



**Paradise Entertainment Limited  
Announced Issue of Convertible Debentures  
Net Proceeds Up to Approximately HK\$75,700,000**

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**Consolidation of Financial Position  
Expansion of the Group's Business**

(Hong Kong, 23 October 2007) Paradise Entertainment Limited ("PARADISE ENT" or the "Group") (SEHK: 1180) announced that on 22 October 2007, the Group entered into the subscription agreement with Profit Peak Holdings Limited for the subscription of convertible debentures in an aggregate principal amount of HK\$76,000,000. The net proceeds are expected to be approximately HK\$75,700,000 as general working capital for the Group, including funding its strategic investment activities. Application has been made by the Group to the Stock Exchange for the resumption of trading in the shares with effect from 9:30 a.m. on 24 October 2007.

Each of the debenture holders shall have the right to convert the principal amount of the debentures in whole or in part in multiples of HK\$1,000,000 into the conversion shares at the conversion price HK\$0.20 per share on any business day commencing on and including 1 May 2008 up to and including the maturity date (31 December 2009). The conversion price of HK\$0.2 per share represents a premium of approximately 28.21% over the closing price of HK\$0.156 per share as quoted on the Stock Exchange on 18 October 2007 (the "Last Trading Day") and a premium of approximately 19.05% over the average closing price of HK\$0.168 per share as quoted on the Stock Exchange over the five consecutive trading days immediately prior to and including the Last Trading Day. Upon full conversion of the debentures at the conversion price, an aggregate of 380 million conversion shares will be issued by the Group, representing approximately 10.37% of the existing issued share capital of the Group as of the date of the subscription agreement and approximately 9.39% of the issued shares as enlarged by the issue and allotment of the conversion shares.

Mr. Jay Chun, Chairman of the Group, said, "We are pleased to announce that the Group has entered into the subscription agreement of the convertible debentures. The conversion price of the debentures represents a premium of approximately 30% over the closing price on the Stock Exchange on the Last Trading Day, which reflects shareholders' confidence on the prospects of the Group's business. With the great business opportunities arising from the booming tourism in Macau, this issue of the debenture will strengthen the financial position and capital base of the Group, in particular, the indebtedness position of the Group will be improved and more working capital will be available for expansion and development of the Group's business."

**About Paradise Entertainment Limited (SEHK: 1180)**

Paradise Entertainment Limited is a Hong Kong listed company (SEHK: 1180). In the second quarter of 2006, LT Capital Limited ("LT Capital"), the corporate investment arm of the Group, launched the live electronic gaming facilities in Macau, and they are being installed in a number of Macau casinos on an income sharing basis. LT Capital focuses on investment projects in the fast-growing business sectors, and live electronic gaming facilities is one of the major projects of LT Capital.

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Issued by PR ASIA Consultants Limited on behalf of Paradise Entertainment Limited.

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