



Loto Interactive Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 8198)

www.lotoie.com



2022 FIRST QUARTER REPORT

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the "Directors") of Loto Interactive Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 report 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 report misleading.

UNAUDITED CONDENSED CONSOLIDATED RESULTS

The board (the “**Board**”) of Directors of the Company hereby announces the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the three-month period ended 31 March 2022 (the “**Reporting Period**”) as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the three-month period ended 31 March 2022

	Notes	For the three-month period ended 31 March	
		2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
REVENUE	3	7,635	74,259
Cost of sales and service rendered		(6,842)	(85,895)
Gross (loss)/profit		793	(11,636)
Other income and gains		21	729
Selling expenses		–	(21)
Administrative expenses		(7,137)	(11,819)
Other expenses		(21)	(1)
Share of profit/(loss) of associates		(18)	32
Finance costs		(98)	(79)
LOSS BEFORE TAX		(6,460)	(22,795)
Income tax credit	4	–	–
LOSS FOR THE PERIOD		(6,460)	(22,795)

		For the three-month period ended 31 March	
		2022 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000
Notes			
OTHER COMPREHENSIVE INCOME			
Other comprehensive income/(loss) for the period, net of tax:			
Items that will not be reclassified to profit or loss:			
	Fair value changes of equity investments at fair value through other comprehensive income/(loss)	–	14,397
	Exchange differences on translation of foreign operations	371	(1,921)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX		371	12,476
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(6,089)	(10,319)
LOSS FOR THE PERIOD ATTRIBUTABLE TO:			
	Owners of the Company	(6,460)	(17,199)
	Non-controlling interests	–	(5,596)
		(6,460)	(22,795)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO:			
	Owners of the Company	(5,870)	(4,433)
	Non-controlling interests	(219)	(5,886)
		(6,089)	(10,319)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (HK cents)			
	– Basic and diluted	(1.18)	(4.52)

NOTES:

(1) BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of the GEM Listing Rules and with Hong Kong Accounting Standard 34, Interim Financial Reporting.

(2) SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared under the historical cost convention. The same accounting policies, presentation and methods of computation have been followed in these condensed consolidated financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2021, except for the adoption of all the new and revised Hong Kong Financial Reporting Standards, amendments and interpretations ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2022. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current period and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Directors of the Company anticipate that the application of the other new or revised standards, amendments or interpretations will have no material impact on the unaudited consolidated financial statements.

(3) REVENUE

An analysis of the Group's revenue for the three-month period ended 31 March 2022 is as follows:

	Three-month period ended 31 March	
	2022 HK\$'000	2021 HK\$'000
Big data centre services	6,885	73,260
Money lending business	750	750
Online game business	–	249
	7,635	74,259

(4) INCOME TAX CREDIT

	Three-month period ended 31 March	
	2022 HK\$'000	2021 HK\$'000
Deferred tax	–	–
PRC Enterprise Income Tax – current period	–	–
	–	–

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profit arising from Hong Kong for the three-month period ended 31 March 2022 and its corresponding period in 2021.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction.

(5) DIVIDEND

The Directors do not recommend the payment of an interim dividend for the three-month period ended 31 March 2022 (the three-month period ended 31 March 2021: Nil).

(6) LOSS PER SHARE

The calculation of basic loss per share for the three-month period ended 31 March 2022 is based on the unaudited loss attributable to owners of the Company of approximately HK\$6.5 million (three-month period ended 31 March 2021: HK\$17.2 million) and on the weighted average number of approximately 548,378,822 (three-month period ended 31 March 2021: 380,905,703) ordinary shares in issue during the period.

The computation of diluted loss per share in the three-month periods ended 31 March 2022 and 2021 respectively did not include the Company's outstanding share options since their assumed exercise would result in the decrease in the diluted loss per share.

(7) SHARE CAPITAL AND RESERVES

	Attributable to owners of the Company							Non-controlling interests HK\$'000	Total equity HK\$'000
	Issued capital HK\$'000	Share premium HK\$'000	Share-based payment reserve HK\$'000	Other reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Sub-Total HK\$'000		
At 1 January 2022 (audited)	54,838	422,524	10,989	(5,255)	26,930	(372,793)	137,233	(232)	137,001
Loss for the period	-	-	-	-	-	(6,460)	(6,460)	-	(6,460)
Other comprehensive (loss)/income for the period	-	-	-	-	590	-	590	(219)	371
Total comprehensive (loss)/income for the period	-	-	-	-	590	(6,460)	(5,870)	(219)	(6,089)
Equity-settled share-based payment expense	-	-	175	-	-	-	175	-	175
At 31 March 2022 (unaudited)	54,838	422,524	11,164	(5,255)	27,520	(379,253)	131,538	(451)	131,087

	Attributable to owners of the Company							Non-controlling interests HK\$'000	Total equity HK\$'000	
	Issued capital HK\$'000	Share premium HK\$'000	Share-based payment reserve HK\$'000	Other reserve HK\$'000	Exchange reserve HK\$'000	Equity investment revaluation reserve HK\$'000	Accumulated losses HK\$'000			Sub-Total HK\$'000
At 1 January 2021 (audited)	37,902	338,906	9,370	(5,255)	19,281	(12,653)	(68,885)	318,666	91,044	409,710
Loss for the period	-	-	-	-	-	-	(17,199)	(17,199)	(5,596)	(22,795)
Other comprehensive (loss)/income for the period	-	-	-	-	(1,631)	14,397	-	12,766	(290)	12,476
Total comprehensive (loss)/income for the period	-	-	-	-	(1,631)	14,397	(17,199)	(4,433)	(5,886)	(10,319)
Issuance of shares on subscription	16,936	83,618	-	-	-	-	-	100,554	-	100,554
Purchase of non-controlling interests	-	-	-	-	-	-	(18,966)	(18,966)	(85,391)	(104,357)
Equity-settled share-based payment expense	-	-	823	-	-	-	-	823	-	823
Disposal of equity investments at fair value through other comprehensive income	-	-	-	-	-	(11,744)	11,744	-	-	-
At 31 March 2021 (unaudited)	54,838	422,524	10,193	(5,255)	17,650	(10,000)	(93,306)	396,644	(233)	396,411

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group is principally engaged in (i) the provision of data analysis and storage services (the “**Big Data Centre Services**”), (ii) data processors leasing services (the “**Data Processors Leasing Services**”) and (iii) money lending business in Hong Kong (the “**Money Lending Business**”).

Big Data Centre Services

The Group operates big data centres to provide comprehensive services including premises, hardware support, power supply, ancillary supervision and management services to our clients.

The big data centre in Hong Kong, with a maximum processing capacity of approximately 1,400 kWh, commenced business in November 2021 and generated a revenue of approximately HK\$6.9 million in the Reporting Period.

The big data centre in Sichuan Province, the People’s Republic of China (the “**PRC**”), which was operated by Chengdu Keying Interactive Information Technology Limited (成都科盈互動信息科技有限公司) was closed in January 2022. The other two big data centres in Sichuan Province, the PRC, which were respectively operated by Ganzi Changhe Hydropower Consumption Service Co., Ltd. (甘孜州長河水電消納服務有限公司) and Sichuan Lecai Yuntian Network Technology Co., Ltd. (四川省樂彩雲天網絡科技有限公司) will be closed. The Company has made provision of impairment of fixed assets caused by the Group’s plan to demolish the machinery and equipment of these three big data centres.

During the Reporting Period, the Big Data Centre Services generated a revenue of approximately HK\$6.9 million, representing a significant decrease as compared to the corresponding period in 2021, which was primarily due to the termination of operation of the three big data centres in Sichuan Province, the PRC.

Data Processors Leasing Services

The Group has purchased 1,807 data processors in 2021 and started leasing the same to independent third parties in Kazakhstan from October 2021. Due to the political turmoil and power outages in Kazakhstan from January 2022, our customers’ businesses were adversely affected. After liaising with our customers, the Group agreed to temporarily waive their rental fees for renting the Group’s data processors during the power outages and until the power supply is restored.

Money Lending Business

In order to leverage our corporate expertise and resources to broaden our income source, an indirect wholly-owned subsidiary of the Company, Might Winner Limited, obtained a money lender's license in Hong Kong in January 2020. On 3 April 2020, a loan in the principal amount of HK\$30 million for a term of 24 months at an interest rate of 10% per annum, was granted to an independent third party, which contributed a revenue of approximately HK\$0.8 million for the Reporting Period.

Financial Review

The Group is engaged in three operating segments which are (1) Big Data Centre Services, (2) Data Processors Leasing Services, and (3) Money Lending Business. The Group recorded a total revenue of approximately HK\$7.6 million during the Reporting Period (three-month period ended 31 March 2021: HK\$74.3 million), representing a decrease of HK\$66.7 million, which comprised the following:

(1) Big Data Centre Services

Revenue contributed by the Big Data Centre Services amounted to approximately HK\$6.9 million for the Reporting Period, representing a decrease of HK\$66.4 million as compared to the corresponding period in 2021 (three-month period ended 31 March 2021: HK\$73.3 million).

(2) Data Processors Leasing Services

No revenue was generated from Data Processors Leasing Services for the Reporting Period (three-month period ended 31 March 2021: Nil).

(3) Money Lending Business

Revenue generated from the Money Lending Business amounted to approximately HK\$0.8 million for the Reporting Period (three-month period ended 31 March 2021: HK\$0.8 million).

Operating Results

The Group recorded a loss of approximately HK\$6.5 million for the Reporting Period, representing a decrease of HK\$16.3 million or 71.5% as compared to a loss of HK\$22.8 million for the corresponding period in 2021, which was mainly attributable to the combined effect of:

- (i) increase in gross profit of approximately HK\$12.4 million of the Big Data Centre Services which was due to the decrease in cost of sales and service rendered of approximately HK\$79.1 million owing to the provision of impairment of the relevant machinery and equipment of the three big data centres in Sichuan Province, the PRC in 2021, the decrease of which was considerably greater than the decrease in revenue of the Big Data Centre Services as a result of the termination of operation of such big data centres from June 2021 which amounted to approximately HK\$66.6 million; and
- (ii) decrease in staff cost of approximately HK\$2.5 million which was attributable to the decreased number of employees due to termination of operation of the three big data centres.

LOAN RECEIVABLES

An indirect wholly-owned subsidiary of the Company, Might Winner Limited, obtained a money lender's license in Hong Kong in January 2020. On 3 April 2020, the Group entered into a loan agreement (the "**Loan**") with an independent third party, Bright Topper Limited (the "**Borrower**"), in the principal amount of HK\$30 million at an interest rate of 10% per annum for a term of 24 months. The repayment of the Loan was guaranteed by a director and the sole beneficial owner (the "**Guarantor**") of the Borrower. Interests for the first 12 months shall be repaid in the first year and the principal amount and interests for remaining period ("**Second Tranche Interest**") shall be repaid on or before 2 April 2022. The Borrower has paid the interests for the Loan for the first 12 months in the amount of HK\$3 million in accordance with the loan agreement and the Second Tranche Interest was due by 2 April 2022 according to the loan agreement. On 1 April 2022, the Group entered into a supplemental loan agreement with the Borrower and the Guarantor to extend the repayment date of the Loan by 24 months to 2 April 2024 at an interest rate of 10% per annum and to extend the payment date of the Second Tranche Interest to 4 April 2022. The Second Tranche Interest was paid by the Borrower on 4 April 2022.

OUTLOOK

The Company is actively exploring the development of big data centres in other regions such as North America in line with the Group's overall development strategy, in order to seize the opportunity to meet market demand and expand our big data centre business. In addition, the Group will keep leasing the previously purchased data processors to independent third parties to generate rental income. Upon securing stable power sources elsewhere for its big data centre business in the future, the Group may also diversify its business by tapping into the realm of proprietary cryptocurrency mining business. In addition, in the new and changing business environment, we will continue to pursue improvement, adhere to the spirit of innovation, closely monitor changes in policies and market conditions, leverage our core experience and corporate resources to seek new opportunities in pursuit of the long-term benefits for the Group and our shareholders as a whole.

DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Reporting Period (three-month period ended 31 March 2021: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2022, the interests and short positions of each Director and chief executive of the Company or their respective associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules, were as follows:

(I) Long positions in the shares and underlying shares of the Company

(a) Ordinary shares of the Company (“Shares”)

<u>Name of Director</u>	<u>Number of Shares held</u>	<u>Approximate percentage of total issued shares</u>
	<i>(Note 2)</i>	<i>(Note 1)</i>
Ms. Zhang Jing	137,200	0.03%

(b) Share options granted by the Company

Name of Director	Number of underlying shares held pursuant to share options	Approximate percentage of total issued shares
	<i>(Notes 2 & 3)</i>	<i>(Note 1)</i>
Ms. Zhang Jing	3,566,800	0.65%
Mr. Yan Hao	3,300,000	0.60%
Ms. Huang Lilan	2,000,000	0.36%
Mr. Yang Xianfeng	5,166,800	0.94%
Mr. Lin Sen	400,000	0.07%
Mr. Huang Jian	200,000	0.04%

Notes:

1. As at 31 March 2022, the total number of issued Shares was 548,378,822.
2. This represents interests held by the relevant Director as beneficial owner.
3. Details of share options granted to the Directors pursuant to the share option scheme of the Company are set out in the "Share Option Scheme" section of this report.

(II) Long positions in the shares and underlying shares of associated corporations of the Company

BIT Mining Limited ("BIT Mining") (a listed holding company of the Company)

(a) American depository shares ("ADS") of BIT Mining

Name of Director	Number of ADS held	Approximate percentage of total issued and outstanding shares of BIT Mining
	<i>(Note 2)</i>	<i>(Note 1)</i>
Ms. Zhang Jing	33,481	0.05%
Mr. Yan Hao	471,747	0.66%
Ms. Huang Lilan	1,333	0.002%
Mr. Yang Xianfeng	459,460	0.65%

(b) Awarded shares granted by BIT Mining

Name of Director	Number of awarded shares held	Approximate percentage of total issued and outstanding shares of BIT Mining
	<i>(Notes 2 & 3)</i>	<i>(Note 1)</i>
Ms. Zhang Jing	67,078	0.09%
Ms. Huang Lilan	110,000	0.15%
Mr. Yang Xianfeng	240,000	0.34%

Notes:

1. As at 31 March 2022, the total number of issued and outstanding shares of BIT Mining was 71,014,316.
2. This represents interests held by the relevant Director as beneficial owner.
3. Details of the 67,078 awarded shares granted to Ms. Zhang Jing are as follows:
 - 67,078 awarded shares granted on 19 July 2021 will vest on 19 July 2031Details of the 110,000 awarded shares granted to Ms. Huang Lilan are as follows:
 - 110,000 awarded shares granted on 19 July 2021 will vest on 19 July 2031Details of the 240,000 awarded shares granted to Mr. Yang Xianfeng are as follows:
 - 240,000 awarded shares granted on 19 July 2021 will vest on 19 July 2031

Save as disclosed above, as at 31 March 2022, none of the Directors or chief executive of the Company or their respective associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors.

SHARE OPTION SCHEME

At the annual general meeting of the Company held on 18 May 2012, the shareholders of the Company approved the adoption of a share option scheme (the “**2012 Share Option Scheme**”), under which the Directors may grant options to eligible persons to subscribe for the Company’s shares, subject to the terms and conditions stipulated therein. The 2012 Share Option Scheme will expire on 17 May 2022.

Movements of share options granted under the 2012 Share Option Scheme during the Reporting Period are set out below:

Type of participants	Number of share options					As at 31 March 2022	Date of grant	Exercise price (HK\$)	Exercise period (Note)
	As at 1 January 2022	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period				
Directors									
Ms. Zhang Jing	466,800	-	-	-	-	466,800	01.04.2019	1.10	2
	3,100,000	-	-	-	-	3,100,000	10.08.2020	0.26	3
	3,566,800	-	-	-	-	3,566,800			
Mr. Yan Hao	200,000	-	-	-	-	200,000	01.04.2019	1.10	2
	3,100,000	-	-	-	-	3,100,000	10.08.2020	0.26	3
	3,300,000	-	-	-	-	3,300,000			
Ms. Huang Lilan	1,000,000	-	-	-	-	1,000,000	01.04.2019	1.10	2
	1,000,000	-	-	-	-	1,000,000	10.08.2020	0.26	3
	2,000,000	-	-	-	-	2,000,000			
Mr. Yang Xianfeng	2,066,800	-	-	-	-	2,066,800	01.04.2019	1.10	2
	3,100,000	-	-	-	-	3,100,000	10.08.2020	0.26	3
	5,166,800	-	-	-	-	5,166,800			
Mr. Lin Sen	200,000	-	-	-	-	200,000	01.04.2019	1.10	2
	200,000	-	-	-	-	200,000	10.08.2020	0.26	3
	400,000	-	-	-	-	400,000			
Mr. Huang Jian	200,000	-	-	-	-	200,000	10.08.2020	0.26	3
	200,000	-	-	-	-	200,000			
Sub-total:	14,633,600	-	-	-	-	14,633,600			

Type of participants	Number of share options					As at 31 March 2022	Date of grant	Exercise price (HK\$)	Exercise period (Note)
	As at 1 January 2022	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period				
Employees	80,000	-	-	-	-	80,000	01.04.2019	1.10	2
	600,000	-	-	(100,000)	-	500,000	10.08.2020	0.26	3
Sub-total:	680,000	-	-	(100,000)	-	580,000			
Others (Note 5)	400,000	-	-	-	-	400,000	05.01.2018	2.00	1
	9,400,000	-	-	-	-	9,400,000	01.04.2019	1.10	2
	6,970,000	-	-	-	-	6,970,000	10.08.2020	0.26	3
Sub-total:	16,770,000	-	-	-	-	16,770,000			
Total:	32,083,600	-	-	(100,000)	-	31,983,600			

Notes:

1. The share options granted on 5 January 2018 are divided into 3 tranches exercisable from 5 January 2018, 5 January 2019 and 5 January 2020 respectively to 4 January 2028.
2. The share options granted on 1 April 2019 are divided into 3 tranches exercisable from 1 April 2019, 1 April 2020 and 1 April 2021 respectively to 31 March 2029.
3. The share options granted on 10 August 2020 are divided into 3 tranches exercisable from 10 August 2020, 10 August 2021 and 10 August 2022 respectively to 9 August 2030.
4. During the Reporting Period, no share options were granted, exercised or cancelled under the 2012 Share Option Scheme.
5. The category "Others" represents the consultants of the Group. Consultants are individuals who rendered consultancy services in respect of the business development to the Group without receiving any compensation. The Group granted share options to them for recognising their services similar to those rendered by employees of the Group.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2022, the interests and short positions of persons (other than the Directors and chief executive of the Company) in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Long positions in the Shares

Name	Capacity/Nature	Number of Shares held/ interested in	Approximate percentage of total issued Shares
			<i>(Note 1)</i>
BIT Mining	Beneficial owner	327,868,805	59.79%
Mr. Law Man San Vincent ("Mr. Law") <i>(Note 2)</i>	Interest in controlled corporations	327,868,805	59.79%
	Beneficial owner	184,000	0.03%
Ms. Yuan Ping ("Mrs. Law") <i>(Note 3)</i>	Interest of spouse	328,052,805	59.82%

Notes:

- As at 31 March 2022, the total number of issued Shares was 548,378,822.
- Mr. Law was deemed to be interested in 327,868,805 Shares held by BIT Mining through his controlled corporations, Good Luck Capital Limited and Delite Limited. He was also interested in 184,000 Shares in the capacity of beneficial owner.
- Mrs. Law was deemed to be interested in all Shares held by Mr. Law pursuant to the SFO.

Save as disclosed above, as at 31 March 2022, the Company has not been notified of any other interests or short positions in the Shares or underlying shares of the Company which had been recorded in the register required to be kept under Section 336 of the SFO.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As disclosed by BIT Mining (being the controlling shareholder of the Company), during the Reporting Period, BIT Mining was engaged in, amongst other things, the provision of data centre services. As such, BIT Mining has interest in a business which may be considered to potentially compete with the business in providing Big Data Centre Services of the Group. Save as disclosed above, none of the Directors, the controlling shareholder of the Company or their respective close associates (as defined in the GEM Listing Rules) had interest in any business which competes or may compete with the business of the Group and any other conflicts of interest with the Group.

AUDIT COMMITTEE

The Company has an audit committee, which was established for the purposes of reviewing and providing supervision over the Company's financial reporting process and overseeing the Group's risk management and internal controls. It also reviews the effectiveness of the audit process and risk evaluation. The audit committee comprises two independent non-executive Directors, namely Mr. Lin Sen (chairman of the audit committee), Dr. Lu Haitian and one non-executive Director, namely Mr. Yang Xianfeng. The financial information contained in this first quarter report for the Reporting Period has not been audited by the auditors of the Company, but has been reviewed by the audit committee of the Company.

By Order of the Board
Loto Interactive Limited
Yan Hao

Chief Executive Officer and Executive Director

Hong Kong, 11 May 2022

As at the date of this report, the Board of Directors comprises Ms. Zhang Jing (Chairman), Mr. Yan Hao# (Chief Executive Officer), Ms. Huang Lilan#, Mr. Yang Xianfeng*, Dr. Lu Haitian+, Mr. Lin Sen+ and Mr. Huang Jian*.*

Executive Director

* *Non-executive Director*

+ *Independent Non-executive Director*