Sparkle Roll Group Limited

耀萊集團有限公司 *

(*Incorporated in Bermuda with limited liability*)

(**Stock Code: 970**)

TERMINATION OF THE POSSIBLE NOTIFIABLE AND CONNECTED TRANSACTION REGARDING THE BID ON THE INTEREST

Up to 23 February 2009, the extended deadline of the Proposal, the Consortium has not received any formal notice of acceptance of the Proposal from the provisional liquidator. Accordingly, the Proposal has lapsed and the transactions contemplated under the Proposal will not proceed.

Reference is made to the announcement of Sparkle Roll Group Limited (the "Company", together with it subsidiaries, the "Group") dated 15 January 2009 (the "Announcement"). Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Announcement.

Following the submission of the Proposal on 12 January 2009, the Consortium has extended the deadline of the offer for two weeks from 9 February 2009 to 23 February 2009 for further discussion and consideration by the provisional liquidator. However, up to 23 February 2009, the extended deadline of the Proposal, the Consortium has not received any formal notice of acceptance from the provisional liquidator. Accordingly, the Proposal has lapsed. In view of the above, the Heads of Agreement in respect of the JV Company and the shareholders' agreement amongst the members of the Consortium will be terminated as soon as practicable upon refund of proceeds relating to the JV Company's contribution to the deposit paid when submitting the Proposal (after deducting fees and expenses) from the Consortium. Accordingly, the transactions contemplated under the Proposal will not proceed. As stated in the Announcement, the JV Company will then be dissolved with the remaining assets in the JV Company (after deducting expenses) returned to SR Watch & Jewelry and SR Holdings according to the proportion of their contributions.

The Directors would continue to actively identify potential business opportunities which are in line with the Group's strategy of diversifying its business into the luxury goods market particularly in the areas of watch and jewelry. The Directors consider that the termination of bid of the Interest will not have any material adverse effect on the Group's operations and financial position.

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

Hong Kong, 27 February 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*