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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)

**VOLUNTARY ANNOUNCEMENT –
(1) FORMATION OF A JOINT VENTURE
FOR CORNELIANI’S PRODUCTS; AND
(2) LICENSE AGREEMENT WITH CORNELIANI**

The Board is pleased to announce that on 16 November 2014, SRXTD entered into a JV Agreement with Beijing ZXCM and Shanghai Quji to establish Fu Sheng for the opening of shops in the PRC pursuant to the License Agreement.

The Board is also pleased to announce that on 28 November 2014, Fu Sheng entered into a License Agreement with Corneliani, pursuant to which Corneliani granted Fu Sheng non-exclusive right to sell clothing articles and other menswear products of Corneliani Brand in shops to be opened in certain cities in the PRC and Macau. The shop in Macau will be operated by another joint venture to be designated by Fu Sheng.

The applicable percentage ratios in respect of the establishment of Fu Sheng are less than 5% under Rule 14.07 of the Listing Rules. The entering into the JV Agreement does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules and this announcement is made voluntarily.

This is a voluntary announcement made by the Company.

JV AGREEMENT

The Board is pleased to announce that SRXTD, a wholly-owned subsidiary of the Company, has entered into a JV Agreement with Beijing ZXCM and Shanghai Quji, pursuant to which Fu Sheng was established, the particulars of which are as follows:

- Date: 16 November 2014
- Parties:
- (1) SRXTD;
 - (2) Beijing ZXCM; and
 - (3) Shanghai Quji

Capital contribution, shareholding and dividend distribution arrangement

The registered capital of Fu Sheng is RMB5.0 million. SRXTD will make capital contribution of RMB2.55 million into Fu Sheng, and each of Beijing ZXCM and Shanghai Quji will make capital contribution of RMB1.225 million into Fu Sheng. Upon completion of the JV Agreement, Fu Sheng will be owned as to 51%, 24.5% and 24.5% by SRXTD, Beijing ZXCM and Shanghai Quji, respectively. As the management of Beijing ZXCM and Shanghai Quji are experienced retailers in the PRC who are able to assist Fu Sheng in looking for better locations for the shops to be opened for the sale of Corneliani Brand products and assist Fu Sheng in negotiating with shopping malls for better lease terms, it is agreed between the parties to the JV Agreement that dividends (if any) will be distributed between SRXTD, Beijing ZXCM and Shanghai Quji in the proportion of 41.0%, 29.5% and 29.5%, respectively.

Proceedings at the shareholders' meeting of Fu Sheng

Resolutions of a shareholders' meeting of Fu Sheng require a simple majority of the members who present at the meeting. If a shareholder or its representatives requests to have the resolution to be decided by poll, the resolution is passed if one or more shareholders, holding more than 50% equity interest in Fu Sheng, vote for the resolution.

Managing director of Fu Sheng

Pursuant to the JV Agreement, Fu Sheng will have no board of directors. But, SRXTD will have a right to appoint a managing director for Fu Sheng.

Business

Fu Sheng will operate shops in the PRC for the sale of Corneliani Brand products and related businesses as authorised and contemplated in the License Agreement.

Listing Rules implication

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Beijing ZXCM and Shanghai Quji and their respective ultimate beneficial owner(s) are all Independent Third Parties of the Company and its connected persons.

As none of the percentage ratios calculated pursuant to the Listing Rules in respect of the transactions contemplated under the JV Agreement exceeds 5%, the entering into of the JV Agreement by SRXTD does not constitute a notifiable transaction for the Company under Rule 14.07 of the Listing Rules.

LICENSE AGREEMENT

The Board is pleased to announce that Fu Sheng has entered into a License Agreement with Corneliani, the particulars of which are as follows:

Date: 28 November 2014

Parties: (1) Fu Sheng; and
(2) Corneliani

Pursuant to the License Agreement, Fu Sheng is granted a non-exclusive right to sell clothing articles and other menswear products of Corneliani Brand in shops to be opened in certain cities in the PRC and Macau, for an initial term of five years commencing from 1 January 2015. The shop in Macau will be operated by another joint venture designated by Fu Sheng. According to the License Agreement, Corneliani will discuss in good faith the possible renewal of the License Agreement for an addition of five years if certain conditions are met.

The locations of the shops to be opened are Beijing, Qingdao, Nanchang, Zhengzhou, Lanzhou, Fuzhou, Dalian and Macau.

Information of Corneliani

Corneliani is a company organized and exists under the laws of Italy, principally engaged in manufactures and markets in the international markets menswear products bearing the Corneliani Brand. As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Corneliani and its ultimate beneficial owner(s) are all Independent Third Parties of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that i) as Corneliani Brand is an international brand of high-end elegant menswear, the cooperation between Fu Sheng and Corneliani will offer existing customers of the Group a wider range of luxury products and facilitate the Group's expansion of its marketing and distribution businesses to more cities in PRC and Macau; and ii) as the management of Beijing ZXCM and Shanghai Quji are experienced retailers in the PRC, the establishment of Fu Sheng will create a strategic relationship between the Group, Beijing ZXCM and Shanghai Quji, all the parties to the JV Agreement, in marketing and distribution of Corneliani Brand products. The Transactions will enhance the Group's competitive advantages in retailing of luxury products in the PRC and ultimately lead to the increase of shareholders' value.

The Directors consider that the terms of the JV Agreement and the License Agreement are on arm's length basis, on normal commercial terms, fair and reasonable, and the Transactions are in the interests of the Company and its shareholders as a whole.

INFORMATION OF THE GROUP

The Group is principally engaged in trading of luxury automobiles, watches, jewellery and fine wines in the PRC.

DEFINITIONS

In this announcement, unless the context other requires, the following terms shall have the following meanings:

“Beijing ZXCM”	Beijing Zhongxuan Changmei Cultural Communication Co., Limited (北京中宣暢美文化傳播有限公司), a company incorporated in the PRC, which is an Independent Third Party of the Company except for its interest in Fu Sheng. Beijing ZXCM is principally engaged in trading and investment holding
“Board”	the board of Directors of the Company
“Company”	Sparkle Roll Group Limited (耀萊集團有限公司*), a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Corneliani”	Corneliani S.p.A., a company organised and exists under the laws of Italy, an Independent Third Party of the Company. Corneliani is principally engaged in manufactures and markets in the international markets menswear products bearing the Corneliani Brand
“Corneliani Brand”	the brand that Corneliani has full ownership, availability and right to use in the PRC
“Directors”	the director(s) of the Company

“Fu Sheng”	Beijing Sparkle Roll Fu Sheng Trading Company Limited* (北京耀萊服盛貿易有限公司), a joint venture established under the laws of the PRC on 18 November 2014 which is owned as to 51% by SRXTD, as to 24.5% by Shanghai Quji and as to 24.5% by Beijing ZXCM. Fu Sheng is principally engaged in operating shops in the PRC for the sale of Corneliani Brand products
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	an individual or a company who is independent of and not connected with (within the meaning of the Listing Rules) any directors, chief executive or substantial shareholders of our Company, our subsidiaries or their respective associates
“JV Agreement”	the joint venture agreement entered into between SRXTD, Beijing ZXCM and Shanghai Quji on 16 November 2014, for the establishment, operation and management of Fu Sheng
“License Agreement”	the license agreement entered into between Fu Sheng and Corneliani dated 28 November 2014
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	The Macau Special Administrative Region of the PRC
“PRC”	The People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

“Shanghai Quji”	Shanghai Quji Trading Company Limited* (上海曲吉商貿有限公司), a company established under the laws of the PRC, which is an Independent Third Party of the Company except for its interest in Fu Sheng. Shanghai Quji is principally engaged in trading and investment holding
“SRXTD”	Sparkle Roll Xin Tian Di Commerce Development Limited* (北京耀萊新天地商業發展有限公司), a company established under the laws of the PRC, which is an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the transactions contemplated by the JV Agreement and the License Agreement

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

Hong Kong, 28 November 2014

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. Zhao Xiao Dong. 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