



PRESS RELEASE

Paradise Entertainment Limited announces 2014 Interim Results

**Total reported revenue up 50.7% yoy to HKD610million
EBITDA for the group up 44.1% yoy to HKD113million**

Hong Kong, 28 August 2014 – Paradise Entertainment Limited (“the Group”) (HKEx stock code: 1180) today reported unaudited results of the six month periods ended 30 June 2014.

Performance Highlights

1H2014 reported revenue up 50.7% yoy to HKD610.4million

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

Casino management 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 profit sharing from machine
- Revenue driver transforms from single product sales to the supply of total-gaming-solution
- Nevada sales license granted at the end of June
- Exclusive distribution agreement signed with IGT, rapid expansion in the USA & Canada 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

Announce 2014 Interim dividend

- Announce interim dividend of \$0.02 per share to be paid on or about 24 October 2014

BUSINESS REVIEW

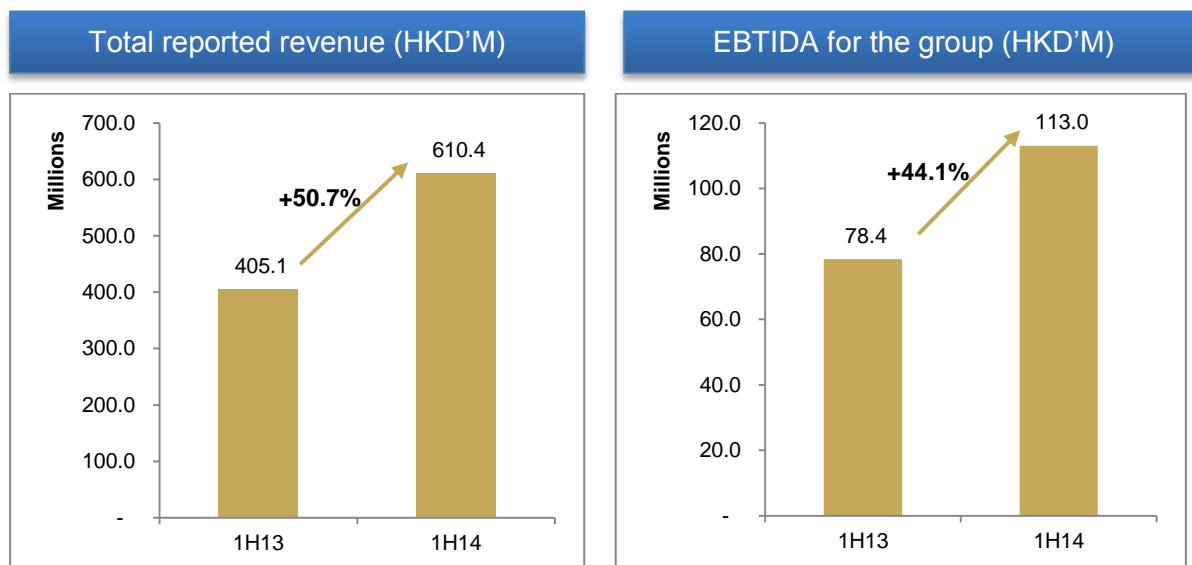
The performance of the Group continued to outperform the gaming industry of Macau in the six months ended 30 June 2014 as the Group managed to build on the momentum of last year.

Revenue of the Group for the six months ended 30 June 2014 surged from HK\$405,132,000 to HK\$610,447,000, representing an increase of 50.7% as compared with the same period last year. The increase in revenue was mainly attributable to the growth in revenue from casino services, of which the revenue from Waldo Casino was recognized and the revenue generated by Casino Kam Pek



Paradise for the six months ended 30 June 2014 increased by 20.6%. That compares with the growth rate of just around 12.6% of the gaming industry in Macau for the same period last year, Casino Kam Pek Paradise notably outperformed the overall gaming industry.

Profit of the Group for the six months ended 30 June 2014 increased from HK\$45,375,000 to HK\$50,469,000, representing an increase of 11.2% as compared with the same period last year. Profit from operation for the six months ended 30 June 2014 increased from HK\$61,340,000 to HK\$123,275,000, representing a significant increase of 101.0%. Amongst the amortization of intangible assets of HK\$33,466,000, an amortization of patents and patent applications of HK\$27,397,000 is resulted from the acquisition of US patents and patent applications in June 2013. The EBITDA of the Group increased from HK\$78,445,000 to HK\$113,043,000 as compared to the same period last year.



Provision of Casino Services

For the period ended 30 June 2014, revenue generated by the provision of casino services has contributed 86.9% of the total revenue. The EBITDA increased from HK\$66,238,000 to HK\$125,290,000, representing an increase of 89.2% as compared with the same period last year.

In April 2014, the Group has extended the casino services to Taipa Macau by providing Casino Macau Jockey Club (“MJC Casino”) casino services, such as sales, marketing, promotion, player development and referral, event co-ordination and other services. MJC Casino is the world’s first chipless casino, which covers Live Multi-Game (“LMG”) terminals and chipless tables and slot machines. With the brand new technology provided by the Group, MJC Casino is able to reduce its operating costs. This arrangement with MJC Casino will help the Group to capture the business opportunities in the growing mass-market segment.

In conjunction with the existing casino services provided to Casino Kam Pek Paradise, Waldo Casino and the LMG Terminals Zone of Lisboa Casino in Macau, the move with MJC Casino will further expand the Group’s market share in Macau.



Sales and Revenue Sharing of LMG Terminals

For the period ended 30 June 2014, revenue generated by the sales and revenue sharing of LMG terminals has contributed 13.1% of the total revenue. The EBITDA increased from HK\$22,235,000 to HK\$35,499,000, representing an increase of 59.7% as compared with the same period last year.

In August 2014, the Group established a strategic distributorship alliance with International Game Technology (“IGT”), a global leader in casino gaming industry which its shares are listed on the New York Stock Exchange. Through the alliance, the Group will serve as exclusive distributor for IGT’s slot machines in Macau while IGT will distribute the LMG systems on an exclusive basis in the United States and Canada.

The alliance with IGT marked a significant milestone in the history of expansion into the United States and Canada of the Group. The Group believes, by developing this unique partnership, it will enable the Group to accelerate its expansion of global presence and distribution.

Our distribution partner in USA & Canada



Licensed casino equipment supplier in the USA and Canada across ALL jurisdictions

Our distribution partner in Australia



The Group is licensed by EVERY domestic regulator in Australia

PROSPECTS

Given its diverse quality services and state-of-art technology, the Group is confident that its strength in the provision of casino services to the Macau’s gaming industry will be an important revenue driver of its casino business.

Further to the strategic alliance with other global gaming entertainment leader, the Group is well-positioned to continue to expand its global presence, especially in the United States, where the demand for electronic gaming machines has been growing.

To enhance the services provided as an innovative gaming equipment supplier, the Group will provide “all solution concept” to Macau casinos which is a revolutionized idea that the Group will supply all the equipment no matter they are spare parts or a terminal so as to generate diversified income.

The Board also firmly believes that, the unparalleled gaming services and products expertise of the Company will allow the Group to leverage the tremendous potential of the market to the benefit of all the shareholders of the Company.

After all, the Board look forward to making further progress in the second half of the year.

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Paradise Entertainment Limited (SEHK: 1180)

Paradise Entertainment Limited (SEHK: 1180) is listed on the main board of the Hong Kong Stock Exchange. The Group is principally engaged in the development, provision and sales of electronic gaming systems and the provision of casino management services.

For more information about Paradise Entertainment Limited, please visit our website:
<http://www.hk1180.com>