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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 PURSUANT TO RULE 17.10 OF THE GEM LISTING RULES -
COOPERATION WITH CHINA MOBILE TO JOINTLY LAUNCH
LOTTERY BUSINESS VIA MOBILE PAYMENT**

The Board is pleased to announce that pursuant to the agreement between Huacai Yingtong and China Mobile E-commerce, Huacai Yingtong will provide China Mobile's users with lottery drawing information enquiry and lottery betting services.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

The Board of Directors (the "Board") of China LotSynergy Holdings Limited (the "Company") is pleased to announce that Beijing Huacai Yingtong Technology Company Limited (北京華彩贏通科技有限公司) ("Huacai Yingtong"), a subsidiary of the Company, has recently entered into a cooperation agreement with 中移電子商務有限公司 ("China Mobile E-commerce") to jointly launch lottery business for China Mobile's users via the telecom operator's mobile payment.

The leading telecom operator in China, China Mobile ranks 87th in Fortune 500 2011. China Mobile E-commerce is the only company of China Mobile dedicated to platform development, product development and business operation for the telecom giant's entire mobile payment and mobile wallet business.

In this cooperation, Huacai Yingtong will provide China Mobile's 630 million users with lottery drawing information enquiry and lottery betting services. All users of the telecom operator simply access China Mobile's lottery space via its mobile payment client-end, official mobile payment website (<https://cmpay.10086.cn>) or official WAP site (p.10086.cn) to make enquiries of lottery drawing information in the entire nation as well as make purchase of lottery via a convenient payment process.

Taking advantage of the huge user base and corporate strength of China Mobile in telecom and mobile payment, the Group will further to broaden its mobile and Internet lottery's user base as well as enhance its technical and operational capabilities, and expected to become a significant contributor to the mobile payment business of China Mobile. This represents a win-win situation for the parties. By cooperating with numerous strong partners, the Management believes that the Group will achieve tremendous breakthrough in its New Media Lottery business to become a leader in the new media lottery market in China.

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”). The abovementioned cooperation does not constitute a notifiable transaction of the Company pursuant to Chapter 19 or 20 of the GEM Listing Rules. The information contained in this announcement is only an initial assessment by the Management of the Company based on the currently available and unaudited management accounts. The Company is still in the process of finalizing the Group’s annual results for year 2011. The Company will publish the Group’s annual results for year 2011 as soon as reasonably practicable. **Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.**

By order of the Board
China LotSynergy Holdings Limited
LAU Ting
Chairperson

Hong Kong, 27 December 2011

This announcement will remain on the “Latest Company Announcements” page of the GEM’s website at www.hkgem.com for at least 7 days from the date of its posting and the Company’s website at <http://www.chinalotsynergy.com>.

As at the date of this announcement, the Board comprises Ms. Lau Ting, Mr. Wu Jingwei, Mr. Liao Yuang-whang, Mr. Chan Shing and Mr. Li Zi Kui as Executive Directors; Mr. Hoong Cheong Thard as a Non-executive Director; and Mr. Huang Shenglan, Mr. Chan Ming Fai and Mr. Cui Shuming as Independent Non-executive Directors.

This announcement, for which the Directors 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

** For identification purposes only*