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MelcoLot Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8198)

PROFIT WARNING

This announcement is made by the Company pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 17.10 of the GEM Listing Rules.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary review of the latest unaudited consolidated management accounts of the Group, the Group is expected to record a significant increase in loss of approximately HK\$14.1 million for the six months ended 30 June 2014 as compared to the corresponding period in 2013, which was mainly attributable to (i) the exchange loss of approximately HK\$7.0 million (as compared to the exchange gain of approximately HK\$3.8 million for the corresponding period in 2013) resulting from the depreciation of Renminbi against Hong Kong dollars; (ii) the decrease in sales of lottery terminals and hardware by approximately 28% as compared to the corresponding period due to the sluggish demand from market in Mainland China; and (iii) the recognition of share-based payment expenses of approximately HK\$3.2 million (six months ended 30 June 2013: Nil) in relation to the share options granted in the past. Items (i) and (iii) will not have impact on the cash flow of the Group.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by MelcoLot Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors that, based on the preliminary review of the latest unaudited consolidated management accounts of the Group, the Group is expected to record a significant increase in loss of approximately HK\$14.1 million for the six months ended 30 June 2014 as compared to the corresponding period in 2013, which was mainly attributable to (i) the exchange loss of approximately HK\$7.0 million (as compared to the exchange gain of approximately HK\$3.8 million for the corresponding period in 2013) resulting from the depreciation of Renminbi against Hong Kong dollars; (ii) the decrease in sales of lottery terminals and hardware by approximately 28% as compared to

the corresponding period due to the sluggish demand from market in Mainland China; and (iii) the recognition of share-based payment expenses of approximately HK\$3.2 million (six months ended 30 June 2013: Nil) in relation to the share options granted in the past. Items (i) and (iii) will not have impact on the cash flow of the Group.

As the Company is still in the process of finalising its results of the Group for the six months ended 30 June 2014, the information contained in this announcement is only a preliminary assessment by the Board based on the information currently available to the Company and the unaudited consolidated management accounts of the Group, which have not been reviewed by the Company's audit committee. The unaudited financial results of the Group for the six months ended 30 June 2014 are expected to be announced on 8 August 2014. Shareholders and potential investors are advised to read the results announcement of the Company when it is published.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 29 July 2014

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

Executive Director

** Non-executive Director*

+ Independent Non-executive Director

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 "Latest Company Announcements" page of the GEM website at 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.