

Corporate Presentation

2014



PARADISE

Paradise Entertainment Limited

匯彩控股有限公司

(1180.HK)

Content



- 1** Corporate Structure
- 2** Gaming System – Live Multi Game
- 3** Gaming System – LT Game
- 4** Macau Market Share
- 5** Going Global Deployment
- 6** Casino Service – LT Macau
- 8** Innovated Casino Operation
- 9** Historical Financial
- 10** 1H2014 Financial Highlights
- 11** Shareholding Structure
- 12** Corporate Milestone 2002-2014
- 13** Our Clients
- 14** Appendix
- 17** Contact Information

Corporate Structure



Paradise Entertainment Limited

LT Macau

Casino Service

- Provides management and operational services to stand-alone casinos

LT Game

Gaming System Supply

- One-off Sales
- Recurring revenue

Gaming System – Live Multi Game (LMG)



A **PATENTED** technology in Macau and the USA

- The patents encompass **TWO** key features-
 - LIVE** Merging live dealers with machines. Real-time card dealing is broadcasted to multiple LMG terminals
 - MULTI** Supports concurrent table selection and allows players to bet on multiple games
- The patents are enforceable and wholly owned by Paradise Entertainment Limited
- The patents gives us market advantage in Macau and the USA
- LMG was invented by Mr. Jay Chun, CEO of Paradise Entertainment Limited
- It is **categorized as a table game** by The Gaming Inspection and Coordination Bureau in Macau (“DICJ”)



Greater Significance of the LMG technology:

- Increases Labor Efficiency, Lowers Labor Cost:**
Leverages 1 dealer to unlimited number of terminals (vs. 1 dealer to ~8 seats per traditional tables)
- Allows employment of less skilled dealers:**
Enabled by the ‘Intelligent Card Shoe’
- Lowers minimum bet:**
Lures more price sensitive players. LMGs serve as the only alternative for players who are priced out by high minimum bets at traditional tables
- Higher table productivity:**
Time limit on games means more hands played per hour- 70+ game turn per hour on LMGs (vs. ~50 game turn per hour on traditional tables)



Gaming System – LT Game Limited



Macau Market Casinos with LMG deployment



Macau Tailwinds

10+ Casinos to Be Built in Next 5 Years:

Enormous market potential with a total committed investment of USD30billion+ in Macau by 2020. Market saturation guidance – Macau 10,000 to 15,000 LMGs.

Gaming Table Cap:

Macau government capped table expansion at 3% growth/ year. This creates table supply constraint and will lead to hugely underutilized floor space as more casinos open.

Labor Shortage:

Low unemployment rate in Macau at 1.7% and the employment restriction limiting dealers to be strictly local Macanese are causing tremendous labor cost inflation.

Impressive Mass Market Growth:

Growing composition of 'high quality' visitors (IVS) is set to aid mass market expansion

Minimum Bet has Reached Ceiling:

Outrageously high minimum bets means price sensitive gamblers are priced out, forcing patrons to trade down to their next best alternative – LMG.

Productivity:

93% of Macau GGR is generated from Baccarat. Baccarat has low house advantage of ~3%, therefore increasing game volume is key. Only LMGs can turn more games per hour.



Macau Market Share



*Total GGR Generated by LMGs in Macau

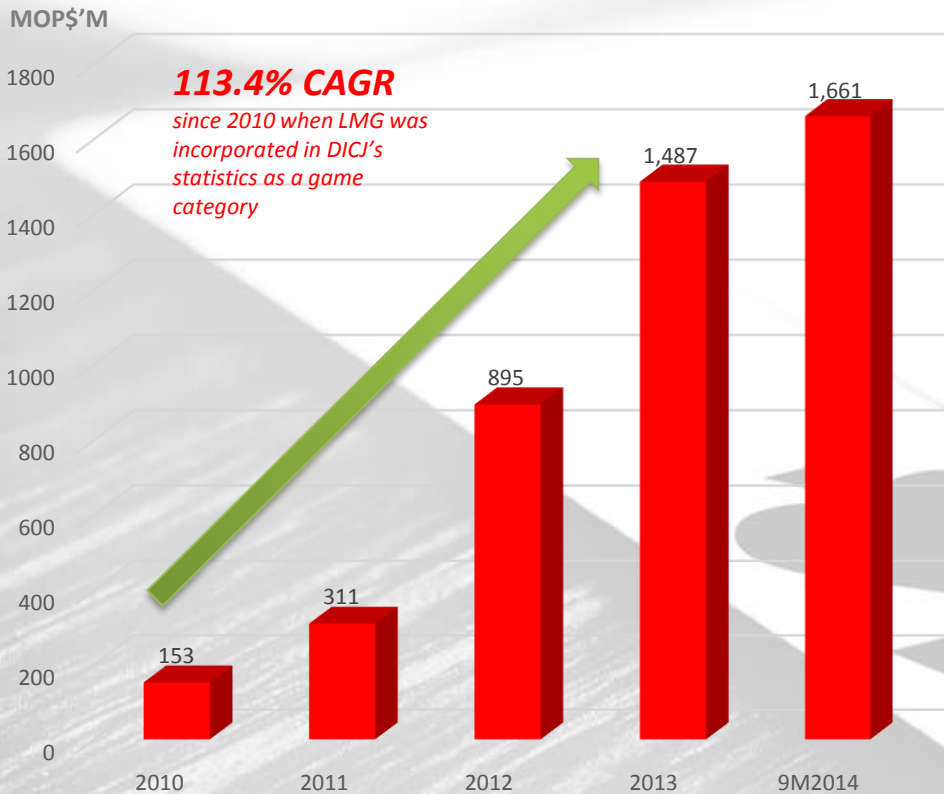
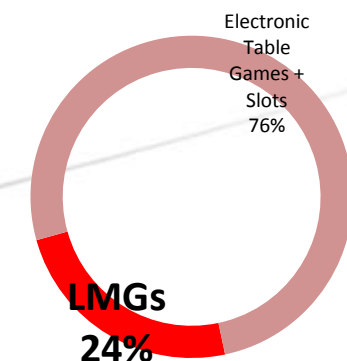
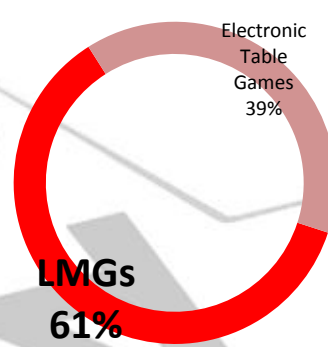
(3) Gross revenue from different game types of games of fortune in 2009-2014										
Game Types	2009	2010	2011	2012	2013	2014				
						1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Total
Live Multi Game	-	153	311	895	1,487	505	570	586	-	1,661

*The Gaming Inspection and Coordination Bureau ("DICJ")
<http://www.dicj.gov.mo/web/en/information/DadosEstat/2013/content.html#n1>

Market Share in Macau



LMGs 100%



1HKD = 1.03MOP

Going Global Deployment



Overseas Market Outlook

Tremendous Room for Overseas Growth:

Potential market saturation guidance – USA 50,000 LMGs & Australia 40,000 LMGs

Expensive Labor Cost and High Minimum Bet:

Expensive and unionized dealers in USA and Australia means high labor cost which driving up minimum table bets.

Underserved Mass Market:

Lack of alternative products for grind mass gamers who have been priced out by expensive table games in the USA and Australia.

Penetrate Through Partnership Agreements:

Entered into Distribution Agreement in Australia with Ainsworth Game Technology Limited February 2014, and USA & Canada with IGT (*The biggest and leading Gaming Machine manufacturer in the world*) August 2014.

Fragmented yet Sizeable Electric Gaming Machine Markets:

High E-table adoption rate in Card Rooms and Tribal Casinos in the USA and in Pokie Clubs in Australia

USA & Canada Exclusive Distribution Partner



Australia Distribution Partner



LMG Machines Deployment

Country area
Macau China
Australia
United State
Thailand
Cambodia



Source: The Company

Casino Service – LT (Macau) Limited



- LT (Macau) Limited (“LT Macau”) is a licensed casino service provider with the license granted by the Macau Government in 2007
- There are currently 3 stand-alone casinos under LT Macau:

1. Casino Kam Pek Paradise



Table Count	LMGs	Slots
45*	800	~200

- LT Macau signed a collaboration agreement with Sociedade De Jogos De Macau, S.A. (“SJM”) in August 2008
- Casino Kam Pek is located at San Kin Yip Commercial Center, adjacent to Lisboa Hotel & Casino and opposite to Wynn Resort
- Casino Kam Pek Paradise currently occupies 5 floors and over 200,000 sq.ft.

*8 out of 45 tables converted to LMGs, remaining 37 tables operate as traditional tables

2. Casino Waldo



Table Count	LMGs	Slots
30^	300	~100

- LT Macau entered in an agreement February 2014 to provide services at Casino Waldo
- Casino Waldo is located on the Macau Peninsula, 4 minutes drive from the Ferry Terminal and 15 minutes drive from the Macau International Airport
- Casino area at Waldo extends over the rear lobby, mezzanine, 1st, 3rd and 5th floors of the hotel complex

^2 out of 30 tables converted to LMGs, remaining 28 tables operate as traditional tables

3. Casino Macau Jockey Club



Table Count	LMGs	Slots
4~	172+	100+

- Casino Macau Jockey Club officially re-opened on the 30th of April 2014.
- It features the world’s first chip-less casino** (Please refer to pg. 7)
- MJC Casino is located in Taipa Macau, just 15 minutes’ drive from the Macau Ferry Terminal and 10 minutes’ drive from the Macau International Airport. It offers free hotel shuttle bus services between the casino and the Macau Ferry Terminal.

~1 out of 4 tables converted to LMGs, 3 converted to E-tables**

Casino Service – LT (Macau) Limited



Casino Service Growth

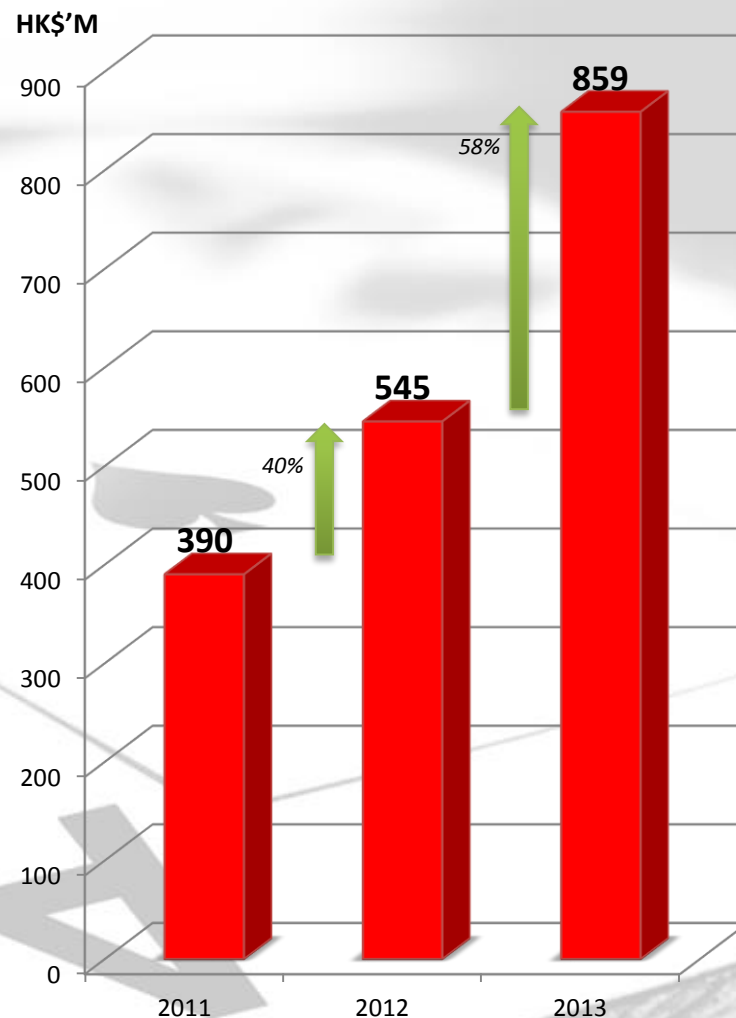
	2011 Actual	2012 Actual	2013 Actual
	(in HK\$'M and % amounts)		
Casino Service Revenue	390	545	859
YoY Change	69.5%	39.8%	57.65%

Our Strategy

- Market positioning: **Grind Mass Focused**
- **NO VIP, NO Junket**
- Crowd Strategy
- Absorb the most price-sensitive gamers
- Sticky clientele: attracts high-frequency re-visitation
- Demographics: ~60% visitation from Mainland both Day-trippers and Stay-overnight, ~35% visitation from other countries ; ~5% visitation from local people
- Tagline: *The Lowest Minimum Bet in Town*
- Laid-back, unpretentious club environment
- In no direct competition with flagship casinos

Our LMG technology dramatically lowers operational cost, allowing us to offer low minimum bets

Casino Service Growth 2011-2013



Innovated Casino Operation



Our vision is to become the key provider of a total gaming solution which addresses inefficiencies in casino operations in Macau and worldwide. We relentlessly research and develop new technologies which improves accuracy, security and efficiency and enhances the overall gaming experience. Below is some of our latest innovations:

****E-Baccarat Table**

(Deployed in Casino Macau Jockey Club)

- **Real Life Dealer**
Players can scratch cards and interact with dealer, user experience resembles that of a traditional table
- **Digital Chips**
Improves security and accuracy, eliminates human error
- **Chip-less Operation**
Digitalized chips + TITO system = total chip-less solution for casinos , removes security risks and human errors
- **Efficient Back-betting**
Live real-time games broadcasted to LMG terminals for back-betting
- **Higher Game-turn**
Game time limit, efficient back-betting, automated payout and chips/ cash counting means more games played per hour



Intelligent Cash Handling Solution



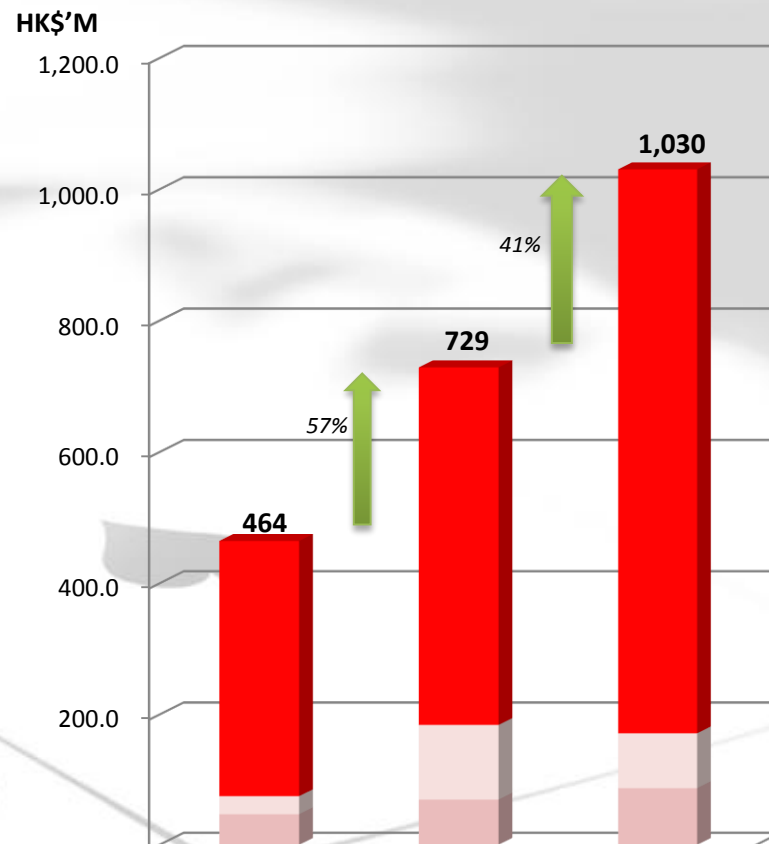
- **TITO System**- Allows patrons to redeem cash and/or buy tickets
- **Minimize Security Risks**
- **Eliminates Manual Cash Handling Human Errors**
- **Increases Efficiency**- Faster automated cash counting
- **Lowers Labor Cost**- Eliminates casino cage cashiers

Historical Financial



Historical Revenue Growth

	2011	2012	2013
	(in HK\$'M)		
Revenue	464	729	1,030
Gross Profit	284	484	585
EBITDA	95	204	198
Profit for the year	39	143	104
Cash & cash equivalents	126	196	267
Proposed Final Dividend	Nil	Nil	53



	2011	2012	2013
Casino service	389.9	544.9	859.2
Trading (Gaming system)	27.8	114.7	84.3
Revenue sharing (Gaming system)	46.9	69.4	87.0

Dividend payment of HK\$0.05 per share announced for 2013

Our Competitive Advantage

- **Technology protected by Enforceable Patents**
- **Asset-light, Cash Rich, High Operational Leverage Business**
- **Grind Mass market Expert**

1H2014 Performance Highlights



1H2014 at a glance

❖ 1H2014 reported revenue up 50.7% yoy to HKD610million

- Casino service contributes 86.9% of revenue
- Gaming system contributes 13.1% of revenue

❖ EBITDA for the group up 44.1% yoy to HKD113million

- Resilient casino service operation performance, Casino service EBITDA increased by 89.2% to HKD125.3million
- Gaming system EBITDA increased by 59.7% yoy to HKD35.5million

❖ Dramatic growth in number of tables and LMGs under management

- Began managing Casino Waldo and Macau Jockey Club
- Profit from operation grew 101% yoy to HKD123.0million
- Net cash generated from operation increased 323.9% yoy to HKD224.1million

❖ Casino service business remains robust

- Casino Kam Pek Paradise Avg. monthly GGR up 25% yoy to HKD133.7million
- Casino Kam Pek Paradise July 2014 GGR record high at HKD165million
- Casino Waldo Avg. monthly GGR up 20% yoy to HKD42.8million

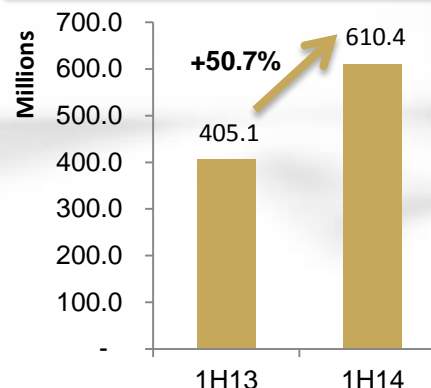
❖ Gaming system to pick up in 2H14

- Strong recurring income growth from machine deployment ~30% growth in HoH from 2013
- Revenue driver transforms from one-off sale to recurring income model (**profit sharing & daily fee**)
- Exclusive distribution agreement signed with IGT, rapid expansion in the whole USA & Canada market to be anticipated
- Signed distribution agreement with Ainsworth, sales in Australia to accelerate
- New technologies in the pipeline ready to be rolled out in 2H14
- Shortage of tables and labor cost inflation expected to worsen, macro tailwinds to drive tremendous LMG sales in Macau

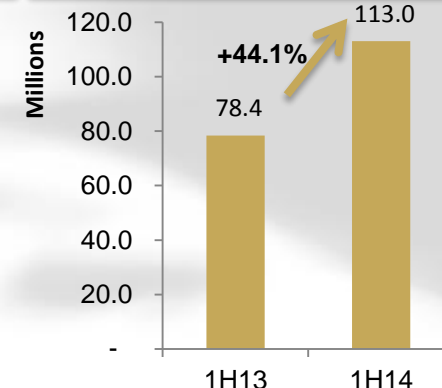
❖ First Interim dividend announced in 2014

- Announce interim dividend of HKD0.02 per share to be paid on or about 24 October 2014

Total reported revenue (HKD)

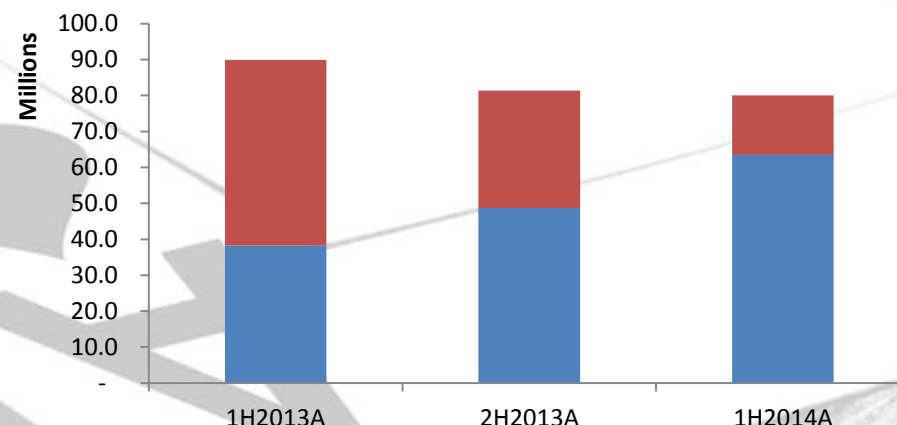


EBITDA for the group (HKD)



Gaming system revenue composition

■ Recurring income ■ Trading revenue



Shareholding Structure



Shareholders	Shareholding	%
Jay Chun and August Profit Investments Limited	629,820,880	59.20
Best Top Offshore Limited	26,097,580	2.45
Bridger Management LLC	33,739,130	3.17
Free Float	374,323,725	35.18
Total	1,063,981,315	100.00

Corporate Milestone



2002-2006

- Macau Govt ended gaming monopoly
- Jay Chun created "Live" & "Multi" features
- Began patent application in the USA and Macau
- First LMG deployment in Macau on revenue sharing basis

2007

- Company name change to "Paradise Entertainment Limited"
- Deployed 300 LMGs in Casino Kam Pek Paradise

2008

- Granted Casino Service Management License by the Macau Govt
- Began providing casino services at Casino Kam Pek Paradise

2010

- LMG Patents filed in Macau
- Jay Chun injected Macau Patents into the company

2011

- First 200 LMGs sales in Macau market
- LMG Patents filed in US
- Reported first full-year profit

2012

- US patents injected into the company
- First LMG overseas sales in Australia
- Over 1000 LMGs deployment in Macau

2013

- LMG Sales License granted for Nevada, USA
- Over 3000 LMGs deployment globally
- Reported first HKD1billion revenue for the year

2014

- Began managing Casino Waldo in Macau
- Began managing Casino Macau Jockey Club, the 1st Chip-less casino in the world
- Signed distribution agreement with Ainsworth Australia
- Signed distribution agreement with IGT USA & Canada



Corporate Milestone 2002-2014

Our Clients



Our Selected Credentials



Casino Lisboa
Feb 2013
First Launch Date



Galaxy Macau
Jun 2013
First Launch Date



Casa Real Resort
Oct 2012
First Launch Date



Sands Macau
Jul 2011
First Launch Date



Sands Cotai Central
Apr 2012
First Launch Date



Grandview Hotel
Oct 2013
First Launch Date



Grand Emperor
Oct 2012
First Launch Date



New Century Hotel & Casino
Feb 2013
First Launch Date



Hard Rock, City of Dreams
Apr 2013
First Launch Date



Wynn Macau
Nov 2012
First Launch Date



Venetian Macau
Jun 2011
First Launch Date



MGM
Aug 2012
First Launch Date



Grandview Casino
Oct 2013
First Launch Date



Crown Casino (Southbank Victoria)
Feb 2012
First Launch Date



Palazzo Casino (Las Vegas)
Nov 2012
First Launch Date

Appendix 1 – Patents



11 US Patents

- i. Patent Number 7914368 Issued 29 March 2011 Expiring on or after 5 August 2025 but not later than 17 September 2026, subject to the expiration date of, as a continuation-in-part to, Application 11/198218
- ii. Patent Number 7918723 Issued 5 April 2011 Expiring 17 September 2026
- iii. Patent Number 7922587 Issued 12 April 2011 Expiring 17 September 2026
- iv. Patent Number 8182321 Issued 22 May 2012 Expiring on or after 5 August 2025 but not later than 17 September 2026, subject to the expiration date of, as a continuation-in-part to, Application 11/198218
- v. Patent Number 8210920 Issued 3 July 2012 Expiring 14 February 2028
- vi. Application 11/198218, Filed 5 August 2005, Patent Pending
- vii. Application 11/938733. Filed 12 November 2007, Patent Pending
- viii. Application 12/984558, Filed 4 January 2011, Patent Pending
- ix. Application 13/033543, Filed 23 February 2011, Patent Pending
- x. Application 13/042633, Filed 8 March 2011, Patent Pending
- xi. Application 13/483803, Filed 30 May 2012, Patent Pending

Macau Patent

- i. Patent Number I/380, Issued 09 April 2010 Expiring 24 October 2026

*A patent is a set of exclusive rights granted by a state or a national government to an inventor or their assignee for a limited period of time in exchange for a public disclosure of an invention. The term patent usually refers to a right granted to anyone who invents or discovers any new and useful process, machine, article of manufacture, or composition of matter, or any new and useful improvement thereof. For more details, please refer to page IV(b) 5 to 7 of the circular dated 9 May 2013.

Appendix 2 – Media Coverage



Wall Street Journal 06-02-2014

The Cheapest, Richest Casino in Macau

Some Find Profits in Asia's Low Rollers; A Bare-Bones Establishment Emerges as a Big Winner

By Kate O'Keefe

High-rollers who bet millions without batting an eye have turned Macau into the world's gambling capital.

But a bare-bones casino where gamblers pay for their own drinks has emerged as an unlikely winner in the Chinese territory by trumping its HK\$20 (\$2.50) minimum bets.

Jay Chun says his Kam Pek casino, housed in a downtown office building across the street from the glamorous Wynn Macau, caters to the gamblers that other Macau casinos don't want. By embracing technology to tame the city's high costs, he says, Kam Pek achieves some of the highest profit margins in the city.

Macau's annual gambling revenue shot up from less than \$3 billion in 2002 to \$45 billion, or seven times that of the Las Vegas Strip last year. But in the race to serve the city's high rollers with increasingly luxurious casino resorts, low-budget gamblers were left without many options.

Over the past year alone, average minimum bets at mass-market or non-VIP gambling tables in Macau have more than doubled to HK\$1,000 (\$120) from around HK\$400 (\$50), says analyst Aaron Fischer of brokerage GLS.

That compares with minimum bets of \$7 to \$50 at casinos in Las Vegas and most other casinos globally, the brokerage estimates.

Low-budget gamblers in Macau are "a huge market to tap," says Leo Woo Kuit, an analyst at Singapore's DBS Vickers Securities.

Macau's customer mix is "like a pyramid," says Mr. Chun, chairman of Paradise Entertainment Ltd., the publicly traded company that manages Kam Pek. "Everyone focuses on the top,



By embracing technology while courting low-budget gamblers, Jay Chun's Kam Pek casino has claimed some of the city's highest profit margins.

but we focus on the bottom." Casinos spend lavishly on their best clients many of whom hail from mainland China. For example, they offered private jets for all-expenses-paid trips to Las Vegas to ring in the Lunar New Year, which began Friday.

At Kam Pek, top customers were offered the chance to redeem their loyalty points for popular dried-seafood products

to celebrate the holiday, but "they can't complain. It's for free," says Mr. Chun. "Most of the time they're waiting for the border to open," he adds, referring to Macau's border with mainland China, which shuts overnight until 7 a.m.

About half the casino's patrons are from mainland China, 30% are from Macau, and many of the rest come from Taiwan and Korea, Mr. Chun says.

Kam Pek has also solved some of Macau's most vexing problems: the high cost and low availability of labor. The city's gamblers like table games, in particular baccarat, which requires lots of dealers. That's a problem because dealers can only be drawn from Macau's 600,000 citizens, and just 1.8% of them are unemployed, which

Reasons to the next page

Apple Daily 16-11-2013



【本報訊】有份經營全港博彩娛樂的匯彩控股(1180)打算開拓老虎機業務，計劃在農曆新年前將有首批「自家製」約150部老虎機運往澳門(880)旗下的新葡京賭場，會把經營直落式電子賭枱的經驗放在老虎機業務上。

盼海外收入佔逾三成
匯彩主席陳捷接受訪問時表示，公司目前主要真人運籌的直落式電子賭枱，亦有選擇擴展至生產及營運老虎機。他指出，雖然老虎機平均收入較直落式電子賭枱低四成，加上市場競爭非常激烈，惟加入老虎機業務有助集團高輪提供整體解決方案 (total solution)。

首套電子賭枱方案，陳捷封明年將訂銷售額約3,000套電子賭枱，訂明

Economic Digest 11-01-2014

匯彩走出去 力谷博彩機銷售

匯彩主席陳捷表示，公司目前主要真人運籌的直落式電子賭枱，亦有選擇擴展至生產及營運老虎機。他指出，雖然老虎機平均收入較直落式電子賭枱低四成，加上市場競爭非常激烈，惟加入老虎機業務有助集團高輪提供整體解決方案 (total solution)。

首套電子賭枱方案，陳捷封明年將訂銷售額約3,000套電子賭枱，訂明

Capital Weekly 25-12-2013

匯彩 e-table 襲全球

科技的力量重振博彩業，以後的賭枱將不再出現賭枱賭桌，主力運籌，及透過電子賭枱系統運籌的匯彩控股 (01180)，主席陳捷指出，該賭枱、安全及人工成本的高需求，催生 e-table (電子賭枱) 明年將在澳門 (00880) 賭下的一層樓將成「新區」以後的賭枱將沒有賭枱，而沒有賭枱的電子賭枱，將與全球同時全球式的賭枱和主力運籌。

Equity AVAT

Paradise Entertainment Chairman Jay Chun

Jay Chun, chairman and managing director of Paradise Entertainment, sets poses for photograph after an interview at the Macao Gaming Show event in Macau on Nov. 14, 2013. Photographer: Lam Tik, Fotoblog.com

Australia 61 2 9727 8600 Brazil 5511 3049 4500 Europe 44 20 7330 7500 Germany 49 69 3204 1210 Hong Kong 852 2977 6000 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2013 Bloomberg Finance L.P. 311 762566, NY, NY 07103 0522-322-9 15-Nov-2013 09:31:01

Bloomberg 15-11-2013

Appendix 3 – Analyst Coverage



Citi Citi Research Equities

Paradise Entertainment (1180.HK)

Strong order backlog, Rising Earnings and P/E

Key Takeaways:

- Strong order backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

Paradise Entertainment

New Buy: Multi-growth drivers with attractive valuation

Key Takeaways:

- Strong order backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

Macquarie Research

The Asia Socialist

Paradise Entertainment Ltd. Macau gaming's political hedge

Key Takeaways:

- Political Hedge: 1180.HK is a political hedge in the Macau gaming industry.
- Strong Order Backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

Mizuho Securities Asia Ltd

Paradise Entertainment (1180.HK)

BUY (revising overweight)

Key Takeaways:

- Strong Order Backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

CIMB

Paradise Entertainment (1180.HK)

BUY (revising overweight)

Key Takeaways:

- Strong Order Backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

Citigroup Global Markets Ltd
Raymond Choi

BofA Merrill Lynch
Ronald Leung

Macquarie Capital Securities
Jake Lynch

Mizuho Securities Asia Ltd
Zeno Tse

CIMB Securities Ltd
Michael Ting

CMSAsia Company Report

Paradise Entertainment (1180.HK)

Key Takeaways:

- Strong Order Backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

Research - Company Report

Paradise Entertainment (1180.HK)

BUY

Company meeting takeaways: A strong LMG order to bolster growth momentum

Key Takeaways:

- Strong Order Backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

Paradise Entertainment Ltd (1180.HK, Not Rated): Key Takeaways

Game Technology Sector

Key Takeaways:

- Strong Order Backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

FLASH NOTE

Paradise Entertainment Limited (1180.HK)

Sell-off overdone, double engine turns on

Key Takeaways:

- Strong Order Backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

CICC 中投公司

Paradise Entertainment Group

Aiming for the bull

Key Takeaways:

- Strong Order Backlog: 1180.HK has a strong order backlog of 1180.HK, which is expected to drive revenue growth in FY19.
- Rising Earnings: 1180.HK's earnings are expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.
- P/E Ratio: 1180.HK's P/E ratio is expected to rise in FY19 due to the completion of the 1180.HK project and the start of the 1180.HK project.

Investment Recommendation: Buy

Target Price: HK\$10.00

Key Risks:

- Competition: 1180.HK faces competition from other gaming companies in the market.
- Regulation: 1180.HK is subject to regulatory changes in the gaming industry.
- Operational Risks: 1180.HK faces operational risks related to the completion of the 1180.HK project and the start of the 1180.HK project.

China Merchants Securities (HK)
Angela Han Lee

Haitong Int'l Research Ltd
Donald Cheng

Sun Hung Kai Financial
Stephen Yang

Cinda Int'l Research Ltd
Hayman Chiu

CICC Equity Research
Chris Kwai

Contact Information



Hong Kong Office

Unit C, 19/F., Entertainment Building,
30 Queen's Road Central, Hong Kong SAR
Tel: (852) 2620 5303 Fax: (852) 2620 6000

Macau Office

Suite 1207, 12/F., Macau Landmark,
No. 555 Avenida da Amizade, Macau
Tel: (853) 2878 7656 Fax: (853) 2878 7848

Website

www.hk1180.com

www.ltgame.net

A company listed on the Stock Exchange of Hong Kong Stock Ticker 1180

Investor Relations

Investor Relations Manager

Mr. Bryan Wu

Email: bryanwu@hk1180.com

Tel: (852) 2916 0817 / (852) 9168 6118

Disclaimer:

This presentation has been prepared for general information purposes, and is not, and should not be construed as an offer to see, or a solicitation of an offer to buy any securities. Information contained and opinions expressed herein have been compiled in good faith by Paradise Entertainment Limited from sources believed by it to be reliable, but no representation or warranty, expressed or implied, is made as to their accuracy, completeness or correctness. All opinions and estimates contained in this document are provided in good faith but without any legal liability and are subject to changes. Neither Paradise Entertainment Limited or any of its subsidiaries or affiliates, nor any of its or their officers or persons, accepts any responsibility or liability whatsoever from any actions or claims arising from any use or interpretation of the information contained herein. All rights reserved. Paradise Entertainment Limited. Information as of 8th October 2014