Based on the Offeror Announcement, the Option Offer is conditional upon the Share Offer becoming or being declared unconditional in all respects.

SECURITIES OF THE COMPANY

Reference is made to the Offeror Announcement regarding the shareholding structure of the Company and the interests of the Offeror and his Concert Parties in the Shares, including in particular those described in the sections headed “Shareholding Structure” and “Offeror’s Interests in the Securities of the Company” respectively.

The Company wishes to clarify that as at the date of this announcement, there are:

- (a) 374,397,090 Shares in issue;
- (b) 19,725,000 outstanding Share Options entitling the Optionholders to subscribe for an aggregate of 19,725,000 new Shares (representing approximately 5.27% of the issued share capital of the Company as at the date of this announcement) as follows:
 - (i) 15,425,000 outstanding Share Options granted pursuant to the 2012 Share Option Scheme entitling the Optionholders to subscribe for 15,425,000 new Shares with exercise price of HK\$1.6 per Share; and
 - (ii) 4,300,000 outstanding Share Options granted pursuant to the 2022 Share Option Scheme entitling the Optionholders to subscribe for 4,300,000 new Shares with exercise price of HK\$1 per Share. It is noted that 3,400,000 of the said 4,300,000 outstanding Share Options were subject to a vesting period of 6 months when they were granted on 4 August 2023; and
- (c) outstanding Convertible Bonds with an aggregate principal amount of HK\$10,000,000 convertible into 2,500,000 Shares.

Save as aforesaid, the Company does not have any outstanding options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares as at the date of this announcement.

According to the Offeror Announcement:

- (a) as at the date of the Offeror Announcement, (i) the Offeror held 49,999,500 Shares, and (ii) his Concert Parties, namely Cha Jung Hoon and Pro Honor, held 16,821,000 Shares and 14,518,187 Shares respectively. Save as above, none of the Offeror and his Concert Parties owned or had control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities; and
- (b) save that the Offeror acquired 82,000 Shares from open market at a consideration of HK\$0.87 per Share on 21 September 2023, none of the Offeror and his Concert Parties had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six (6) months prior to and including the date of the Offeror Announcement.

According to an affirmation made by Qiu Peiyuan (who according to the Offeror Announcement wholly owns Pro Honor) on 24 September 2023 in support of the application of the Offeror and Pro Honor (the Offeror's Concert Party) for the interim injunction order against the CB Placing, certain Shareholders, including the Offeror's son, Sze Ka Ho, were in support of the Offeror's and Pro Honor's effort to change the constitution of the Board, and as at 24 September 2023, the Offeror's son i.e. Sze Ka Ho, presumably a Concert Party of the Offeror for the purpose of the Takeovers Code, held 1,020,000 Shares. The Company has no further information as to the latest status of the Shares (or any of them) concerning Sze Ka Ho. Independent Shareholders, Bondholders and CB Holders may refer to the section headed "Reasons for the Offers" in this announcement for further details of the interim injunction order and the Offeror's and Pro Honor's effort to change the constitution of the Board.

The following table sets out the shareholding structure as at the date of this announcement based on the details of all classes of relevant securities issued by the Company as set out above and details of interests of the Offeror and his Concert Parties in the Shares as per the Offeror Announcement (a) assuming none of the outstanding Share Options are exercised and none of the Convertible Bonds are converted; and (b) assuming all of the outstanding Share Options are exercisable and fully exercised and all of the Convertible Bonds are fully converted:

Name of Shareholder	Shareholding as at the date of this announcement		Shareholding as at the date of this announcement (assuming all the Share Options are exercisable and fully exercised and all the Convertible Bonds are fully converted)	
	<i>Number of issued Shares</i>	<i>Approximate %</i>	<i>Number of issued Shares</i>	<i>Approximate %</i>
Offeror	49,999,500	13.36	49,999,500	12.61
Cha Jung Hoon (Note 1)	16,821,000	4.49	16,821,000	4.24
Pro Honor (Note 1,2)	14,518,187	3.88	14,518,187	3.66
Aggregate number of Shares of the Offeror and his Concert Parties according to the Offeror Announcement				
(Note 3)	81,338,687	21.73	81,338,687	20.51
Lam Chi Kin	22,170,000	5.92	22,170,000	5.59
Tam Cho Wai Josephine	21,250,000	5.68	21,250,000	5.36
Zheng Hao Jiang (Note 4)	4,065,000	1.08	4,065,000	1.02
Zhao Xiaodong (Note 5)	3,400,000	0.91	3,400,000	0.86
Zhu Lei (Note 6)	3,400,000	0.91	3,400,000	0.86
Choy Sze Chung, Jojo (Note 7)	62,500	0.02	362,500	0.09
Liu Hongqiang (Note 8)	18,500	0.00	18,500	0.00
Lam Kwok Cheong (Note 9)	–	–	300,000	0.08
Gao Yu (Note 10)	–	–	300,000	0.08
Other Optionholders	–	–	18,825,000	4.74
CB Holders	–	–	2,500,000	0.63
Other public shareholders (Note 3)	<u>238,692,403</u>	<u>63.75</u>	<u>238,692,403</u>	<u>60.18</u>
Total	<u><u>374,397,090</u></u>	<u><u>100</u></u>	<u><u>396,622,090</u></u>	<u><u>100</u></u>

Note(s):

1. According to the Offeror Announcement, (a) on 28 September 2023, the Offeror, Cha Jung Hoon and Pro Honor entered into a concert parties deed, pursuant to which Cha Jung Hoon and Pro Honor confirmed that they are and will be acting in concert with the Offeror in the control and management of the Group with the Offeror, including in the exercise of their voting rights in any meetings of the Company. The concert parties deed shall be in effect until Cha Jung Hoon and Pro Honor (or their respective representatives) are no longer a shareholder or a director of the Company (whichever applicable); and (b) Cha Jung Hoon and Pro Honor are therefore the Offeror Concert Parties. It is noted that as at the date of this announcement, no Disclosure of Interests Notices have been filed in connection with the said concert parties deed among the Offeror, Cha Jung Hoon and Pro Honor.
2. According to the Offeror Announcement, Pro Honor is a company incorporated in British Virgin Islands with limited liability. It is wholly-owned by Qiu Peiyuan.
3. To the best of the information, knowledge and belief of the Company, as at 24 September 2023, the Offeror's son i.e. Sze Ka Ho, presumably a Concert Party of the Offeror for the purpose of the Takeovers Code, held 1,020,000 Shares. The Company has no further information as to the latest status of the Shares (or any of them) concerning the Offeror's son.
4. Mr. Zheng Hao Jiang is an executive Director and the chairman of the Company.
5. Mr. Zhao Xiaodong is an executive Director of the Company.
6. Mr. Zhu Lei is an executive Director of the Company.
7. Mr. Choy Sze Chung, Jojo is an independent non-executive Director of the Company. The additional 300,000 Shares stated in the fourth (4th) column herein is based on the assumption that the 300,000 Share Options granted to Mr. Choy on 4 August 2023 under the 2022 Share Option Scheme are exercisable and fully exercised. As at the date of this announcement, Mr. Choy has not exercised any of the said 300,000 Share Options.
8. Mr. Liu Hongqiang is an independent non-executive Director of the Company.
9. Mr. Lam Kwok Cheong is an independent non-executive Director of the Company. The 300,000 Shares stated in the fourth (4th) column herein is based on the assumption that the 300,000 Share Options granted to Mr. Lam on 4 August 2023 under the 2022 Share Option Scheme are exercisable and fully exercised. As at the date of this announcement, Mr. Lam has not exercised any of the said 300,000 Share Options.
10. Mr. Gao Yu is an independent non-executive Director of the Company. The 300,000 Shares stated in the fourth (4th) column herein is based on the assumption that the 300,000 Share Options granted to Mr. Gao on 4 August 2023 under the 2022 Share Option Scheme are exercisable and fully exercised. As at the date of this announcement, Mr. Gao has not exercised any of the said 300,000 Share Options.

Pursuant to the Listing Rules, if upon close of the Offers, less than 25% of the issued Shares are held by the public or if the Stock Exchange believes that (a) a false market exists or may exist in the trading of the Shares; or (b) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

Attention of the Independent Shareholders, the Optionholders and the CB Holders is drawn to the Offeror Announcement regarding maintaining sufficient public float as described in the section headed “Maintaining the Listing Status of the Company”.

VALUE OF THE OFFERS

Reference is made to the Offeror Announcement regarding the section headed “Value of the Offers”, and the Company wishes to make the following clarifications based on the details of all classes of relevant securities issued by the Company as set out earlier in this announcement and details of interests of the Offeror and his Concert Parties in the Shares as per the Offeror Announcement.

On the basis of the Share Offer Price of HK\$0.9 per Share and assuming no further Shares are issued whether pursuant to the exercise of Share Options, conversion of Convertible Bonds or otherwise before the close of the Offer, a total of 293,058,403 Shares (representing the Shares not already owned by the Offeror and his Concert Parties as per the Offeror Announcement) will be subject to the Share Offer and the Share Offer will be valued at HK\$263,752,562.7.

Assuming none of the Share Options is exercised prior to the close of the Offers, 19,725,000 Share Options will be subject to the Option Offer and assuming that the Option Offer is accepted in full, the Option Offer will be valued at HK\$197,250 based on the offer price for the cancellation of each Share Option at a nominal value of HK\$0.01.

Assuming none of the Convertible Bonds is redeemed or converted prior to the close of the Offers, based on the outstanding face value of the Convertible Bonds and the offer price of HK\$0.225 for every HK\$1 face value of the Convertible Bonds, the Convertible Bond Offer will be valued at HK\$2,250,000 on the assumption that the Convertible Bond Offer is accepted in full.

Based on the above, the aggregate value of the Offers will be HK\$266,199,812.7.

Assuming that all the Share Options are exercised by the Optionholders and all the Convertible Bonds are converted, the total number of issued Shares subject to the Share Offer will be 315,283,403 (representing the Shares not already owned by the Offeror and his Concert Parties as per the Offeror Announcement) and the Share Offer will be valued at HK\$283,755,062.7. The value of the Convertible Bond Offer and the Option Offer will be nil. Accordingly, the total amount payable by the Offeror under the Offers will be HK\$283,755,062.7.

REASONS FOR THE OFFERS

Reference is made to the Offeror Announcement regarding the Offeror's reasons for initiating the Offers as described in the section headed "Information of the Offeror and Reasons for the Offers", including in particular, that the Offeror, having been an investor in the Company since 16 December 2020, "*is disappointed in the current management performance*".

The Company notes the continued investment of the Offeror in the Company, in particular, the substantial increase in his shareholding in the Company between 17 December 2020 and 21 April 2021, despite his view that "*since mid-2020, the Company's share price has been on a long-term downtrend*".

The Company also wishes to add that prior to the Offeror's notification to the Company of his firm intention to make the Offers on 28 September 2023 and the Offeror Announcement dated 5 October 2023:

- (a) As early as 4 September 2023, the Offeror and/or Pro Honor (a Concert Party of the Offeror) have attempted to remove all of the then existing Directors and/or put forward specified individuals (including Qiu Peiyuan who wholly owns Pro Honor) to be appointed as new Directors, by way of purported written notices dated 4 September 2023, 6 September 2023 and 11 September 2023 respectively, which notices were respectively considered by the Board as failing to comply with the then existing Bye-laws of the Company and accordingly without proper legal basis.

- (b) As early as 21 September 2023, the Offeror and Pro Honor have strongly objected to the CB Placing pursuant to the CB Placing Agreement dated 19 September 2023, and counter proposed the possibility of advancing shareholders' loans to the Company and/or other financial alternatives. This was followed by a letter on 23 September 2023 indicating that Pro Honor was considering purchasing all convertible bonds convertible into Shares at the initial price HK\$0.95 per Share (subject to adjustments) to be placed under the CB Placing at, *inter alia*, a consideration with 5% premium over the issue price of HK\$67,725,000. Two days thereafter, on 25 September 2023, the Offeror and Pro Honor sought an interim injunction order against the Company and 8 other defendants including the Directors in the High Court, Hong Kong and also filed the Originating Summons in relation to the CB Placing. Independent Shareholders, Optionholders and CB Holders may refer to the Company's announcements dated 26 September 2023, 29 September 2023 and 13 October 2023 respectively for details concerning the interim injunction order and the Originating Summons.

On 10 October 2023, the Company was informed by the placing agent of the lapse of the CB Placing Agreement and that the CB Placing would not proceed, since the conditions precedent to the CB Placing Agreement were not fulfilled by the long stop date thereunder. Independent Shareholders, Optionholders and CB Holders may refer to the Company's announcements dated 11 October 2023 for the lapse of the CP Placing Agreement.

- (c) Further, at the Adjourned AGM held on 25 September 2023, an objection was raised regarding the qualification of the Offeror concerning certain Shares, which resulted in the chairman of the Adjourned AGM declaring that he would exercise the right pursuant to Bye-law no. 77 of the then existing Bye-laws of the Company and declaring that any votes concerning the relevant Shares would be ineffective for the resolutions to be passed in the Adjourned AGM. According to the Company's announcement dated 25 September 2023, based on the results provided by the scrutineer, the poll results of the resolutions proposed at the Adjourned AGM would remain unchanged even taking into account those relevant Shares. Independent Shareholders, Optionholders and CB Holders may refer to the Company's announcement dated 25 September 2023 in respect of the Adjourned AGM for relevant details.

- (d) On the same day of 25 September 2023, the Offeror and Pro Honor have issued common law derivative action on behalf of the Company and multiple derivative action on behalf of two (2) of the Company's subsidiaries at the High Court, Hong Kong, against all the then existing Directors, with the Company and the said subsidiaries named as the defendants thereto. As at the date of this announcement, the Company has not been served with the relevant Writ of Summons.

OTHER TAKEOVERS CODE IMPLICATIONS

Pursuant to the Takeovers Code, the Board will have to establish the Independent Board Committee, comprising all non-executive Directors and independent non-executive Directors who have no direct or indirect interest in the Offers other than as holders of the Shares (if any), to give advice to the Independent Shareholders, the Optionholders and the CB Holders on the Offers.

Upon its establishment, the Independent Board Committee will appoint the Independent Financial Advisor to advise the Independent Board Committee in respect of the Offers as soon as practicable.

Further announcement will be made by the Company following the establishment of the Independent Board Committee and the appointment of the Independent Financial Advisor.

The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this announcement. Independent Shareholders, Optionholders and CB Holders are advised to take no action as regards the Offers until they have received the Response Document (or the Composite Document to be jointly published by the Company and the Offeror), the advice of the Independent Board Committee and the advice of the Independent Financial Advisor.

DOCUMENTS IN RELATION TO THE OFFERS

Unless the Composite Document is jointly published by the Company and the Offeror, it is expected that a Response Document containing details of the Offers, the views of the Board and the Independent Board Committee on the Offers, and the letter of advice from the Independent Financial Advisor in relation to the Offers will be despatched to the Independent Shareholders, the Optionholders and the CB Holders within 14 days of the posting of the Offer Document by the Offeror, or on a later date as permitted pursuant to the Takeovers Code.

DEALINGS DISCLOSURE

Associates of the Company or the Offeror (as defined in the Takeovers Code and including, in relation to the Company, persons holding 5% or more of the relevant securities (as defined in paragraphs (a) to (d) in Note 4 to Rule 22 of the Takeovers Code)) are hereby reminded to disclose their dealings in the securities of the Company under Rule 22 of the Takeovers Code during the offer period.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 10:00 a.m. on 29 September 2023 pending the publication of the Offeror Announcement and this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 18 October 2023.

WARNING

Independent Shareholders, Optionholders and CB Holders are advised to read the Offeror Announcement in respect of the Offers before taking any action as regards the Offers.

Shareholders and potential investors of the Company should be aware that the Offers are subject to the satisfaction or waiver (where applicable) of the Conditions. Accordingly, the Offers may or may not become or be declared unconditional. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

None of the Company and its ultimate beneficial owners, Directors, officers, advisors, agents or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Persons who are in any doubt about their position should consult their licensed securities dealer or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisors.

DEFINITIONS

In this announcement, unless otherwise defined, the following terms shall have the following meanings:

“2012 Share Option Scheme”	the share option scheme of the Company adopted on 20 August 2012
“2022 Share Option Scheme”	the share option scheme of the Company adopted on 29 September 2022
“acting in concert”	has the meaning ascribed to it in the Takeovers Code, and “persons acting in concert” and “concert parties” should be construed accordingly

“Adjourned AGM”	the adjourned annual general meeting of the Company from 5 September 2023 to 25 September 2023
“associate(s)”	has the meaning ascribed to it in the Takeovers Code
“Board”	the board of Directors of the Company
“CB Holder(s)”	the holder(s) of the Convertible Bond(s)
“CB Placing”	the placing of the convertible bonds in the aggregate principal amount of HK\$64,500,000 pursuant to the terms and conditions of the CB Placing Agreement
“CB Placing Agreement”	the conditional placing agreement dated 19 September 2023 entered into between the Company as issuer and Silverbricks Securities Company Limited as placing agent
“Closing Date”	the date to be stated in the Offer Document as the first closing date of the Offers or any subsequent closing date as may be announced by the Offeror and approved by the Executive
“Company”	New Sparkle Roll International Group Limited (新耀萊國際集團有限公司), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 970)
“Composite Document”	means, if applicable, the composite document to be jointly issued by the Company and the Offeror to the Independent Shareholders, the Optionholders and the CB Holders in connection with the Offers in accordance with the Takeovers Code
“Concert Party(ies)”	in relation to the Offeror, means party(ies) acting, or presumed to be acting, in concert with the Offeror

“Condition(s)”	means the condition(s) of the Offers, as set out under the section headed “Conditions to the Offers” in the Offeror Announcement
“Convertible Bond Offer”	the voluntary conditional cash offer to be made by Shenwan Hongyuan for and on behalf of the Offeror in compliance with the Takeovers Code to acquire all outstanding Convertible Bonds (other than those already owned or agreed to be acquired by the Offeror or his Concert Parties) in accordance with the terms described in the Offeror Announcement
“Convertible Bonds”	the convertible bonds issued by the Company on 9 February 2021 with an outstanding principal amount of HK\$10,000,000 in aggregate as at the date of this announcement
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“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 Board Committee”	an independent board committee of the Company comprising all non-executive Directors and independent non-executive Directors who have no direct or indirect interest in the Offers other than as holders of the Shares (if any), to be established by the Board to make a recommendation to the Independent Shareholders, the Optionholders and the CB Holders in respect of the Offers

“Independent Financial Advisor”	an independent financial advisor of the Company to be appointed by the Independent Board Committee to advise on the Offers
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror and his Concert Parties
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offers”	collectively, the Share Offer, the Convertible Bond Offer and the Option Offer
“Offer Document”	the document required to be issued by the Offeror to all the Independent Shareholders, the Optionholders and the CB Holders in accordance with the Takeovers Code containing, among other things, details of the Offers and the acceptance and transfer forms in respect of the Offers
“Offer Share(s)”	all the Share(s) in issue, other than those already owned by or to be acquired by the Offeror or his Concert Parties
“Offeror”	Mr. Sze Ching Lau
“Offeror Announcement”	the announcement issued by the Offeror in respect of the Offers on 5 October 2023
“Optionholder(s)”	the holder(s) of the Share Option(s)
“Option Offer”	the voluntary conditional cash offer to be made by Shenwan Hongyuan for and on behalf of the Offeror in accordance with the Takeovers Code to cancel all the outstanding Share Options in exchange for cash in accordance with the terms described in the Offeror Announcement

“Pro Honor”	Pro Honor Investment Limited, a company incorporated in British Virgin Islands with limited liability which is wholly owned by Qiu Peiyuan
“Relevant Authority(ies)”	any government, governmental, quasi-governmental, statutory or regulatory authority, body, agency, tribunal, court or institution
“Response Document”	the circular required to be issued by the Company to the Independent Shareholders, the Optionholders and the CB Holders in accordance with the Takeovers Code, containing, among other things, views of the Board and the Independent Board Committee on the Offers, and the letter of advice from the Independent Financial Advisor in relation to the Offers, which together with the Offer Document will enable the Independent Shareholders, the Optionholders and the CB Holders to reach a properly informed decision
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.032 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Offer”	the voluntary conditional cash offer to be made by Shenwan Hongyuan for and on behalf of the Offeror in accordance with the Takeovers Code to acquire all of the outstanding Offer Shares in accordance with the terms and conditions set out in the Offeror Announcement
“Share Offer Price”	the price at which the Share Offer will be made, being HK\$0.9 per Offer Share

“Share Option(s)”	the share option(s) granted by the Company pursuant to the Share Option Schemes, entitling the Optionholder(s) to subscribe for new Share(s)
“Share Option Schemes”	collectively, the 2012 Share Option Scheme and the 2022 Share Option Scheme
“Shenwan Hongyuan”	Shenwan Hongyuan Capital (H.K.) Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which shall make the Offers for and on behalf of the Offeror, and the financial advisor to the Offeror
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC
“Unconditional Date”	the date on which the Offers become or are declared unconditional in all respects, the latest time on which the Offeror can declare the Offers unconditional as to acceptances is 7:00 p.m. on the 60 th day after the posting of the initial Offer Document (or such later date to which the Executive may consent)
“%”	per cent.

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

Hong Kong, 17 October 2023

As at the date of this announcement, the Company has three executive Directors and four independent non-executive Directors. The executive Directors are Mr. Zheng Hao Jiang, 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 and Mr. Liu Hongqiang.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Offers, the Offeror and his Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. The Directors only take responsibility for the correctness and fairness of the reproduction or presentation of the information relating to the Offers, the Offeror and his Concert Parties and the opinions expressed by the Offeror which are extracted from the Offeror Announcement.

This announcement will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.hk970.com.