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TLT LOTTOTAINMENT GROUP LIMITED

彩娛集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code : 8022)

COMPLETION OF PLACING OF EXISTING SHARES AND SUBSCRIPTION FOR NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that completion of the Placing took place on 6 May 2011 where a total of 65,000,000 Placing Shares beneficially owned by the Vendor were placed to not less than six Places at the New Placing Price of HK\$0.245 per Placing Share.

The Board is also pleased to announce that all the conditions of the Subscription Agreement (including the Amendment Agreement to Subscription Agreement) have been fulfilled and the Subscription was completed on 12 May 2011 where 65,000,000 Subscription Shares were allotted and issued to the Vendor. The Company received net proceeds of approximately HK\$15.35 million from the Subscription.

Reference is made to the announcement of the Company dated 29 April 2011 and the supplemental announcement dated 3 May 2011 respectively (collectively, the “**Placing Announcements**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as defined in the Placing Announcements.

After the trading hours on 3 May 2011, the Company was informed by the Placing Agent that the market responses in relation to the Placing were not well received. Following a number of negotiations with the Placing Agent and internal management discussions of the Company (including discussions with independent non-executive directors), and having considered the relevant and crucial factors such as the prevailing market conditions for the time being, the initial responses of the market to the original Placing Price, the advice of the Placing Agent, the latest and the historical Share prices of the Company, the discount to be given to the New

Placing Price and the internal analysis of the Company, the Company agreed and adopted the advice of the Placing Agent to adjust and lower the Placing Price and Subscription Price both of HK\$0.25 to the New Placing Price and New Subscription Price both of HK\$0.245 which was considered more attractive to investors. The decision of the Company to lower the Placing Price and Subscription Price both of HK\$0.25 to the New Placing Price and New Subscription Price both of HK\$0.245 is fair and reasonable and is in the interest of the Company and its Shareholders as a whole.

The Board is pleased to announce that completion of the Placing took place on 6 May 2011 where a total of 65,000,000 Placing Shares beneficially owned by the Vendor were placed to not less than six Placees, who are independent of and not connected with the Company, the Vendor, the Directors, chief executive and substantial shareholders (as defined in the GEM Listing Rules) of the Company, its Subsidiaries and their respective associates (as defined in the GEM Listing Rules), at the New Placing Price of HK\$0.245 per Placing Share.

The Board is also pleased to announce that all the conditions of the Subscription Agreement (including the Amendment Agreement to Subscription Agreement) have been fulfilled and the Subscription was completed on 12 May 2011 where 65,000,000 Subscription Shares were allotted and issued to the Vendor at the New Subscription Price of HK\$0.245 per Subscription Share (which is equivalent to the New Placing Price) pursuant to the General Mandate. The Company received net proceeds of approximately HK\$15.35 million from the Subscription.

The following table sets out the shareholding structure of the Company prior to and upon completion of the Placing and the Subscription:

	Notes	Shareholding as at the date of the Placing Announcements		Shareholding immediately after completion of the Placing but before completion of the Subscription		Shareholding immediately after completion of the Placing and the Subscription	
		No. of Shares	Approx. %	No. of Shares	Approx. %	No. of Shares	Approx. %
Substantial Shareholders and Directors							
The Vendor		207,530,000	15.88	142,530,000	10.85	207,530,000	15.05
Shiny Galaxy Enterprises Limited	1	350,000	0.03	350,000	0.03	350,000	0.03
Tang Tsz Hoo Anthony		75,322,113	5.76	75,322,113	5.73	75,322,113	5.46
Chan Kin Yip	2	1,000,000	0.08	1,000,000	0.08	1,000,000	0.07
Non-Public Subtotal		284,202,113	21.75	219,202,113	16.69	284,202,113	20.61
Public Shareholders							
The Placees		–	–	65,000,000	4.95	65,000,000	4.72
Other Public	3	1,022,505,147	78.25	1,029,505,147	78.36	1,029,505,147	74.67
Public Subtotal		1,022,505,147	78.25	1,094,505,147	83.31	1,094,505,147	79.39
Total		1,306,707,260	100.00	1,313,707,260	100.00	1,378,707,260	100.00

Notes:

1. Shiny Galaxy Enterprises Limited is beneficially owned as to 100% by Mr. Wong Wai Sing, the chairman of the Company and an executive Director.
2. Mr. Chan Kin Yip is an executive Director.
3. On 5 May 2011, 7,000,000 ordinary shares were issued upon conversion of Convertible Notes of the Company at the conversion price of HK\$0.28.

By order of the board of
TLT Lottotainment Group Limited
Wong Wai Sing
Chairman

Hong Kong, 12 May 2011

As of the date hereof, the executive directors of the Company are Mr. Wong Wai Sing, Mr. Cheung Man Yau, Timothy, Mr. Chan Kin Yip and Mr. Lai Chun Hung; the independent non-executive directors of the Company are Mr. Sung Wai Tak, Herman, Mr. Wong Lit Chor, Alexis and Mr. Fung Wai Shing.

This announcement, for which the Directors of the Company 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 of the Company, 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 in this announcement or this announcement misleading.

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