

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**VOLUNTARY ANNOUNCEMENT
ENTERED INTO OF THE AGREEMENT FOR THE DEVELOPMENT OF
LOTTERY SALES BUSINESS ON THE PLATFORM MAINTAINED BY
GUANGZHOU ZHUJIANG ONLINE**

The Board is pleased to announce that Huancai Puda, a subsidiary in which the Company has controlling interest, has entered into of the Agreement dated 16 May 2011 with Guangzhou Zhujiang Online, pursuant to which both parties agreed to commence the business of lottery sales on the platform maintained by Guangzhou Zhujiang Online.

This announcement is made on voluntary basis in regard to the Agreement in order to enhance transparency of the Company.

THE AGREEMENT

The Board is pleased to announce that Huancai Puda, a subsidiary in which the Company has controlling interest, has entered into of the Agreement dated 16 May 2011 with Guangzhou Zhujiang Online, pursuant to which Huancai Puda will be responsible to interactive TV lottery service, including (i) to obtain authorization from the welfare lottery centre and sports lottery centre in relation to the lottery sales and operation service; and (ii) to utilize the interactive TV value-added service platform provided by Guangzhou Zhujiang Online to develop, transplant or introduce interactive TV lottery service, including but not limited to lottery purchase, lottery information and lottery accounts while Guangzhou Zhujiang Online will be responsible to provide telecommunication channels and charging service to the interactive TV lottery service through its interactive TV value-added service platform and billing system.

Pursuant to the Agreement, the revenue generated from the interactive TV lottery service should include the service fee, advertising fee and agency service fee paid by the lottery centres. The two parties entered into of the Agreement agreed to share the revenue on a half-half basis.

The Agreement will be valid for two years and will extend for another two years unless written objection has been received within 15 days after the expiration of the Agreement or being terminated by either party with 15 days' prior written notice.

Guangzhou Zhujiang Online is a multimedia information integration operator to provide services to digital TV, mobile TV, interactive TV, IPTV and related value-added business in Guangdong Province, the PRC including Fadu (花都), Panyu (番禺), Conghua (從化), Zengcheng(增城), Baiyun (白雲), Haizhu (海珠), Tianhe (天河), Yuexiu (越秀), Liwan (荔灣), Huangpu (黃埔), Nansha (南沙) Districts.

To the best knowledge, information and belief of the Directors, Guangzhou Zhujiang Online and its shareholder are not connected persons of the Company and are independent of the Company and its connected persons.

The Board considers that the Agreement was entered into in the ordinary course of business of the Group and on normal commercial terms after arm's length negotiation. The Board considers that terms of the Agreement are fair and reasonable and in the interests of the Company and Shareholders as a whole.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Agreement”	the agreement dated 16 May 2011 entered into between Huancai Puda and Guangzhou Zhujiang Online
“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
“Directors”	directors 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
“Guangzhou Zhujiang Online”	廣州珠江在線多媒體信息有限公司 (Guangzhou Zhujiang Online Multimedia Company Limited, being its unofficial English Translation), the wholly-owned subsidiary of 廣州珠江數碼集團有限公司 (Guangzhou Zhujiang Digital Group Company Limited, being its unofficial English Translation), a state-owned enterprise and a party named under the Agreement

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huancai Puda”	深圳環彩普達科技有限公司 (Shenzhen Huancai Puda Technology Company Limited, being its unofficial English name), a subsidiary of which the Company has controlling interest and a party named under the Agreement
“IPTV”	internet protocol television
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
China Netcom Technology Holdings Limited
Ng Kwok Chu, Winfield
Executive Director

Hong Kong, 19 May 2011

As at the date of this announcement, the executive Directors are Mr. Leung Ngai Man, Mr. Ng Kwok Chu, Winfield and Ms. Wu Wei Hua; and the independent non-executive Directors are Dr. Leung Wai Cheung and Mr. Cai Wei Lun.

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.