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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)

TERMINATION OF MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF 25% ISSUED SHARE CAPITAL OF GALAXY MOUNT INTERNATIONAL LIMITED

The Board announces that on 5 August 2011, the Company and the Vendor mutually agreed to terminate the Agreement by entering into the Termination Agreement. The Vendor and the Company have waived their respective rights under the Agreement with immediate effect and released the other party from further performance of its/his obligations under the Agreement and they also confirmed that they will not lodge any claim against the other in respect of the termination of the Agreement.

The Directors believe that the Termination has no material adverse impact on the interests of the Company and the Shareholders as well as the existing business and financial position of the Group.

Reference is made to the announcements of TLT Lottotainment Group Limited (the “**Company**”) dated 27 April 2011 and 13 June 2011 (the “**Announcements**”) in respect of, among other things, the acquisition of 25% issued share capital of Galaxy Mount International Limited. Terms used herein shall have the same meanings as those defined in the Announcements unless defined otherwise.

The Board announces that on 5 August 2011, the Company and the Vendor mutually agreed to terminate the Agreement and entered into a termination agreement (the “**Termination Agreement**”) to record such termination (the “**Termination**”). Pursuant to the Termination Agreement, the Vendor and the Company have waived their respective rights under the Agreement with immediate effect and released the other party from further performance of its/his obligations under the Agreement and they also confirmed that they will not lodge any claim against the other in respect of the termination of the Agreement. Pursuant to the Termination Agreement, the Vendor shall return the Deposits of HK\$46,000,000, unsecured and without interest, in cash to the Company within five months from the date of the Termination Agreement.

As certain financial information on the Target Group, Beijing DOXTV (the “**Relevant Financial Information**”) and the Enlarged Group is required to be incorporated in the circular of the Company in relation to the Acquisition and the Company is still in the course of carrying out the due diligence exercise, both the Company and the Vendor expect that prolong time will be required to obtain the Relevant Financial Information and it is anticipated not all conditions precedent can be satisfied by the Long Stop Date, i.e. 30 September 2011. In view of the aforesaid and there is no concrete schedule when the Relevant Financial Information is made available to the Group, the Company and the Vendor consider that it will not be in the best interests of both parties to proceed with the Acquisition. The Company and the Vendor mutually agreed to terminate the Agreement by entering into the Termination Agreement.

The Directors believe that the Termination has no material adverse impact on the interests of the Company and the Shareholders as well as the existing business and financial position of the Group. The Company will continue exploring viable investment opportunities in order to enhance the return on equity of the Shareholders.

By order of the Board of
TLT Lottotainment Group Limited
Cheung Man Yau, Timothy
Chief Executive Officer and Executive Director

Hong Kong, 5 August 2011

As of the date hereof, the executive directors of the Company are 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>.