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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 the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that based on a preliminary assessment of the financial position of the Group, including additional impairments to be made on goodwill and intellectual properties of the Group's comics and animation business in the second half of the year ended 31 March 2009, it is expected that the final results of the Company for the year ended 31 March 2009 would experience a significant deterioration as compared with the prior financial year and a net loss for the year ended 31 March 2009 is expected.

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

This announcement is made by Sparkle Roll Group Limited (the "Company") pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Reference is made to the profit warning statement issued by the Company on 12 November 2008 in connection with its interim results for the six months ended 30 September 2008. The board (the "Board") of directors (the "Directors") of the Company wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that based on a preliminary assessment of the financial position of the Company and its subsidiaries (collectively the "Group"), it is expected that the final results of the Group for the year ended 31 March 2009 would experience a significant deterioration as compared with the prior financial year. In face of the on-going deteriorating economic conditions around the globe which surfaced in the second half of the year ended 31 March 2009, the Directors, having taken a prudent approach, have considered that additional impairments should be made on certain assets of the Group which are related to goodwill and intellectual properties (including 神兵小將, 飲茶 and 象棋王) of the Group's comics and animation business.

As a result of the expected impairment losses, it is expected that a net loss would be incurred for the year ended 31 March 2009.

The Directors would like to stress that the aforementioned impairment losses are non-cash in nature and do not affect the Group's cashflow condition. Based on the financial information currently available to the Directors, it is expected that the Group would have a net cash inflow during the year ended 31 March 2009. The Group is principally engaged in (i) the publication of comic books and multimedia development and (ii) the dealership of luxury goods in China. As a continuation of the Group's strategy of diversifying its business into the luxury goods market, the Directors will continue to actively identify other luxury brand names particularly in the areas of watch and jewelry and explore potential opportunities. Further announcement(s) may be made by the Company in this respect as and when appropriate in compliance with the Listing Rules.

The Company is still in the process of finalizing the final results for the year ended 31 March 2009. The information contained in this announcement is only a preliminary assessment by the management of the Group and is not based on any figures or information which has been audited or reviewed by the Company's auditors. The Company's final results for the year ended 31 March 2009 is expected to be published before the end of June 2009.

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

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

Hong Kong, 3 April 2009

*As at the date of this announcement, the Company has three executive Directors, one non-executive director and three independent non-executive Directors. The executive Directors are Mr. Tong Kai Lap, Mr. Zheng Hao Jiang, and Mr. Wong Chun Keung. The non-executive director is Mr. Zhao Xiao Dong. The independent non-executive Directors are Mr. Choy Sze Chung, Jojo, Mr. Lam Kwok Cheong and Mr. Lee Kang Bor, Thomas.*

*\* for identification purpose only*