

**LOTTVISION LIMITED**

(Incorporated in Bermuda)

(Company Registration Number: 32308)

RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE COMPANY'S ANNUAL REPORT AND RELATED DOCUMENTS

The Board of Directors (the “**Board**”) of Lottvision Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its announcement (“**Announcement**”) on 3 July 2015 on the release of the Company’s annual report and related documents (“**AR2015**”). In this regard, the Board would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited on 20 July 2015 (the “**SGX Query**”) as follows:

SGX Query (a)

As required under Listing Rule 907, please disclose interested person(s) and the corresponding aggregate value of interested person transaction(s) in prescribed presentation format.

Company’s Response to SGX Query (a)

The Company had not made the disclosure in the prescribed presentation format as there were no such transactions in the prescribed presentation format entered into between the Company and its interested persons. The Company has not sought a mandate from its shareholders for interested person transactions in its financial year ended 31 March 2015 (“**FY2015**”).

As stated on Page 28 of AR2015, in respect of interested person transaction(s) of the Company, the Company had sold one vehicle amounting to HK\$250,267 to Mr. Paul Gao Xiang Nong in FY2015.

SGX Query (b)

As required under Listing Rule 704(6), an issuer must immediately announce if it has previously announced its preliminary full-year results, any material adjustments to its preliminary full-year results made subsequently by auditors. Please provide an explanation for the difference in the “amount due from subsidiaries” at the company level as disclosed in the 2015 annual report, as compared to the unaudited full year financial statement released on 28 May 2015.

Company’s Response to SGX Query (b)

The “amount due from subsidiaries” of the Company in AR2015 decreased by HK\$1,356,000 as compared to the Company’s announcement on its preliminary full year results on 28 May 2015. The difference is due to the impairment of the inter-company balances considering the current financial position of the Company’s subsidiary. This does not have any impact on the Group’s financial position.

SGX Query (c)

Guideline 11.3 of the Code states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems in the annual report. The Board’s commentary should include information needed by stakeholders to make an informed assessment of the company’s internal control and risk management systems. The Board should also comment in the company’s Annual Report on whether it has received assurance from the CEO and the CFO:

- (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and
- (b) regarding the effectiveness of the company's risk management and internal control systems.

As required under Listing Rule 710, please make disclosure as recommended in the Code; in particular, the effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, or otherwise explain the reason(s) for the deviation.

Company's Response to SGX Query (c)

As stated in Page 25 of AR2015, during the year under review, the Board has conducted an annual review of the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls. The AC has also reviewed the effectiveness of the Group's system of internal controls in light of key business and financial risks affecting its business through discussion with Management and its external auditors.

As such, further to the views of the Board set out in Page 25 of AR2015:

- (i) The Board believes that the risk management and internal control systems, including financial, operational, compliance and information technology controls, established by the Company is adequate and effective to provide reasonable assurance that the Company would not be adversely affected by any event that could be reasonably foreseen. However, the Board also notes that no system of risk management and internal control systems, including financial, operational, compliance and information technology controls, could provide an absolute assurance in this regard, or absolute assurance against poor judgment in decision making, human error, losses, fraud or other irregularities.
- (ii) Based on the risk management and internal control systems, including financial, operational, compliance and information technology controls, established and maintained by the Group and reviews performed by management, various Board Committees and the Board, the AC and the Board are of the opinion that the Group's risk management and internal control systems, including financial, operational, compliance and information technology controls, were adequate and effective as at 31 March 2015.

As stated in Page 26 of AR2015, the Board has also received assurance from the CEO and CFO that the financial records have been properly maintained, the financial statements give a true and fair view of the Company's operations and finances, and the Company's risk management and internal control systems are effective.

By Order of the Board

Paul Gao Xiangnong

Chief Executive Officer and Executive Director

22 July 2015