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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)

UPDATE ON THE NEGOTIATIONS RELATING TO EXERCISE OF PUT OPTIONS

Reference is made to the clarification announcement of TLT Lottotainment Group Limited (the “Company”) dated 26 June 2012 (the “Announcement”) and the Third Quarterly Report of the Company dated 12 November 2012 (the “Third Quarterly Report”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement and the Third Quarterly Report.

The Board wishes to announce that the Company is considering to disposing of its under-performing investments in Fountain City Holdings Limited and Dragon Gain Worldwide Limited by exercising its put options and is negotiating with the relevant vendors in relation to the Company’s intention and possibility to early exercise the put options. It is estimated that the total amount receivable from the exercise of the put options is approximately HK\$107.85 million (including HK\$58.65 million in respect of the disposal of the Company’s investment in Fountain City Holdings Limited and HK\$49.2 million in respect of the disposal of the Company’s investment in Dragon Gain Worldwide Limited) pursuant to the terms of the relevant agreements. The actual amount receivable from the disposals will be subject to the final agreements between the Company and the relevant vendors. The Company plans to apply the amount receivable from the disposals to settle the loan facility entered into between the Company and Gain All Investments Limited on 30 May 2012 and related interest.

The Company will make further announcement to update the on the progress of the negotiations with the relevant vendors.

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

Hong Kong, 12 December 2012

As of the date of this announcement, the executive directors of the Company are Ms. Yip Man Yi, Mr. Chan Yun Fai and Mr. Au Yeung Yiu Chung; and the independent non-executive directors of the Company are Mr. Lau Shu Yan, Mr. Chiu Koon Shou and Mr. Li Kwok Chu.

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 GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least seven days from the date of its posting and the Company’s website at <http://www.lottotainment.com.hk>.