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中彩網通控股有限公司
China Netcom Technology Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8071)

**LETTER OF INTENT
IN RELATION TO
POSSIBLE COOPERATION WITH SHOUTZ, INC.
IN CERTAIN PRC LOTTERY MARKETS**

THE LOI

The Board is pleased to announce that on 22 May 2015 (after trading hours), Far East Golden Star (a wholly-owned subsidiary of the Company) and Shoutz (an Independent Third Party) entered into the LOI in relation to the Project.

The LOI is non-legally binding save for certain arrangements prior to the execution of the Definitive Agreements including the exchange of information, the issue of public announcements, and other miscellaneous matters.

Set out below are the principal terms of the LOI:

Date: 22 May 2015 (after trading hours)

Parties: (i) Far East Golden Star, a wholly-owned subsidiary of the Company; and
(ii) Shoutz, an Independent Third Party

Project: The following are the mutual intent (but not a legally binding commitment) of the parties:

- (i) to introduce Shoutz's program to certain provinces of the PRC lottery industry;
- (ii) to use sponsorship and advertising to provide prizes and cover operating costs;

- (iii) Shoutz to deploy software (online and mobile programs) and to maintain and operate the platform;
- (iv) the Company to be responsible for marketing the platform at retail level;
- (v) both Shoutz and the Company to be responsible for procuring advertisers, sponsors and sponsor-supported prizes;
- (vi) Shoutz and the Company to share profits on a 50/50 basis;
- (vii) to position the program for rollout in other cities and provinces;
- (viii) to build database of mobile information for current lottery players; and
- (ix) to position the Project to rapidly include online ticket sales once government approval is available.

Definitive Agreements: Shoutz and the Company will cooperate and use their reasonable best efforts to complete the preparation, execution, and delivery of the Definitive Agreements by no later than 31 August 2015, which will set forth in more detail the terms, provisions, and conditions in relation to the Project.

Termination: The LOI may be terminated and the transactions contemplated therein may be abandoned at any time, by mutual written consent of the parties, or by either party if the Definitive Agreements have not been executed and delivered by the parties prior to 31 August 2015.

BACKGROUND INFORMATION ABOUT SHOUTZ

The following is excerpted from the website of Shoutz:

“Shoutz is an award-winning marketing, technology and gaming company that brings together the rewarding and fun experiences of mobile gaming with consumer engagement and loyalty programs within the retail, media and entertainment industries. With its innovative use of digital media, Shoutz gives lotteries the power to better engage their players, accurately measure their marketing efforts, and optimize their fundraising abilities. Shoutz is dedicated to driving brand engagement through digital, social and gaming programs on mobile. The company is headquartered in Austin, Texas and is a member of the World Lottery Association.”

Shoutz provides a range of marketing, technology and gaming products that help businesses better identify and engage core customer groups, retain customers by adding value to brand interactions, reward customers for their loyalty, and gather customer data to inform future marketing programs.

Shoutz runs the official mobile app LotteryHUB for the lottery games Powerball and Mega Millions in the United States. Shoutz won a 2015 Hubbies award in May 2015 as LotteryHUB was named the year's Best Brand App. LotteryHUB is capable of streaming live Powerball and Mega Millions drawings, serving custom video content and providing lottery players with ticket-tracking tools to make play more convenient.

REASONS FOR AND BENEFITS OF THE PROJECT

The Group operates and manages the sales hall of a quick-result lottery game of China Welfare Lottery "Happy 12" in Liaoning province, the PRC, and co-operates the DTV lottery sales system with Chongqing Welfare Lottery Issuing Centre and Chongqing Broadcasting Bureau (重慶廣播電視局) in Chongqing. Besides, the Group is also the terminal equipment provider for the Hainan sports entertainment electronic video lottery terminal ("VLT") instant lottery project in the PRC.

Aforementioned Hainan sports entertainment electronic VLT instant lottery project is also the "only" VLT video electronic instant lottery in the sports lottery market of the PRC, which includes games such as horse racing and certain other games. The project has obtained approval for sales online from the Ministry of Finance of the PRC.

Directors believe that cooperating with Shoutz is in line with the development strategy of the Group, and will bring new elements and opportunities for the Group to develop its lottery business in the PRC.

GENERAL

The Board wishes to emphasise that the LOI is not legally binding in respect of the Project. As such, the Project may or may not materialise. If the Project materialises, it may or may not constitute a notifiable transaction for the Company under Chapter 19 of the GEM Listing Rules. Further announcement will be made in respect thereof as and when required by the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

"Board"	the board of Directors
"Company"	China Netcom Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM

“Definitive Agreements”	the proposed definitive agreements which will set forth detailed terms, provisions and conditions in relation to the Project, subject to further negotiations and preparations by Far East Golden Star and Shoutz
“Director(s)”	the director(s) of the Company
“Far East Golden Star”	Far East Golden Star Limited, a wholly-owned subsidiary of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons (as defined under the GEM Listing Rules)
“LOI”	the letter of intent entered into between Far East Golden Star and Shoutz in relation to the Project
“PRC”	the People’s Republic of China
“Project”	the possible cooperation between the Group and Shoutz in relation to the proposed use of Shoutz’s software in the PRC lottery markets as contemplated under the LOI
“Shoutz”	Shoutz, Inc., an Independent Third Party
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
China Netcom Technology Holdings Limited
Leung Ngai Man
Chairman and Executive Director

Hong Kong, 26 May 2015

As at the date of this announcement, the executive Directors are Mr. Leung Ngai Man and Ms. Wu Wei Hua; and the independent non-executive Directors are Mr. Cai Wei Lun, Mr. Qi Ji and Ms. Xuan Hong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at www.chinanetcomtech.com.