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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

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”) and at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

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 herein and in the announcements of the Company dated 7 February 2006, 14 February 2006 and 16 February 2006 regarding the repurchase of shares and the announcement of the Company dated 16 February 2006 regarding the acquisition of further shares by Ms. Lau Ting, a substantial shareholder and a Director of the Company.

The Company has received certain enquiries from the investors to enquire about the progress on the proposed acquisition and the acquisition as announced by the Company on 11 January 2006 and 13 January 2006 respectively. The Board wishes to state that for the proposed acquisition of interest in Octavian International Limited, an international provider of networked gaming systems and software solutions, as announced by the Company on 11 January 2006, the project is progressing in accordance with the heads of agreement. The parties are having on-going discussions on the terms of the transaction and the due diligence work on the proposed acquisition is underway.

For the major transaction for subscription of interest in Corich International Limited (“Corich”), a contracted provider of video lottery terminals in the People’s Republic of China, as announced by the Company on 13 January 2006, the parties are pursuing and carrying out the agreement in accordance therewith. Further to the announcement of the Company dated 3 February 2006 regarding the delay in despatch of circular, the reporting accountant appointed to prepare the financial information of the Group and the Corich Group has completed the audit of the financial statements of the Corich Group on 10 February 2006. The first advanced draft circular of the major transaction has been submitted to the Stock Exchange on 13 February 2006 for vetting.

The Board is not aware of any matters which may have material adverse effect to the business of the Group. The above acquisitions have been progressing satisfactorily. The Board has full confidence in the future prospects of the Group’s businesses.

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 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, 17 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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