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眾彩科技股份有限公司*
CHINA VANGUARD GROUP LTD.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8156)

POSITIVE PROFIT ALERT

The Board wish to inform the shareholders and the potential investors of the Company that, based on the preliminary assessments of the unaudited consolidated profit and loss account of the Group for the Financial Period and other information currently available, the Group is expected to record a significant increase in unaudited consolidated net profit for the Financial Period as compared to the Previous Financial Period and a turnaround as compared to the Previous Financial Year.

This positive profit alert announcement is only based on the preliminary assessment by the Board in accordance with the information currently available, and is not based on any figures or information audited by the Company's auditors.

This announcement is made by China Vanguard Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary results of the unaudited consolidated profit and loss account of the Group for the three months ended 30 September 2010 (the “**Financial Period**”) and other information currently available, it is expected that the Group will record a significant increase in unaudited consolidated net profit for the Financial Period as compared to the three months ended 30 September 2009 (the “**Previous Financial Period**”) and a turnaround as compared to the financial year ended 30 June 2010 (the “**Previous Financial Year**”). The expected increase is attributable to (1) the recognition of the gain on previous disposals of the Group's equity interest in Aptus Holding Limited (“**Aptus**”) and (2) the revenue and net profit generated by our lottery-related operations for the Financial Period being approximately doubled as compared to the Previous Financial Period. On 17 September 2010 the Company announced that it was seeking shareholders' approval in advance to dispose of up to 420,596,428 shares of Aptus (the “**Disposal Mandate**” and “**Disposal Shares**” respectively), representing the entire remaining equity interest of the Group

in Aptus, from the period starting 17 September 2010 to 16 September 2011, and that Aptus has ceased to be a subsidiary of the Company with effect on 17 September 2010. As a result of the Disposal Mandate and in accordance to HKAS 27 (Revised), the Group will record the gain on previous disposals of Aptus for the Financial Period. For further details on the Disposal Mandate, please refer to the announcement issued by the Company on 17 September 2010.

This positive profit alert announcement is only based on the preliminary assessment by the Board in accordance with the information currently available, and is not based on any figures or information audited by the Company's auditors. The actual unaudited consolidated financial results of the Group for the Financial Period have not yet been finalized as at the date of this announcement.

The results announcement of the Group for the Financial Period is expected to be released on or before 10 November 2010.

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

By Order of the Board
China Vanguard Group Limited
眾彩科技股份有限公司*
CHAN Siu Sarah
Director

Hong Kong, 20 October 2010

As at the date of this announcement, the board of directors of the Company comprises five executive directors, being Madam Cheung Kwai Lan, Mr. Chan Tung Mei, Mr. Chan Ting, Ms. Chan Siu Sarah and Mr. Lau Hin Kun; and three independent non-executive directors, being Mr. Tian He Nian, Mr. Zhang Xiu Fu and Mr. To Yan Ming Edmond.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its posting and on the website of the Company at www.cvg.com.hk.

* For identification purposes only