

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



China LotSynergy Holdings Limited
華彩控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock code: 8161)

**CHANGES OF DIRECTORS,
COMPLIANCE OFFICER
AND
AUTHORISED REPRESENTATIVE**

The Board is pleased to announce the following changes of Directors, Compliance Officer and Authorised Representative with effect from 16 July 2007:

- (1) Mr. CHAN Shing is appointed as the Chairman and an Executive Director of the Company;
- (2) Ms. LAU Ting is re-designated from the Chairman and an Executive Director of the Company to the Deputy Chairman and an Executive Director of the Company;
- (3) Mr. HOONG Cheong Thard is re-designated from a Deputy Chairman, an Executive Director and the Chief Executive Officer of the Company to an Executive Director and the Chief Executive Officer of the Company, and is appointed as the Compliance Officer and an Authorised Representative of the Company;
- (4) Mr. WU Jingwei is appointed as an Executive Director and the Deputy Chief Executive Officer of the Company;
- (5) Mr. SUN Ho is re-designated from a Deputy Chairman and an Executive Director of the Company to a Non-Executive Director of the Company;
- (6) Mr. Paulus Johannes Cornelis Aloysius KARSKENS is appointed as a Non-Executive Director of the Company;
- (7) Mr. CHEN Aizheng resigned as an Executive Director of the Company and Mr. NG Man Fai, Matthew resigned as an Executive Director, the Compliance Officer and an Authorised Representative of the Company.

APPOINTMENTS AND RE-DESIGNATIONS OF DIRECTORS

The board of Directors (the “Board”) of China LotSynergy Holdings Limited (the “Company”) is pleased to announce the following appointments and re-designations of Directors with effect from 16 July 2007:

- (1) Mr. CHAN Shing is appointed as the Chairman and an Executive Director of the Company;
- (2) Ms. LAU Ting is re-designated from the Chairman and an Executive Director of the Company to the Deputy Chairman and an Executive Director of the Company;
- (3) Mr. HOONG Cheong Thard is re-designated from a Deputy Chairman, an Executive Director and the Chief Executive Officer of the Company to an Executive Director and the Chief Executive Officer of the Company;
- (4) Mr. WU Jingwei is appointed as an Executive Director and the Deputy Chief Executive Officer of the Company;
- (5) Mr. SUN Ho is re-designated from a Deputy Chairman and an Executive Director of the Company to a Non-Executive Director of the Company;
- (6) Mr. Paulus Johannes Cornelis Aloysius KARSKENS is appointed as a Non-Executive Director of the Company.

Biographical details of the newly appointed Directors and the re-designated Director are as follows:

Mr. CHAN Shing, aged 51, is appointed as the Chairman and an Executive Director of the Company. Mr. Chan is the Chairman and the Managing Director of Burwill Holdings Limited (“BHL”), a substantial shareholder of the Company. BHL is a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and Singapore Exchange Securities Trading Limited. Mr. Chan is one of the founders of the Group and is also the key leader in the successful business transformation of the Group to the lottery business. Mr. Chan is also a director of Corich International Limited, Dongguan Corich Electronics Co., Ltd. and ChinaSteel.com Corporation Limited (in the members’ voluntary winding-up), all are subsidiaries of the Company. Mr. Chan has over 18 years of experience in corporate planning and management and Mr. Chan shall use his extensive resources and in-depth knowledge of the PRC market in the formulation and implementation of the Group’s overall strategies for development. Save as disclosed above, Mr. Chan did not hold any directorships in any other listed public companies in the last three years.

Save that Mr. Chan is the spouse of Ms. Lau Ting, the Deputy Chairman and an Executive Director of the Company, and the elder brother of Mr. Chen Aizheng, a senior management of the Company, Mr. Chan does not have any relationship with any other Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company. As at the date of this announcement, Mr. Chan has a personal interest, family interest and corporate interest of 72,951,773 shares, 52,288,803 shares and 407,404,308 shares of the Company respectively within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). Mr. Chan is also interested in options to subscribe for 1,600,000 shares of the Company and his spouse, Ms. Lau Ting, is interested in options to subscribe for

1,600,000 shares of the Company. Mr. Chan has entered into a service contract with the Company on 16 July 2007 with an initial term of three years. Mr. Chan is currently entitled to an annual emolument of HK\$4,940,000 under his service contract with the Company. This excluded bonus which is payable or other benefits which may be granted at the discretion of the Company. The emoluments of the Directors of the Company are determined with reference to that director's responsibilities, abilities and performance, the Company's operations, as well as remuneration benchmark in the industry and prevailing market conditions.

BHL made a share repurchase on 4 April 2001, the number of repurchased shares exceeded 25% of the total number of shares which were traded on the Stock Exchange in the preceding calendar month and the share repurchase was made during the period of one month immediately preceding the preliminary announcement of BHL's annual results for the year 2000, which were published on 18 April 2001. On 10 April 2004, the Listing Committee of the Stock Exchange criticised BHL, in relation to the share repurchase by BHL and the publication of a standard statement on the unusual movements in the price and volume of the shares in response to the Stock Exchange's enquiry, for breaches of the then relevant listing rules and the obligations under paragraph 39 of the Listing Agreement, and also criticised certain present and past Directors of BHL, including Mr. Chan Shing, for breach of their respective Declarations and Undertakings with regard to Directors.

Mr. WU Jingwei, aged 36, is appointed as an Executive Director and the Deputy Chief Executive Officer of the Company. Mr. Wu is also a director of Dongguan Corich Electronics Co., Ltd., 海南天意日盛電子設備租賃有限公司, 華彩世紀科技發展(北京)有限公司 and 華彩之家科技發展(北京)有限公司, all are subsidiaries of the Company. He participates in the formulation and implementation of the development strategies for the research and development of products and technology, and oversees the day-to-day operations of the Group's business in the Mainland China. Mr. Wu has over 12 years of experience in information technology and has extensive experience in consumer electronics market in China. Prior to joining the Group, Mr. Wu was the General Manager of Hisense Cyber Product Limited, responsible for China business. He had also held senior position in Founder Technology Group Corp., responsible for the consumer product business and the overall products development in China market. Mr. Wu holds a bachelor's degree in Mechanical Engineering from Beijing Technology and Business University. Mr. Wu did not hold any directorships in any other listed public companies in the last three years.

Mr. Wu does not have any relationship with any other Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company. As at the date of this Announcement, Mr. Wu is interested in options to subscribe for 4,800,000 shares of the Company within the meaning of Part XV of the SFO. Mr. Wu has entered into a service contract with the Company on 16 July 2007 for an initial term of three years. Mr. Wu is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Mr. Wu is currently entitled to an annual emolument of HK\$1,560,000 under his service contract with the Company. This excluded bonus which is payable or other benefits which may be granted at the discretion of the Company. The emoluments of the Directors of the Company are determined with reference to that director's responsibilities, abilities and performance, the Company's operations, as well as remuneration benchmark in the industry and prevailing market conditions.

Mr. Paulus Johannes Cornelis Aloysius KARSKENS, aged 54, is appointed as a Non-Executive Director of the Company. Mr. Karskens is the President of the International Division of IGT, a subsidiary of International Game Technology (NYSE: IGT), a company incorporated in the State of Nevada and listed on the New York Stock Exchange. IGT is a global company specialising in the design, development, manufacturing, distribution and sale of games, platforms and systems to many jurisdictions with legalized gaming around the world. Mr. Karskens has been with IGT since November 1993. He has been the President of IGT International since December 2000, and has successfully assisted in the expansion of international business of IGT, bringing IGT to a leading position in the global gaming industry in the supplies of systems, games and terminals. Mr. Karskens had previously been the Senior Vice President of IGT operations in the United Kingdom, Europe and South-Africa. Mr. Karskens had also held various management positions in several computer system related companies in Europe for over 20 years. Mr. Karskens received a doctorandus degree in Economics from Free University of Amsterdam. Mr. Karskens did not hold any directorships in any other listed public companies in the last three years.

Mr. Karskens does not have any relationship with any other Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company. As at the date of this announcement, Mr. Karskens does not have any interests in shares of the Company within the meaning of Part XV of the SFO. There is no service contract between Mr. Karskens and the Company but he shall be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Mr. Karskens shall be entitled to a director fee of HK\$240,000 per annum which will be reviewed on annual basis with reference to the director's responsibilities, experience and performance, the Company's operations, as well as remuneration benchmark in the industry and prevailing market conditions.

Mr. SUN Ho, aged 38, is re-designated as a Non-Executive Director of the Company. Mr. Sun was the Chief Executive Officer of the Company from 1 August 2005 to 13 March 2007 and was a Deputy Chairman and an Executive Director of the Company from 3 October 2005 to 15 July 2007. Mr. Sun holds a bachelor's degree in Economics from the University of Sydney in Australia and a master's degree in Corporate Finance from the Hong Kong Polytechnic University, and is a member of the Australian Society of Certified Practising Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Sun was an Executive Director of BHL during the period from May 2001 to July 2005, and he is currently the Chairman and an Executive Director of AGTech Holdings Limited, a public company listed on the Growth Enterprise Market of the Stock Exchange. Save as disclosed above, Mr. Sun did not hold any directorships in any other listed public companies in the last three years.

Mr. Sun does not have any relationship with any other Director, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company. As at the date of this Announcement, Mr. Sun has a personal interest and a family interest of 3,070,000 shares and 30,000 shares respectively in the Company and is interested in options to subscribe for 17,600,000 shares of the Company, within the meaning of Part XV of the SFO. Following the re-designation to a Non-Executive Director of the Company, there is no service contract between Mr. Sun and the Company, but he shall be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. Mr. Sun shall be entitled to a director fee of HK\$1,120,000 per annum which will be reviewed on annual basis with reference to the director's responsibilities, experience and performance, the Company's operations, as well as remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, there is no other information which is discloseable nor are/were Mr. Chan Shing, Mr. Wu Jingwei, Mr. Paulus Johannes Cornelis Aloysius Karskens and Mr. Sun Ho involved in any matters required to be disclosed pursuant to the requirements under Rule 17.50(2)(h) to Rule 17.50(2)(v) of the Rules Governing the Listing of Securities on The Growth Enterprise Market of the Stock Exchange and there is no other matters that need to be brought to the attention of the shareholders of the Company regarding the aforesaid appointments and re-designation.

RESIGNATIONS OF DIRECTORS AND CHANGES OF COMPLIANCE OFFICER AND AUTHORISED REPRESENTATIVE

The Board also announces that with effect from 16 July 2007, due to the restructuring of the Board, Mr. CHEN Aizheng resigned as an Executive Director of the Company and Mr. NG Man Fai, Matthew resigned as an Executive Director, the Compliance Officer and an Authorised Representative of the Company; and Mr. HOONG Cheong Thard is appointed as the Compliance Officer and an Authorised Representative of the Company.

Mr. Chen Aizheng remains as the Chief Representative of the Beijing Representative Office of the Company and Mr. Ng Man Fai, Matthew remains as the Financial Controller of the Company.

Mr. Ng and Mr. Chen have confirmed respectively that they have no disagreement with the Board and there are no other matters that need to be brought to the attention of the shareholders of the Company in relation to their resignations.

The Board takes this opportunity to welcome Mr. Chan Shing, Mr. Wu Jingwei and Mr. Paulus Johannes Cornelis Aloysius Karskens for joining the Board and would like to express its gratitude to Mr. Chen Aizheng and Mr. Ng Man Fai, Matthew for their valuable efforts and contributions to the Company during their tenure of office as Directors of the Company.

As at the date of this announcement, the Board of the Company comprises Mr. Chan Shing, Ms. Lau Ting, Mr. Hoong Cheong Thard, Mr. Wu Jingwei and Mr. Wang Taoguang as Executive Directors; Mr. Sun Ho and Mr. Paulus Johannes Cornelis Aloysius Karskens as Non-Executive Directors; and Mr. Huang Shenglan, Mr. Chan Ming Fai and Mr. Li Xiaojun as Independent Non-Executive Directors.

By order of the Board
China LotSynergy Holdings Limited
Ng Lai Ping, Grace
Company Secretary

Hong Kong, 16 July 2007

This announcement, for which the directors (the “Directors”) of China LotSynergy Holdings Limited (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, 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.