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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

AUTHORIZED TO ENGAGE IN THE SALES OF WELFARE LOTTERIES VIA PHONE IN CHONGQING

The Board is pleased to announce that Huacai Yingtong was successfully authorized to engage in the sales of welfare lotteries via information terminal and phone betting in Chongqing, China.

This announcement is made 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 16 November 2009, Beijing Huacai Yingtong Technology Company Limited (北京華彩贏通科技有限公司) (“Huacai Yingtong”), a wholly-owned subsidiary of the Company, and Chongqing Municipal Welfare Lottery Issuance Center (“Chongqing WLIC”) (重慶市福利彩票發行中心) (collectively the “Parties”) entered into two agreements, namely “Cooperation agreement on the investment in and operation of the Chongqing Welfare Lottery information terminal system” (the “Information Terminal Cooperation Agreement”) and “Cooperation Agreement on the promotion of Chongqing Welfare Lottery phone betting” (the “Phone Betting Cooperation Agreement”). Chongqing WLIC is the sole issuance and sales administration authority for welfare lottery in Chongqing, China.

Pursuant to the Information Terminal Cooperation Agreement, Huacai Yingtong has been authorized by Chongqing WLIC to exclusively develop the business of sales of lotteries via information terminals in all administrative regions of Chongqing, and the Parties will cooperate in this business. Huacai Yingtong will be responsible for the development of the information terminal system, market development, provision of equipment, as well as operation and management. The term of cooperation between the Parties shall be over five

years (commencing on the date of the Information Terminal Cooperation Agreement and ending on 30 December 2014).

Pursuant to the Phone Betting Cooperation Agreement, the Parties will cooperate exclusively in the project of developing the business of purchase of lotteries via fixed-line telephone and mobile phone. Chongqing WLIC has authorized Huacai Yingtong as the service and system provider of the paperless lottery sales, and has also engaged Huacai Yingtong to undertake system design, marketing, operation and customer service, and so on. The term of cooperation shall be five years from the date of the Phone Betting Cooperation Agreement.

Chongqing is one of the four municipalities in China (the other three are Beijing, Shanghai and Tianjin), with a population of over 30 million. Chongqing is the leading city in economic growth in Western China.

This announcement is made 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 Agreements do not constitute notifiable transaction of the Company pursuant to Chapter 19 or 20 of the GEM Listing Rules.

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

Hong Kong, 16 November 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.”

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