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China LotSynergy Holdings Limited

華彩控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1371)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement published by China LotSynergy Holdings Limited (the "Company") dated 7 June 2015.

The Board of Directors of the Company (the "Board") wishes to clarify that on 5 June 2015, the Company received a letter (the "Letter") from Beijing China Lottery Online Technology Company Limited ("CLO") regarding a supply contract dated 29 June 2005 between Dongguan Tianyi Electronics Company Limited ("Tianyi", a subsidiary of the Company) and CLO (the "Supply Contract") for video lottery terminals ("VLT"). In the Letter, CLO stated, among other things, (i) it decided to self-manufacture a new generation of VLT, and (ii) it would cease its cooperation with the Company after the expiry of the Supply Contract on 29 June 2015. Details of the Supply Contract, including being for a term of 10 years, were disclosed in the circular of the Company dated 1 March 2006.

The VLT under the Supply Contract are provided to China Welfare Lottery's "中福在線/VLT" lottery type. China Welfare Lottery Issuance and Administration Centre (中國福利彩票發行管理中心, "China Welfare Lottery Centre") is the issuance and management authority for this lottery type. After receipt of the Letter from CLO, the Company promptly made an enquiry with the relevant persons in charge at China Welfare Lottery Centre and CLO. The relevant persons in charge have expressed that they were not aware of nor did they agree to the issuance of the Letter by CLO to Tianyi.

Article 13 of the Regulation on Administration of Lotteries (彩票管理條例) states that lottery issuing organisations and lottery sales organisations shall procure standard lottery equipment and technical services in accordance with applicable laws and administrative regulations of the People's Republic of China on government procurement. The Company is of the view that (i) according to the above-mentioned Article 13 and other regulations, after the expiry of the Supply Contract, the purchaser of the VLT shall be China Welfare Lottery Centre, and (ii) in order to obtain betting terminal supplier qualification, every company is, without exception, subject to government procurement procedures. As of the date of this announcement, China Welfare Lottery Centre has not yet commenced the procurement process. As the exclusive terminal provider of China Welfare Lottery's "中福在線/VLT" lottery type for 10 years, Tianyi has the largest and most professional dedicated VLT equipment manufacturing capability in China, and possesses the most comprehensive technology and experience in VLT equipment design, development, testing and manufacturing quality control in China. Tianyi is now actively preparing to secure new contracts for the supply of VLT under the government procurement process.

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

By order of the Board
China LotSynergy Holdings Limited
LAU Ting
Chairperson of the Board

Hong Kong, 17 June 2015

As at the date of this announcement, the Board comprises Ms. LAU Ting, Mr. WU Jingwei, Ms. CHAN Tan Na, Donna and Mr. LI Zi Kui as Executive Directors; Mr. HOONG Cheong Thard as a Non-Executive Director; and Mr. HUANG Shenglan, Mr. CHAN Ming Fai and Mr. CUI Shuming as Independent Non-Executive Directors.

** For identification purposes only*