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China LotSynergy Holdings Limited

華彩控股有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock code: 8161)

ANNOUNCEMENT

AGREEMENT WITH EGC TO FORM JOINT VENTURE

The Board is pleased to announce that CLS Investment has entered into an agreement to form joint venture with EGC whereby the Parties will cooperate exclusively to develop the business for marketing and sales of electronic game cards in the lottery market in China.

The Agreement does not constitute a notifiable transaction for the Company pursuant to the GEM Listing Rules and this announcement is made voluntarily pursuant to rule 17.10 of the GEM Listing Rules.

The board of directors (the “Board”) of China LotSynergy Holdings Limited (the “Company”) is pleased to announce that, on 13 October 2009, China LotSynergy Investment Limited (“CLS Investment”), the Company’s wholly-owned subsidiary, has entered into an agreement to form joint venture (the “Agreement”) with Electronic Game Card, Inc. (“EGC”). Pursuant to the Agreement, CLS Investment and EGC (the “Parties”) will cooperate to develop the business for marketing and sales of electronic game cards (the “Business”) in mainland China. The Agreement has been effective from the date of its execution, and shall expire on 10 June 2012 or upon the execution by the Parties of a joint venture agreement (whichever is earlier). For a period from the date of execution of the Agreement, the Business will be conducted in the form of exclusive cooperation. In the meantime, the Parties intend to form a joint venture (the “JV”) and will commence negotiation thereon. In the case where the JV has been established, the Parties will grant the exclusive right to the JV to conduct the Business in mainland China while the JV continues in existence.

According to the information provided by EGC, EGC, a company listed in the United States, is in the business of developing, marketing and selling innovative games. Its lead product is the EGC Electronic GameCard, a unique credit card-sized pocket game. EGC owns the patents of EGC Electronic GameCard and related game library. Its products are applied widely in the lottery, gaming and promotional industry worldwide.

The Agreement does not constitute a notifiable transaction for the Company pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and this announcement is made voluntarily pursuant to rule 17.10 of the GEM Listing Rules.

By order of the Board
China LotSynergy Holdings Limited
Yuen Wing Kwan, Annie
Company Secretary

Hong Kong, 13 October 2009

As at the date of this announcement, the Board comprises Ms. Lau Ting, Mr. Chan Shing, Mr. Wu Jingwei and Mr. Liao Yuang-whang as Executive Directors, Mr. Hoong Cheong Thard and Mr. Paulus Johannes Cornelis Aloysius Karskens as Non-Executive Directors, and Mr. Huang Shenglan, Mr. Chan Ming Fai and Mr. Cui Shuming as Independent Non-Executive Directors.

This announcement, for which the Directors 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, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:— 1. the information contained in this announcement is accurate and complete in all material respects and not misleading; 2. there are no other matters the omission of which would make any statement in this announcement misleading; and 3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.”

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting.

** For identification purposes only*