

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.

REXLot Holdings Limited

御泰中彩控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 555)

PROFIT WARNING AND INSIDE INFORMATION

This announcement is made by REXLot Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

IMPAIRMENT LOSS OF GOODWILL AND INTANGIBLE ASSETS

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2014, it is expected that the Group may record a decrease in net profit for the year ended 31 December 2014 as compared to the net profit of the Group for the year ended 31 December 2013. The decrease in net profit of the Group is primarily attributable to the impairment loss of goodwill and intangible assets, which relate to the Group’s operating unit engaged in the internet lottery distribution services in China. The goodwill and intangible assets of this operating unit as at 31 December 2013 were approximately HK\$726,530,000 and HK\$143,169,000 respectively.

Pursuant to the “Circular on Self-examination and Self-correction on Unauthorized Lottery Sale on the Internet 《關於開展擅自利用互聯網銷售彩票行為自查自糾工作有關問題的通知》” (the “Circular”) jointly issued by the Ministry of Finance and the Ministry of Civil Affairs and General Administration of Sport of China in January 2015, a self-inspection program was carried out by provincial lottery centers in China. As a result, the Group’s internet based lottery

distribution unit has temporarily suspended its internet lottery distribution services effective from March 2015 (the “Suspension”). It is uncertain when the operation of the Group’s internet based lottery distribution unit will resume. However, the Suspension does not affect the distribution of lottery tickets through any other distribution channels within the Group. The Group is closely monitoring the development in relation to the Suspension and will disclose relevant information as and when appropriate.

Due to the above reason, the Directors consider that it is necessary to evaluate the goodwill and intangible assets in relation to operating unit of the internet lottery distribution and the Board has resolved to make provision for impairment loss of goodwill and intangible assets for the year ended 31 December 2014.

DECONSOLIDATION OF A SUBSIDIARY

Having regard to the recent developments affecting the lottery market and the internet lottery distribution in China, including the issuance of the Circular and the Suspension, the Board decided that it is appropriate at this time to assess the Group’s control over one of its indirectly non-wholly owned subsidiaries that was established in the People’s Republic of China in September 2013 (the “PRC Company”). The PRC Company is principally engaged in the provision of internet lottery distribution services in China.

The management is of the view that in practice, the Group no longer has the ability to unilaterally direct the relevant activities of the PRC Company. Hence, the Board has resolved to deconsolidate the PRC Company and treat it as a long term investment of the Group.

The PRC Company will be reclassified as an available-for-sales financial asset in the Group’s consolidated management accounts from 1 January 2014 onwards. The Company has considered the adjustment that would have been made to the Group’s consolidated management accounts for the year ended 31 December 2013, and concluded that the financial effect of those adjustments would be immaterial. The Board has therefore resolved to reclassify the PRC Company as an available-for-sales financial asset from 1 January 2014 onwards rather than to make corresponding adjustments.

The PRC Company remains a long term investment of the Group.

The Company is still in the process of finalizing the annual results of the Group for the year ended 31 December 2014. Information contained in this announcement is only based on the Board’s preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2014, which have not yet been audited and confirmed by the

Company's auditor. Shareholders and potential investors are advised to read carefully the results announcement of the Company for the year ended 31 December 2014, which is expected to be published on 31 March 2015.

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

By Order of the Board

Ng Yuen Yee

Company Secretary

Hong Kong, 28 March 2015

As at the date of this announcement, the Board comprises two executive directors namely Mr. Chan How Chung, Victor and Mr. Boo Chun Lon and three independent non-executive directors namely Mr. Yuen Wai Ho, Mr. Chow Siu Ngor and Mr. Lee Ka Lun.