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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)

POSITIVE PROFIT ALERT

This announcement is made by Sparkle Roll Group Limited (the “Company” together with its subsidiaries, the “Group”) pursuant to the Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Based on preliminary review on the Group’s management accounts, the board of directors of the Company (the “Board”) wishes to inform shareholders of the Company (the “Shareholders”) and potential investors that the Group is expected to record a significant increase in unaudited profit for the six-month period ended 30 September 2011 (the “Interim Period”).

This positive profit alert announcement is only based on the preliminary review on the management accounts of the Group, which has not been confirmed nor audited by the Group’s auditors.

* *for identification purpose only*

The expected significant increase in unaudited profit for the Interim Period as compared to the profit recorded in the corresponding period of last financial year is mainly attributable to the significant increase in segmental turnover of all major business segments of our Group. Besides, the unaudited profit of the Group for the first 6-month period of last financial year ended 30 September 2010 was reduced substantially by non-cash nature expenses including (a) allowance of impairment of trade receivable attributable to comics and animations development segment; (b) amortisation of film rights; (c) equity-settled share option expenses; (d) fair value losses on derivative financial instruments; (e) financial costs relating to effective interest expenses on convertible notes and (f) losses on disposal of subsidiaries. In order to enable Shareholders and potential investors to have a fair assessment on the results of the business operation of the Group, the Board would like to draw the attention of Shareholders and potential investors to the fact that the comics and animations development business of the Group were both disposed of in 2010 and there is no convertible notes issued, redeemed or outstanding for the Interim Period, thus above items (a), (b), (d), (e) and (f) should not appear in the Interim Period.

The interim results of the Group for the six-month period ended 30 September 2011 is expected to be announced on or about 21 November 2011. Shareholders of the Company and potential investors are advised to read the interim results announcement of the Company when it is published.

Shareholders of the Company and public investors are advised to exercise extreme caution when dealing in the shares of the Company.

By order of the Board of
Sparkle Roll Group Limited
Tong Kai Lap
Chairman and Executive Director

Hong Kong, 1 November 2011

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 Kang Bor, Thomas.