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## **CLS Successfully Renews its contract with Guangdong Welfare Lottery**

Guangzhou San Huan Technology Co. Ltd., a subsidiary of CLS, the leading player in China lottery industry, have beat numerous competitors and successfully signed a new contract with Guangdong province for the provision of welfare lottery betting terminals with services. Estimate conservatively, the Guangdong Province CTG contract is expected to generate sales revenue of approximately RMB24.5 billion during the five-year contract term.

In the first half year of 2009, the sales of welfare lottery (including CTG and other lottery types) in Guangdong reached RMB 3.84 billion, representing an increase of 21.4% over the same period last year, which is far higher than the overall average increase of 15.6% of welfare lotteries in the first half year, maintaining the position of the best performing province selling welfare lotteries nationwide.

The businesses of CLS cover video lottery, CTG (hi-frequency lottery), and mobile lottery (internet services). On the system for CTG, CLS owns several patents and intellectual property rights in the core components of lottery equipment such as scanners and readers.

As the supplier of CTG betting terminal equipment for Guangdong welfare lottery, CLS has received high commendations from provincial and city lottery centres having worked well with Guangdong Welfare Lottery over the last five years.

CLS will take advantage of the renewal of the Guangdong welfare lottery contract to further improve and develop its own capability to seek the extension of this business to other provinces.