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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)

CHANGE OF BOARD LOT SIZE

This circular 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.

28 October 2005

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

LETTER FROM THE BOARD



China LotSynergy Holdings Limited

華彩控股有限公司

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(Stock code: 8161)

Executive Directors:

LAU Ting (*Chairman*)

SUN Ho (*Deputy Chairman and Chief Executive Officer*)

CHEN Aizheng

NG Man Fai, Matthew

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Independent Non-Executive Directors:

KING Roger

HUANG Shenglan

LI Xiaojun

Head office and

principal place of business:

Unit 3206, Office Tower

Convention Plaza

1 Harbour Road

Wanchai

Hong Kong

28 October 2005

To the Shareholders

Dear Sir or Madam,

CHANGE OF BOARD LOT SIZE

INTRODUCTION

On 25 October 2005, the board of directors (the "Board") of China LotSynergy Holdings Limited (the "Company") announced, among others, that the board lot size for trading in the ordinary shares (the "Shares") of HK\$0.01 each in the issued capital of the Company on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") will be changed from 10,000 Shares to 2,000 Shares with effect from 15 November 2005 (the "Announcement").

CHANGE OF BOARD LOT SIZE

Based on the closing price of HK\$2.65 per Share on 25 October 2005, being the date of the Announcement, and the existing board lot size of 10,000 Shares, the prevailing board lot value was HK\$26,500. On the basis of the aforesaid closing price and the new board lot size of 2,000 Shares, the new board lot value would be HK\$5,300. The change in board lot size will reduce the board lot value which could improve the liquidity of the Shares and broaden the shareholder base of the Company. The change of board lot size will not result in any change of the relative rights of the shareholders of the Company (the "Shareholders").

LETTER FROM THE BOARD

EXPECTED TIMETABLE

2005

First day of free exchange of existing share certificates (orange in colour) for new share certificates (green in colour) in board lots of 2,000 Shares	1 November
Effective date for change in board lot size from 10,000 Shares to 2,000 Shares	15 November
Parallel trading in board lot of 2,000 Shares in the original counter and in board lot of 10,000 Shares in temporary counter commences	9:30 a.m. on 15 November
Temporary counter for trading in board lot of 10,000 Shares closes	4:00 p.m. on 6 December
Parallel trading in board lot of 2,000 Shares in the original counter and in board lot of 10,000 Shares in temporary counter ends	4:00 p.m. on 6 December
Latest time for free exchange of existing share certificates for new share certificates in board lots of 2,000 Shares	13 December

FREE EXCHANGE OF SHARE CERTIFICATES

The Shareholders may submit their share certificates in board lots of 10,000 Shares (orange in colour) to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shop Nos. 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in exchange for new share certificates in board lots of 2,000 Shares (green in colour) free of charge between 9:00 a.m. and 4:00 p.m. on any business day from 1 November 2005 to 13 December 2005 (both days inclusive). After 13 December 2005, the exchange of existing share certificates for new share certificates will be made at a cost of HK\$2.5 for each share certificate.

Yours faithfully,
For and on behalf of the Board
China LotSynergy Holdings Limited
LAU Ting
Chairman