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## **MelcoLot Limited**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8198)

### **ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE**

#### **UNUSUAL PRICE AND VOLUME MOVEMENTS**

#### **POSSIBLE SALE OF SHARES BY MELCO LOTTVENTURES HOLDINGS LIMITED**

This announcement is made pursuant to Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”) and, at the request of The Stock Exchange of Hong Kong Limited, pursuant to Rule 17.11 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

MelcoLot Limited (the “**Company**”) has noted the increases in the price and trading volume of its shares.

Having made such enquiry with respect to the Company and its controlling shareholder, Melco LottVentures Holdings Limited (“**Melco LottVentures**”), as is reasonable in the circumstances, we have been informed by Melco LottVentures that Melco LottVentures is engaged in discussions regarding the possible sale of its entire shareholding in the Company, representing approximately 40.65% of the issued share capital of the Company.

Melco LottVentures has informed us that no legally binding agreement for the sale of its shareholding in the Company has been entered into, but that if Melco LottVentures were to sell its approximately 40.65% shareholding in the Company the purchaser would be required to make a general offer under Rule 26 of the Takeovers Code for all the issued shares and outstanding options of the Company not owned or agreed to be acquired by the purchaser and persons acting in concert with it.

We confirm that, save as disclosed in this announcement, we are not aware of any other reason for the aforesaid price and volume movements or of any information which must be announced to avoid a false market in the Company’s securities or of any other inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance.

There is no assurance that the possible sale by Melco LottVentures of its shareholding in the Company, described in this announcement, will proceed. Further announcements will be made as appropriate. **In the meantime, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the aforesaid discussions will be made until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the GEM Listing Rules and the Takeovers Code (as the case may be).

In compliance with Rule 3.8 of the Takeovers Code, the relevant securities of the Company in issue as at the date of this announcement comprise (i) 3,145,656,900 shares in the Company and (ii) 116,730,406 outstanding options granted under the employee share option schemes of the Company. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue as at the date hereof.

As at the date hereof, Melco LottVentures holds 1,278,714,329 shares in the Company, representing approximately 40.65% of the issued share capital of the Company.

For the purposes of the Takeovers Code, the offer period commences on the date of this announcement, being 22 May 2017.

The associates (within the meaning ascribed thereto under the Takeovers Code, including but not limited to any person holding 5% or more of a class of relevant securities of the Company) of the Company are hereby reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

“Executive” referred to above has the meaning ascribed to it under the Takeovers Code.

This announcement is made by the order of the Company. The Company’s Board of Directors collectively and individually accepts responsibility for the accuracy of this announcement.

By Order of the Board  
**MelcoLot Limited**  
**Ko Chun Fung, Henry**  
*Executive Director and Chief Executive Officer*

Hong Kong, 22 May 2017

*As at the date of this announcement, the Board comprises Mr. Tsui Che Yin, Frank\* (Chairman), Mr. Ko Chun Fung, Henry<sup>#</sup>, Mr. Tsang Yuen Wai, Samuel<sup>#</sup>, Mr. Tam Chi Wai, Dennis<sup>#</sup>, Mr. Tsoi, David<sup>+</sup>, Mr. Pang Hing Chung, Alfred<sup>+</sup> and Ms. Chan Po Yi, Patsy<sup>+</sup>.*

<sup>#</sup> *Executive Director*

<sup>\*</sup> *Non-executive Director*

<sup>+</sup> *Independent Non-executive Director*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) 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.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of 7 days from the date of its publication and on the Company’s website at [www.melcolot.com](http://www.melcolot.com).*