

*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)**

## **ANNOUNCEMENT**

The Board hereby announces that on 17 May 2006, the Company and Octavian had reached an understanding that the cooperation between the parties will be restructured and that the same will not be proceeded by way of equity acquisition.

Reference was made to the announcement of the Company dated 11 January 2006 in relation to the heads of agreement for the proposed acquisition of interest in Octavian International Limited (“Octavian”).

The board of directors (the “Board”) of China LotSynergy Holdings Limited (the “Company”) hereby announces that on 17 May 2006, the Company and Octavian had reached an understanding that the cooperation between the parties will be restructured and that the same will not be proceeded by way of equity acquisition. In order to maximize the business interests of both parties by leveraging each party’s strengths in different markets and know-how in lottery industry, both parties are in discussion actively seeking alternative ways to reach a win-win proposal for establishing a strategic alliance (the “Proposal”). No formal agreement had been signed and the Proposal may or may not proceed.

**Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.**

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. 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, 17 May 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.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting.*