PARADISE ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

ANNOUNCES 2026 INTERIM RESULTS

Hong Kong, 27 August 2026 – Paradise Entertainment Limited ("Paradise" or the "Company", together with its subsidiaries collectively referred to as the "Group") (HKEX stock code: 1180) announces today its unaudited consolidated interim results for the six months ended 30 June 2026.

2026 INTERIM RESULTS HIGHLIGHTS

Overall

- The Group's reported revenue decreased by 67.1% year-on-year to HK$41.3 million
- The Group's Adjusted EBITDA for the period was a loss of HK$74.4 million
- The Group's loss for the period was HK$82.6 million

Electronic Gaming Equipment and Systems

- Revenue from the sale/leasing of electronic gaming equipment and systems decreased by 74.2% year-on-year to HK$32.3 million
- Incurred a loss of HK$54.0 million (has taken into account research and development and other costs of HK$28.7 million) to the Adjusted EBITDA of the Group

Professional Advisory and Other Services

- Successfully partnered with a gaming concessionaire in Macau offering professional advisory and other services to a casino in Macau operated by the concessionaire since 2 December 2025
- Revenue from the provision of professional advisory and other services was HK$9.0 million
- Incurred a loss of HK$6.1 million to the Adjusted EBITDA of the Group

Balance Sheet

- Bank balances and cash of HK$235.0 million
- Total borrowings of HK$100.6 million
- Net assets of HK$366.3 million
- Gearing ratio of 27.5% (total borrowings over net assets)

Dr. Jay Chun, Chairman and Managing Director of Paradise, commented, "The Group continues to focus on its core strategy of prioritising mass market gaming offerings through dedicated investments in innovative technology and electronic gaming solutions. According to the data released by the Macau government, Macau's tourism sector demonstrated strong upward momentum during the first half of 2026, with total visitor arrivals reaching approximately 20.9 million, representing a robust 9.0% year-on-year increase as compared with that for the first six months of 2025, that was underpinned by national Greater Bay Area development initiatives, optimised multi-entry visa schemes, and regional infrastructure enhancements, such as the localised expansion of land checkpoint passenger capacities. This expanding mass-market cohort directly aligns with the Group's primary technological competencies as gaming concessionaires face ongoing structural shifts including escalating hospitality labour rates and floor operational costs creating an ideal climate for automated floor productivity. To capitalise on this momentum, the Group remains firmly on the right track in executing its content diversification plan, expanding its global game library with localised, high-volatility, and highly interactive game titles designed to drive player retention and support both new casino configurations and legacy hardware replacement cycles."

Total reported revenue of the Group for the six months ended 30 June 2026 from continuing operations was HK$41.3 million, representing a decrease of 67.1% over that of HK$125.4 million for the six months ended 30 June 2025. The decrease in the total reported revenue of the Group was mainly due to the decrease in revenue from the sale of electronic gaming equipment and systems. The Group recorded a loss of HK$82.6 million for the six months ended 30 June 2026 from continuing operations, as compared with a profit of HK$29.0 million for the six months ended 30 June 2025.

Electronic Gaming Equipment and Systems

Revenue from the sale/leasing of electronic gaming equipment and systems of the Group for the six months ended 30 June 2026 was HK$32.3 million, representing a decrease of 74.2% over that of HK$125.4 million for the six months ended 30 June 2025. The decrease was mainly due to the decrease in the sale of live multi game ("LMG") terminals and systems in Macau. The Group's next-generation LMG platform, "Black Coral", is scheduled to launch in the market in the second half of 2026 or early 2027. The Group believes that customers might have opted to postpone their purchases in anticipation of the new version of LMG, leading to reduced sales of the current LMG platform during the six months ended 30 June 2026.

Adjusted EBITDA from the electronic gaming equipment and systems segment for the six months ended 30 June 2026 was a loss of HK$54.0 million, as compared with a profit of HK$48.8 million for the six months ended 30 June 2025. The turnaround from profit to loss was mainly due to the decrease in revenue from the sale of LMG terminals in Macau and the increase in research and development and other costs of the business segment for the six months ended 30 June 2026 when compared with that for the six months ended 30 June 2025.

Professional Advisory and Other Services

Since 2 December 2025, the Group has successfully partnered with a gaming concessionaire in Macau offering professional advisory and other services to a casino in Macau operated by the concessionaire.

During the six months ended 30 June 2026, this business contributed a revenue of HK$9.0 million to the Group's reported revenue and incurred a loss of HK$6.1 million to the Group's Adjusted EBITDA.

Prospects

Dr. Jay Chun added, "As the Group's signature product line and a primary driver of gaming floor automation, our LMG solutions continue to experience overwhelming market demand and broad popularity across core jurisdictions. Serving as an indispensable tool for maximising table utilisation, LMG systems allow a single live dealer to concurrently serve multiple players across scattered electronic terminals. Capitalising on this momentum, the Group officially unveiled its next-generation LMG platform, "Black Coral". Black Coral introduces a complete overhaul of both player-facing interfaces and backend floor-management software. This advanced system delivers a major operational upgrade, integrating real-time data analytics, customised multi-bet capabilities, and advanced data visualisation widgets that elevate player engagement and drive continuous terminal productivity. For casino operators, this advanced software suite delivers superior security protocols, automated payout precision, and real-time dealer performance metrics, granting floor managers absolute operational transparency over high-volume mass-market operations. The Group is actively advancing through final testing phases and expects to obtain full regulatory approval for the commercial launch of Black Coral to the market in the second half of 2026, paving the way for rapid layout expansions and immediate system retrofits across major gaming facilities.

Complementing our core mass-market strategy, the Group is aggressively executing its software content diversification plan, expanding its proprietary ETG and slot machine libraries with customised configurations built specifically for gaming floors. By integrating cutting-edge artificial intelligence into our design workflows, the Group has successfully shortened software asset development timelines, allowing us to rapidly supply the market with refreshed cabinet themes that sustain long-term player time-on-device and accelerate the buildup of our recurring-revenue gaming libraries.

To house these expanding software assets, the Group deploys specialised, ergonomic hardware designed to maximise gaming floor productivity. A primary strategic highlight of this segment is the newly debuted "High Tide" slot cabinet series, which integrates an interactive LED sub-screen configuration to display synchronised, engaging animations across grouped banks of machines, creating a highly visible and high-traffic attraction. This series is heavily complemented by the resilient "Speedwave" slant-top cabinet, featuring a highly modular topper configuration. This modularity gives operators the unique operational advantage of being able to pivot efficiently between virtual gaming and ETG software configurations through the flexible replacement of toppers, thereby minimising floor downtime, reducing capital reinvestment cycles, and allowing for agile yield-management adjustments based on real-time traffic shifts.

Driven by this commitment to hardware and configuration innovation, the "Speedwave" cabinet series is systematically paired with the Group's advanced multi-game platform, House of Play. By deploying flagship platform frameworks that integrate multi-game versatility directly with our ergonomic cabinet architectures, the Group provides casino operators with highly flexible, localised floor solutions that significantly heighten player immersion, optimise space utilisation, and capture diverse patron demographics. To further enhance these physical setups, the Group stacks its cabinet lines with the market-dominant "GameView" animated display arrays, which serve as highly visible intelligent terminal accessories that elevate overall player engagement on casino floors.

Beyond traditional floor configurations, the Group's forward-looking innovation pipeline drives multi-dimensional customer engagement through virtual entertainment architectures and decentralised systems. This framework is further extended by our pipeline development of "Nebula", a next-generation ecosystem designed to connect players, casino operators, and game developers into a dynamic network that fosters collaboration and content diversity. In addition to Nebula, the Group is actively researching other emerging digital technologies, including blockchain applications and immersive system architectures. These initiatives aim to integrate decentralised frameworks with advanced product innovation, ensuring that future capital investment is aligned with long-term growth opportunities and evolving customer expectations.

Paradise

In parallel, the Group's advanced engineering team is pursuing strategic artificial intelligence initiatives focused on enhancing trust, transparency, and verification within emerging digital ecosystems. While these projects remain in early development, they demonstrate the Group's determination to extend its technological capabilities into new fields that complement its core gaming expertise. Importantly, these initiatives are designed not only to strengthen the integrity of digital platforms but also to create scalable solutions that can be applied across multiple industries. By investing early in such innovation, the Group aims to position itself to capture diversified growth opportunities, build new revenue streams, and reinforce its reputation as a forward looking technology leader. These explorations underpin the Group's commitment to cultivating non-traditional growth drivers and securing sophisticated technological assets that generate sustainable, long-term value beyond conventional gaming boundaries.

Crucially, the global commercialisation of this integrated hardware and software ecosystem relies heavily on our ongoing geographic diversification strategy. In a landmark regulatory breakthrough, in June 2026, the Group was officially granted Approved Manufacturer status by the Gambling Regulatory Authority of Singapore. With Singapore being one of Asia's most strictly monitored and premier integrated resort hubs, this milestone status validates the Group's regulatory compliance and technical engineering on the world stage. This approval opens up immediate pathways for direct commercial sales and system placements to Singapore casino operators. Concurrently, the Group is actively utilising its established showroom and regional base in Manila, the Philippines, as a commercial springboard to scale its electronic gaming machine footprint across high-potential Southeast Asian hubs including Vietnam, Cambodia, and Malaysia. Beyond Asia, the Group is systematically accelerating its strategic initiative to re-enter major gaming jurisdictions across North America. Backed by the robust technical compliance frameworks established previously, the Group is actively advancing through product localisation, technical certification processes, and product testing aimed at deploying customised electronic gaming products into targeted North American markets via established local distributors possessing the requisite regulatory licenses. This proactive and collaborative strategic distribution framework positions the Group to directly capture the immense replacement-hardware and system-upgrading demand currently driving the North American gaming sector.

Building upon its extensive track record of specialised operational expertise accumulated within Macau's highly competitive mass-market management sector, the Group continues to monetise its intellectual capital via its professional consulting model. The specialised gaming advisory and technical services partnership established with a reputable Macau gaming concessionaire in December 2025 has yielded stable performance throughout the first half of 2026. This transition successfully validates the Group's strategic asset-light corporate pivot, preserving the prestige of the Group's brand identity while allowing the Group to deploy its seasoned management methodologies to optimise gaming floor productivity and layout efficiency for our prominent local partners.

Looking ahead, the Group acknowledges the complex macroeconomic realities and persistent structural uncertainties facing the global economy. In response, the Group will maintain a flexible, highly disciplined approach to capital expenditure, resource allocation, and operational optimisation. The management of the Company remains firmly confident that the Group's expanding game libraries, breakthrough regulatory approvals, proactive market initiatives, and market-dominant LMG technology will create resilient, compounding, and sustainable long-term value for our Shareholders and global business partners."

Paradise Entertainment Limited

Paradise Entertainment Limited (HKEX stock code: 1180, together with its subsidiaries collectively referred to as the "Group") is a leading provider of gaming technology, electronic table and slot games, gaming systems, and entertainment solutions serving customers across multiple international markets. Driven by a culture of innovation and technology leadership, the Group continuously explores advanced software engineering, automation, artificial intelligence and next-generation digital technologies to address complex challenges within highly regulated and mission-critical environments. The Group also provides professional advisory and other services in the gaming industry.

For more information about Paradise Entertainment Limited, please visit our company's website: http://www.hk1180.com.

For Investor and Media Enquiries, please contact:

Corporate Strategy and Investor Relations
Telephone: (852) 2620 5303
Email: paradise.ir@hk1180.com