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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)**

### **ADJUSTMENT TO THE TERMS OF HK\$50 MILLION 18% CONVERTIBLE BONDS DUE 2012**

The Directors wish to announce that, based on the reset mechanism as provided in the Instrument, the Conversion Price of the Convertible Bonds has been adjusted from HK\$0.30 per Conversion Share to HK\$0.2047 per Conversion Share with effect from 27 April 2012, being the Reset Date. Further, the Maturity Date of the Convertible Bonds has been extended from 28 April 2012 to 28 October 2012.

Reference is made to the announcements (the “**Announcements**”) of the Company dated 8 August 2011, 23 August 2011 and 29 August 2011 and the circular (the “**Circular**”) of the Company dated 3 October 2011 respectively relating to, among other matters, the issue of the Convertible Bonds. Unless otherwise stated, capitalised terms used in this announcement shall bear the same meanings as those defined in the Announcements and the Circular.

As disclosed in the Circular, the Conversion Price is HK\$0.30 per Conversion Share and is subject to adjustment. The Conversion Price shall be reset every two succeeding months after the Issue Date (the “**Reset Date**”) if the arithmetic average of the closing price per Share for each day during the period of 30 consecutive trading days immediately prior to the Reset Date is less than the Conversion Price in effect on the Reset Date, the Conversion Price shall automatically be adjusted to a price equivalent to such arithmetic average of the closing price per Share (the “**Reset Conversion Price**”) with effect from the Reset Date provided that in any event the Reset Conversion Price calculated based on the abovesaid shall be less than HK\$0.18 (being 60% of the initial Conversion Price, the Reset Conversion Price), it shall be equal to and taken as HK\$0.18.

Based on the reset mechanism as provided in the Instrument, the Conversion Price has been adjusted from HK\$0.30 per Conversion Share to HK\$0.2047 per Conversion Share with effect from 27 April 2012, being the Reset Date.

On 11 April 2012, the Company had exercised its discretion under the Instrument to extend the Maturity Date of the Convertible Bonds to until the date falling 12 months from the Issue Date, i.e. 28 October 2012 in accordance with the terms of the Instrument.

The above adjustment and extension of Maturity Date in relation to the Conversion Price had been computed/revised in accordance with the terms and condition of the Convertible Bonds. Save as disclosed above, all other terms and conditions of the Instrument and the Convertible Bonds remain unchanged.

As at the date of the announcement, the total outstanding principal amount of the Convertible Bonds is HK\$50,000,000. The maximum number of Shares to be issued upon conversion of all the outstanding Convertible Bonds at the Reset Conversion Price is 244,259,892 Shares. The Convertible Bonds would entitle the Bondholders to convert into 166,666,666 Shares before the adjustment and 244,259,892 Shares after the adjustment.

By order of the Board  
**TLT LOTTOTAINMENT GROUP LIMITED**  
**Yip Man Yi**  
*Chairman and Executive Director*

Hong Kong, 7 May 2012

*As at the date of this announcement, the executive Directors of the Company are Ms. Yip Man Yi, Mr. Cheung Man Yau, Timothy, Mr. Lee Chi Shing, Caesar, Ms. Cheng Sze Man, Mr. Chan Yun Fai and Mr. Au Yeung Yiu Chung; and the independent non-executive Directors of the Company are Mr. Fung Wai Shing, Mr. Li Kwok Chu and Mr. Chiu Koon Shou.*

*This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange 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 aspects 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 for at least 7 days from its date of its posting and on the Company’s website at <http://www.lottotainment.com.hk>.*