



Paradise Entertainment Ltd

匯彩控股有限公司

(1180.HK)

2016 3Q Unaudited Key Performance Indicators Presentation



November 10, 2016

3Q16 Business and Performance Highlights



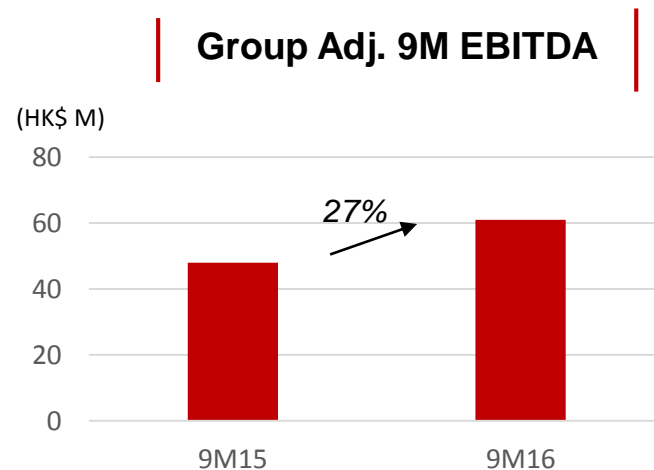
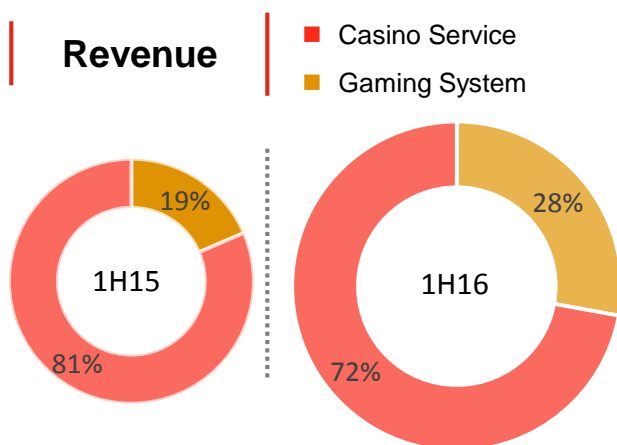
- **Total reported 3Q revenue increased by 38.6% year-on-year (YoY) to HKD352 million, while year-to-date (YTD) increased by 5.7% to HKD872 million**
 - Gaming system 3Q revenue largely rose by 223.1% to HK\$ 126 million, while YTD rose by 58.8% YoY to HKD243 million as mainly attributable to the increase in sales of LMG
 - Group 3Q gross gaming revenue (GGR) up 4.7% to HKD476.5 million: Kam Pek up 9%, Waldo down 2.2% and Macau Jockey Club up 8.6% YoY. Overall group GGR improved from -11% (1H16) to -6% (9M16) due to improvement of foot traffic across casinos under management
- **Group 3Q adj. EBITDA turned to profit of HKD78 million while YTD increased by 27.1% to HKD61 million**
 - Thanks for strong demand upon casino opening in Cotai Macau and LMG stadium expansion
 - Gaming system 3Q adj. EBITDA largely increased 305.3% to HKD77 million while YTD increased by 51.8% to HKD126 million
 - Casino service 3Q adj. EBITDA was HKD8 million while narrow down losses from –HKD52m (1H16) to –HKD44 million (9M16) as streamlining cost across casinos under management
- **Enriching game contents offering and releasing various electronic gaming machines**
 - Partnering with Inspired Gaming for Virtual sports betting development and DEQ for EZ Baccarat game development in Macau market
 - Deployed Fast betting Terminal (2nd generation of LMG) in Parisian Casino and expecting new business model
- **Maintained strong balance sheet**
 - Well-maintained Cash on hand (HK\$358 million as at 30 September 2016, ~18.7% of market capitalization)

3Q16 Key Performance Indicators Analysis



HK\$M	3Q16	3Q15	3Q(yoy)	9M16	9M15	9M(yoy)	Remarks
Group Revenue	352	254	38.6%	872	825	5.7%	Mainly attributable to increase in sales of LMG
Group Adj. EBITDA*	78	-2	NM	61	48	27.1%	
<u>Gaming System</u>							
Revenue	126	39	223.1%	243	153	58.8%	Strong demand upon casino opening and LMG stadium expansion from flagship casinos
Adj. EBITDA	77	19	305.3%	126	83	51.8%	
<u>Casino Service</u>							
Revenue	226	215	5.1%	629	672	-6.4%	Slightly improvement on foot traffic to our casino under management
Adj. EBITDA	8	-15	NM	-44	-14	214.3%	Narrow down losses from 1H16(-HKD51.9m) and streamlining cost across casinos

Group Adj. EBITDA* : After unallocated corporate expense

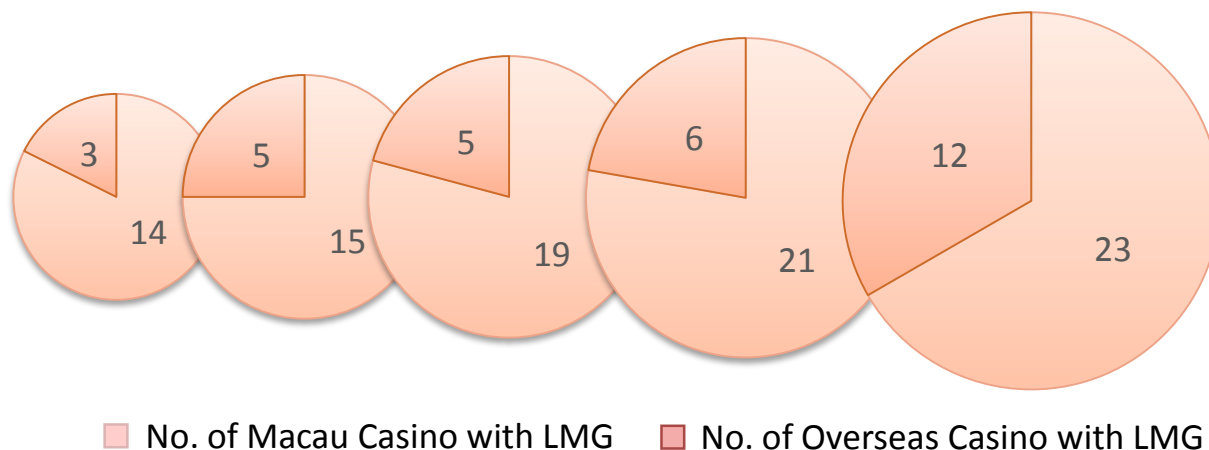
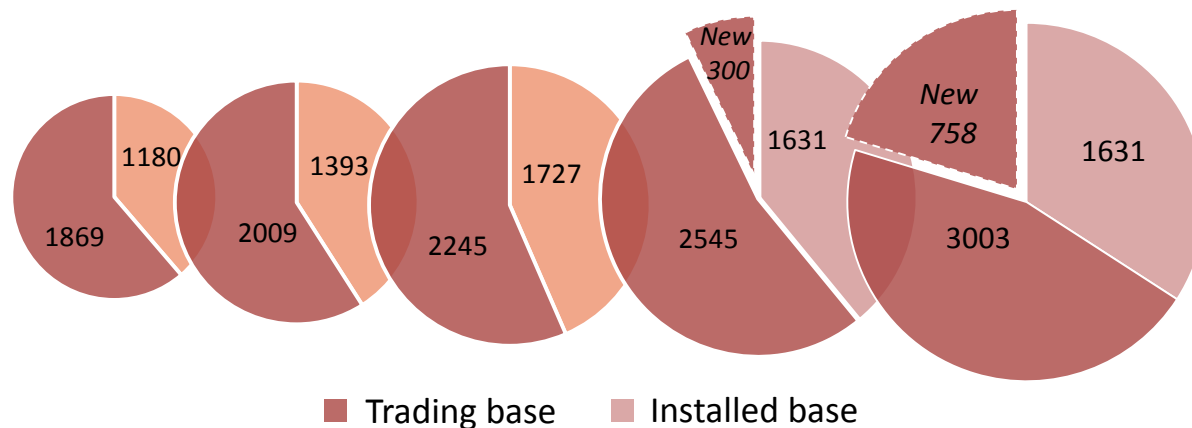


Segment Performance – Gaming System



Accumulative overall LMG deployment

	2013	2014	2015	1H16	9M16
Total #	3049	3402	3972	4176	4634



Trading base

Deployed 458 LMGs in 3Q16 and expecting around 900 units of trading base installation by FY2016

■ Macau

- Star World: 108 units
- Galaxy phase 1: 210 units
- Wynn Palace: 140 units
- Expecting around 300 units of installation in 4Q16.

■ Overseas

- Expecting around 300 units of trading base completed by FY2016

Installed base

Deployed 1,631 units of LMGs in 3Q16 and expecting a total 1,681 units of installed base by FY2016

■ Overseas

- LMGs were on trial run period in 3 US casinos.

Segment Results – Casino Service GGR Analysis



Paradise Entertainment Limited GGR Summary (HKD Mn)

Casinos	3Q2015	3Q2016	YoY	QoQ	YTD	% Comp
LTM-Kam Pek Paradise	315.17	343.44	9.0%	14.3%	-8.3%	72%
LTM-Waldo	126.88	124.12	-2.2%	-2.3%	4.9%	26%
LTM-MJC	8.95	8.98	8.6%	2.5%	0.5%	2%
LTG-Lisboa LTG Hall	4.14					
Group	455.15	476.54	4.7%	8.9%	-6.1%	100%
<i>Table</i>	<i>271.84</i>	291.96	7.4%	9.3%	-8.5%	61%
<i>LMG</i>	<i>162.94</i>	164.64	1.0%	8.9%	-2.8%	35%
<i>Slot</i>	<i>20.37</i>	19.95	-2.1%	2.9%	2.8%	4%

■ Two-pronged growth strategy in Macau

• A diverse product portfolio

- Over 100 Fast Betting Terminals deployed at Parisian Macau and expecting new business model
- New products roll-out at MGS Entertainment Show 2016, including Power Dragon, Advance Multi Game Virtual Sports, Horse Racing Terminal, E-Baccarat table, Multi-Roulette Terminal, LT game FAFA Slot Machine, QFX Machine, eDrop Box, Facial Recognition System and so on to smoothen sales volatility from a single product. Trial run to begin in 2017

• Leaner casino cost structure

- Streamlining cost across casinos

■ Growing overseas market contribution

- LMG installation to ramp up globally by leveraging IGT's global network and resource.

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Information as of November 2016

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