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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

The Board has noted the recent decrease in the trading price and increase in trading volume of the shares of the Company and wishes to state that, save for the Share Repurchase and the Acquisition as disclosed herein, the Board is not aware of any reasons for such movements.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited.

The board of directors (the "Board") of China LotSynergy Holdings Limited (the "Company") has noted the recent decrease in the trading price and increase in trading volume of the shares of the Company and wishes to state that the Board is not aware of any reasons for such movements save as disclosed below.

On 16 February 2006, the Company repurchased 210,000 of its own shares, being approximately 0.99 per cent. of the trading volume of the day, at the highest and lowest prices per share of HK\$2.50 and HK\$2.475 respectively (the "Share Repurchase"). The Share Repurchase has been funded from internal resources of the Company. The aggregate consideration for the Share Repurchase is HK\$522,250.

The 210,000 repurchased shares represent approximately 0.013% of the existing issued share capital of the Company. After the Share Repurchase, the total number of issued shares of the Company will be reduced to 1,601,952,000 shares. Pursuant to the repurchase mandate granted to the Board at the annual general meeting of the Company held on 29 September 2005, the Company has, up to the date of this announcement, repurchased a total of 8,168,000 of its own shares since 7 February 2006, representing approximately 0.571% of the issued share capital of the Company on 29 September 2005.

The Company has also been notified by Ms. Lau Ting ("Ms. Lau"), a substantial shareholder and a Director of the Company, that on 16 February 2006, she has acquired 1,000,000 shares of the Company at the highest and average prices per share of HK\$2.375 and HK\$2.36 respectively (the "Acquisition"). Prior to the Acquisition, Ms. Lau, through her personal interest, family interest and corporate interest, was interested or deemed to be interested in 528,986,884 shares, representing approximately 33.02% of the existing issued share capital of the Company. After the Acquisition, Ms. Lau, through her personal interest, family interest and corporate interest, is interested or deemed to be interested in 529,986,884 shares, representing approximately 33.08% of the existing issued share capital of the Company.

Save for the above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 and 20 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”), neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which collectively and individually accept responsibility for the accuracy of this announcement.

As at the date of this announcement, the Board of the Company comprises Ms. Lau Ting, Mr. Sun Ho, Mr. Chen Aizheng and Mr. Ng Man Fai, Matthew as Executive Directors and Mr. King Roger, Mr. Huang Shenglan 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 February 2006

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.

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