



Paradise

# Paradise Entertainment Limited

*(Incorporated in Bermuda with limited liability)*

1180.HK

2020 Annual Results

25 March 2021

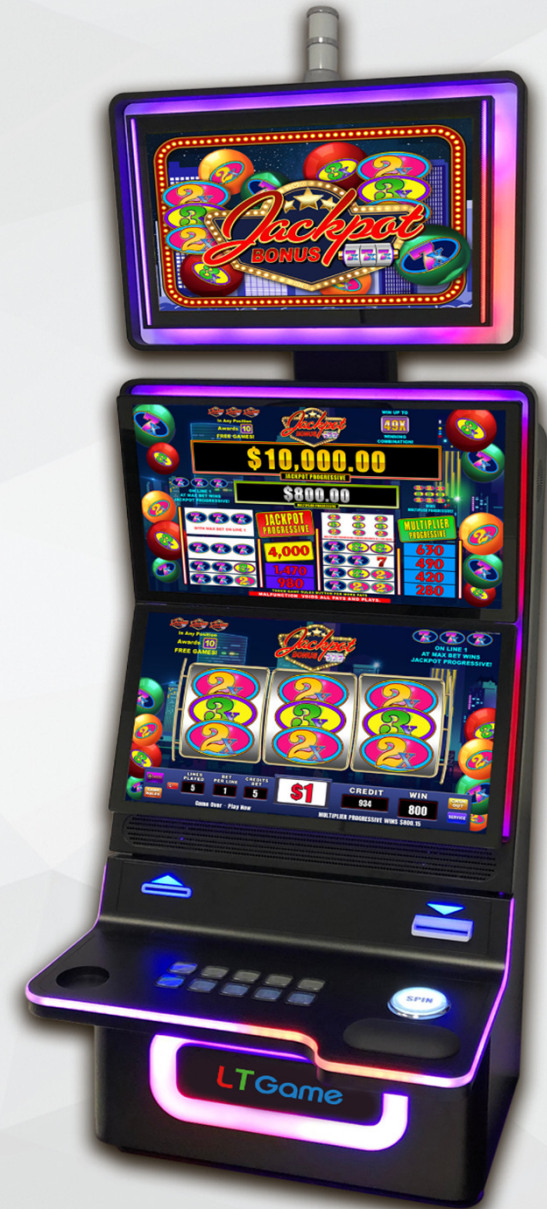
# BUSINESS UPDATE

For the year ended 31 December 2020



# BUSINESS UPDATE

1. The outbreak of Covid-19 since early 2020 has hit hard on global economy and severely affected many businesses including gaming. Operations of the Group were significantly impacted
2. Cessation of provision of casino management services in Casino Waldo since 1 March 2020
3. Continued investment in R&D of electronic gaming equipment and systems. The Group has started to deploy its developed slot machines in the North American and Macau markets





4. Increasing investment in R&D on AI and other high-tech products in areas of education, sports and living, etc. The launch of the Group's developed smart watch under its brand "MedicTec" in early 2021 marked an important milestone for the Group
5. Investment in joint ventures operating fine dining restaurants in Macau
6. Exploration of other businesses including making use of the Group's extension network in the PRC to provide procurement services for oversea customers

## Casino Management Services

# Gaming Tables and Machines under Management/In Operation

	At 31 Dec 2020		At 31 Dec 2019
	Under management	In operation	Under management & in operation
<b>金碧匯彩娛樂場</b> <b>KAMPEK PARADISE CASINO</b> (managed by the Group since Aug 2008)	Total gaming tables	49	49
	Traditional gaming tables	39	39
	LMG gaming tables/machines	10/1000	10/466
	Slot machines	163	73
<b>華都娛樂場</b> <b>Waldo Casino</b> (managed by the Group during Mar 2014 to Feb 2020)	Total gaming tables		30
	Traditional gaming tables		25
	LMG gaming tables/machines		5/432
	Slot machines		157



## Electronic Gaming Equipment & Systems

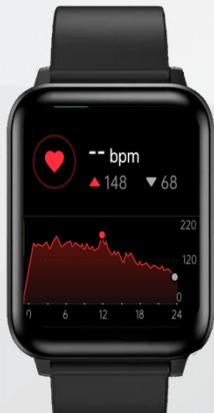
# DEPLOYMENT OF GAMING MACHINES



	FY2020	FY2019
<u>Selected deployment information</u>		
	No. of machines	No. of machines
LMG machines in Macau:		
Provision of upgrading services	438	1,051
Sale	20	799
Slot machines:		
Sale overseas	23	-
Remark: Up to now, the Group has deployed over 100 slot machines in the North American and Macau markets		

## INVESTMENT IN R&D ON AI AND OTHER HIGH-TECH PRODUCTS

- Invested increasingly in R&D on high-tech healthcare innovative products seeking to integrate accuracy with artificial intelligence (“AI”) for the betterment of daily management of health conditions
- Successfully developed and launched (under brand name of “MedicTec”) smart wear products which use AI to collect, track and monitor real time health data and information such that users can manage their health conditions more efficiently for better quality of life
- committed to providing end customers with high-quality one-stop service on smart health, smart sports, smart home and wireless communication product integration solutions



# INVESTMENT IN JVs OPERATING FINE DINING RESTAURANTS IN MACAU

**Shuang Zuan Shi Fu**  
(Chinese cuisine)  
(opened on 15 July 2020)



**Shuang Zuan Seafood Tapas**  
(Western cuisine)  
(opened on 18 March 2021)



# FINANCIAL UPDATE

For the year ended 31 December 2020



# FINANCIAL HIGHLIGHTS - 2020

GGR

Casino Kam Pek Paradise

HK\$ **556.6** m

Casino Waldo (Jan – Feb 2020)

HK\$ **43.4** m



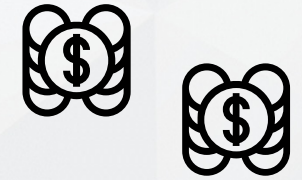
Adjusted EBITDA (loss)

HK\$ **(101.1)** m



Reported Revenue

HK\$ **351.7** m

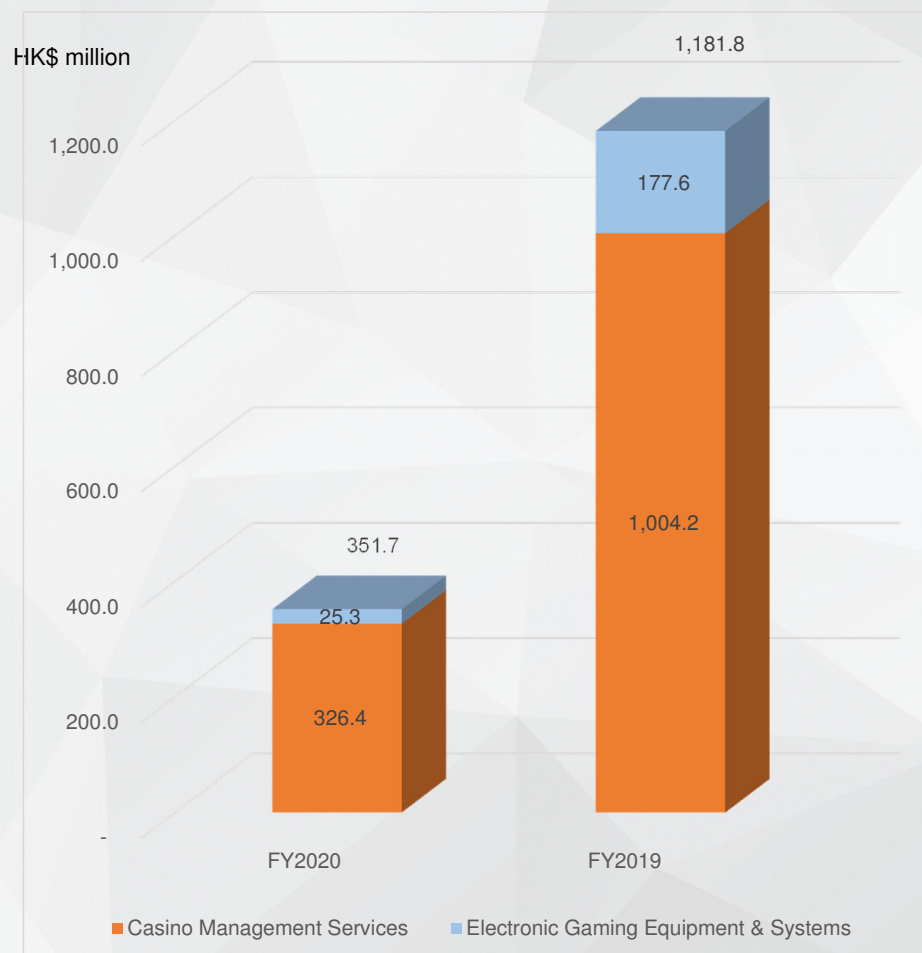


Net loss

HK\$ **(192.1)** m

# REVENUE & ADJUSTED EBITDA

## Reported Revenue by Segment



## Adjusted EBITDA by Properties/Nature

HK\$ million	FY2020	FY2019
<b>Casinos under the Group's management:</b>		
• Casino Kam Pek Paradise	(42.7)	141.5
• Casino Waldo	(17.8)	(27.5)
<b>Subtotal</b>	<b>(60.5)</b>	<b>114.0</b>
<b>Electronic gaming equipment and systems:</b>		
• Sale	(11.2)	88.1
• Leasing	2.3	3.3
• R&D and other costs	(64.0)	(88.5)
• Royalty income from IGT	1.3	2.5
<b>Subtotal</b>	<b>(71.6)</b>	<b>5.4</b>
<b>Others*</b>	<b>31.0</b>	<b>(32.4)</b>
<b>Group Adjusted EBITDA</b>	<b>(101.1)</b>	<b>87.0</b>

Remark\*: Adjusted EBITDA of other businesses in the above table comprised positive contribution of HK\$53.9 million (FY2019: nil) from the Group's provision of procurement services during FY2020

# CASINOS UNDER MANAGEMENT PERFORMANCE HIGHLIGHTS

## CASINO MANAGEMENT SERVICES



GGR

FY2020

HK\$ **556.6** million

Jan-Feb 2020

HK\$ **43.4** million



GGR Contribution

- Traditional Tables

40.9%

66.1%

- LMG

54.7%

33.0%

- Slot Machines

4.4%

0.9%

100.0%

100.0%



Reported Revenue

HK\$ **303.1** million

HK\$ **23.3** million



Adjusted EBITDA  
(loss)

HK\$ **(42.7)** million

HK\$ **(17.8)** million

# KPIs FOR CASINOS UNDER MANAGEMENT





金碧滙彩娛樂場  
KAMPEK PARADISE CASINO

華都娛樂場  
Waldo Casino



Casino Kam Pek Paradise

Casino Waldo

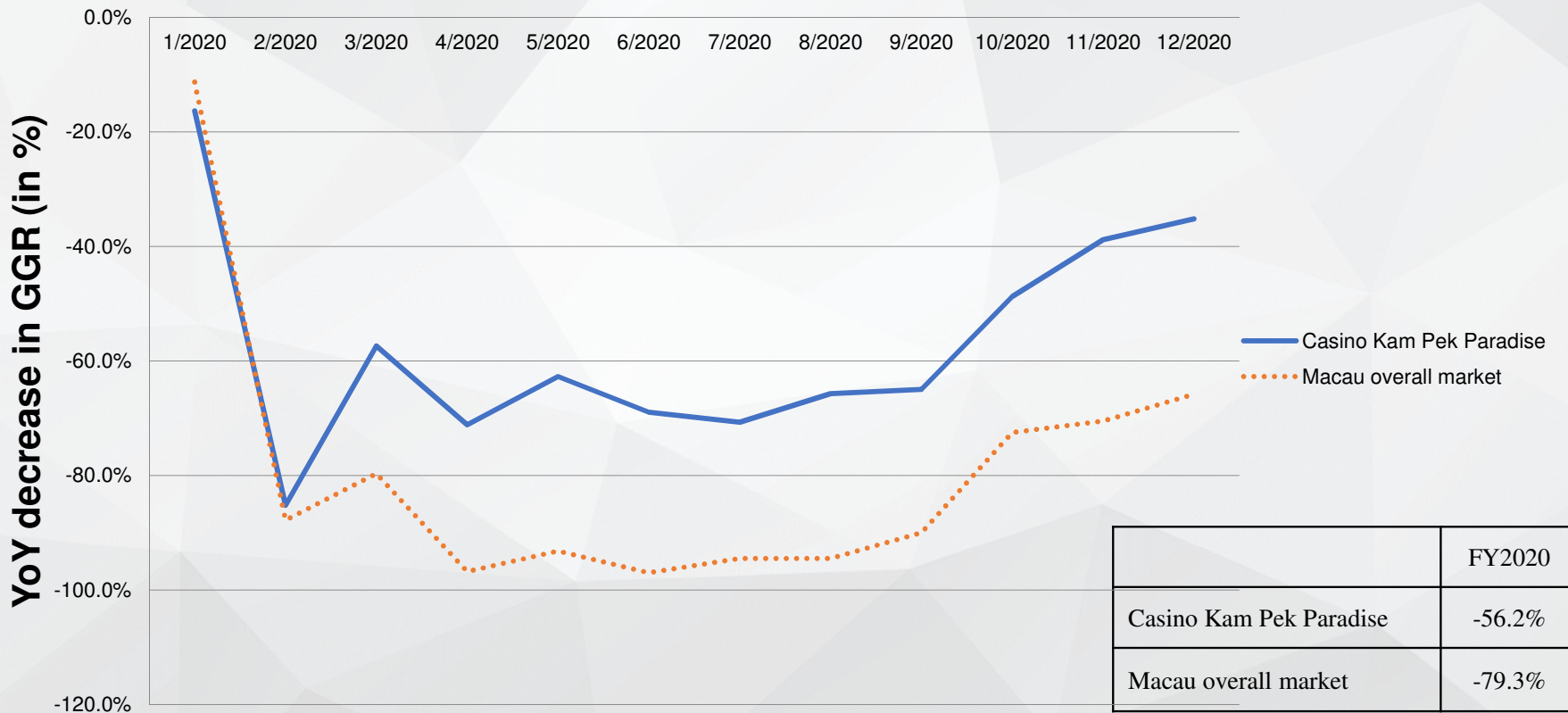
	<u>FY2020</u> HK\$	<u>Jan - Feb 2020</u> HK\$
Total GGR for the year/period	556.6 million	43.4 million
Traditional Gaming Tables GGR per table/day	 22,200	28,100
LMG Gaming Tables GGR per table/day	 83,100	47,700
GGR per terminal/day	 1,548	745
Blended Table GGR per table/day	 38,300	32,600

# YoY DECREASE IN GGR: CASINO KAM PEK PARADISE VS MARKET

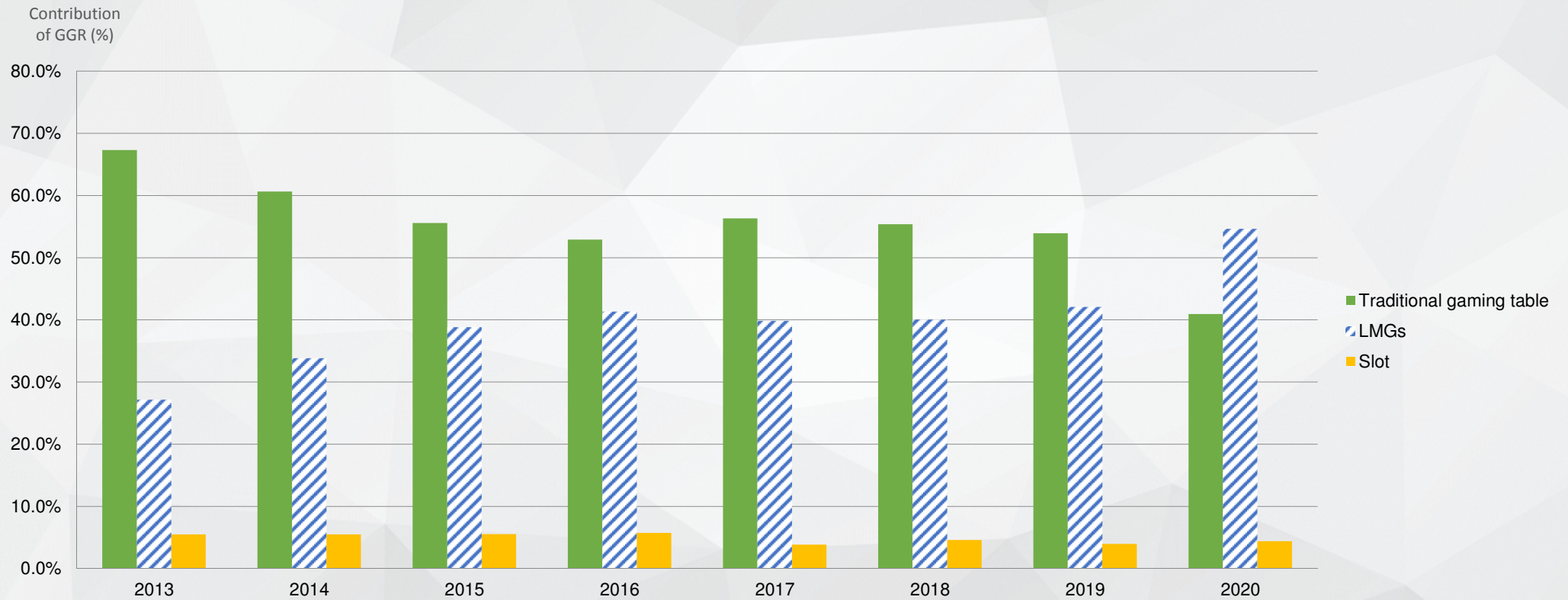
金碧匯彩娛樂場  
KAMPEK PARADISE CASINO



YoY decrease in GGR of Casino Kam Pek Paradise vs Macau overall market

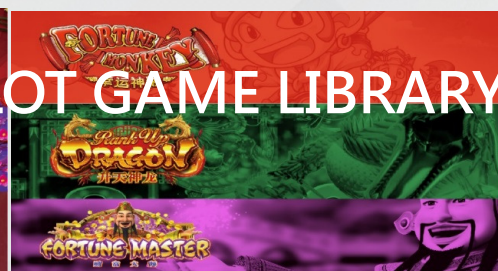


# GGR CONTRIBUTION IN CASINO KAM PEK PARADISE



**GGR of LMGs outperformed traditional gaming tables in FY2020**

# ELECTRONIC GAMING EQUIPMENT & SYSTEMS PERFORMANCE HIGHLIGHTS



## ELECTRONIC GAMING EQUIPMENT & SYSTEMS

- ★
**Reported Revenue**      HK\$ **25.3** million
  
- ★
**R&D and Other Costs**  
**(included in Adjusted EBITDA)**      HK\$ **64.0** million
  
- ★
**Adjusted EBITDA (loss)**      HK\$ **(71.6)** million

## OUR GROWING SLOT GAME LIBRARY



# CONTACT INFORMATION



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