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## **REXCAPITAL Financial Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 555)**

### **GENERAL DISCLOSURE UNDER RULE 13.09(1) OF THE LISTING RULES**

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules in respect of the entering into a framework contract by REXCAPITAL Financial Holdings Limited to form a strategic alliance with Scientific Games Corporation to expand the Group's lottery related business in China.

This announcement is made 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**").

#### **THE AGREEMENT**

The board of directors (the "**Board**") of REXCAPITAL Financial Holdings Limited (the "**Company**") is pleased to announce that the Company has entered into a framework contract (the "**Agreement**") on 19 February 2008 with Scientific Games Corporation ("**Scientific Games**") to form a strategic alliance for the joint development of lottery related business in China. The scope of the strategic alliance includes the development and production of lottery hardware and software, design of new games, construction of sales network, formation of service team for lottery products and lottery product distribution and marketing. Such potential business opportunities are intended to include all lottery related business opportunities in China which are legal and not subject to other applicable judicial, policy, customer or third party limitations, unless they have already been the subject of an existing relationship or commitment to a third party or they are the results of a direct solicitation of one of the parties by a third party, or that lottery authorities require be undertaken with designated entities. Subject to the above limitations, it is intended that each party will have the first right to be a joint venture partner with the other party to jointly develop such opportunities.

The Company and its subsidiaries (the “**Group**”) are principally engaged in the provision of lottery related system, machines and services to the Chinese lottery market.

Scientific Games is a company incorporated in the State of Delaware, the United States, whose shares are listed on the NASDAQ. It is an integrated supplier of instant tickets, systems and services to lotteries worldwide.

By an agreement for sale and purchase of shares of Happy Sun Technologies Ltd. (“**Happy Sun**”) dated 18 July 2007 entered into between, among others, the Company and Scientific Games, each of the Company and Scientific Games is indirectly interested in 50% of the issued capital in Happy Sun. Happy Sun is indirectly interested in the entire registered capital of Beijing Guard Libang Technology Co. Ltd., which is principally engaged in the provision of systems and verification technology for instant lottery games (Scratch Cards) in China. Details of such transaction are set out in the Company’s circular dated 15 August 2007.

By entering into the Agreement, the parties intend to form an extensive and comprehensive strategic alliance in China, in which the parties shall explore and jointly develop new business opportunities and deploy their respective technology and operational expertise and experience, in order to provide top quality services in the lottery related industry. The directors of the Company believe that the formation of the strategic alliance with Scientific Games under the Agreement provides a good opportunity for the Group to further expand its business in the provision of lottery related machinery, system and its capabilities in the distribution of lottery products in China.

The entering into of the Agreement by the Company does not constitute a notifiable transaction for the Company under the Listing Rules. **The extent to which the cooperation contemplated under the Agreement can be realized is uncertain. Shareholders of the Company and investors are advised to exercise caution when dealing with the shares of the Company.**

By Order of the Board  
**Chan How Chung, Victor**  
*Executive Director*

Hong Kong, 19 February 2008

*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.*