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## **PARADISE ENTERTAINMENT LIMITED**

**滙彩控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1180)**

### **LETTER OF INTENT IN RELATION TO THE PROPOSED ACQUISITION**

This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### **1 THE LETTER OF INTENT**

##### **1.1 Terms of the LOI**

The board of directors of Paradise Entertainment Limited (the “**Company**”) is pleased to announce that, on 29 June 2017 (after trading hours), the Company entered into a letter of intent (the “**LOI**”) with China Star Entertainment Limited (“**China Star**”) (stock code: 326) and China Star Entertainment (BVI) Limited (the “**Seller**”) (a wholly-owned subsidiary of China Star) in relation to the proposed acquisition of (1) the entire issued share capital of each of Most Famous Enterprises Limited (a company incorporated in the British Virgin Islands (the “**BVI**”), Exceptional Gain Profits Limited (a company incorporated in the BVI) and Charming Era Investment Limited (a company incorporated in the BVI) (collectively, the “**Target Companies**”) from the Seller and (2) the related shareholder loans of the Target Companies (the “**Proposed Acquisition**”).

To the best knowledge, information and belief of the directors of the Company (the “**Directors**”), having made all reasonable enquiries, the Seller and China Star and their ultimate beneficial owners are independent third parties of the Company and are not connected persons (as defined in the Listing Rules) of the Company.

\* For identification purposes only

The total purchase price for the Proposed Acquisition will be HK\$2,380,000,000.00 subject to adjustment to be detailed in a formal sale and purchase agreement, and is expected to be satisfied by the Company and its subsidiaries (collectively, the “Group”) from its internal resources and/or external financing.

## **1.2 Exclusivity period**

During the period from the date of the LOI to 30 September 2017, the Seller shall not negotiate with, or solicit offers from, any other parties in relation to the sale of the shares of the Target Companies or Hotel Lan Kwai Fong Macau and the residential units mentioned below.

## **1.3 Binding effect**

Other than certain provisions of the LOI, such as the provisions on confidentiality, exclusivity, costs and governing law, the other terms of the LOI are not legally binding.

## **2 INFORMATION OF THE TARGET COMPANIES**

The group of the Target Companies owns and operates Hotel Lan Kwai Fong Macau and residential units which are currently being used as staff quarters. Hotel Lan Kwai Fong Macau presents a total of 209 guest rooms, casino situated on the ground, first and 18th floors, restaurants, a flower shop, retail shops and a spa centre.

## **3 REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION**

The Group has continued to look for potential opportunities in the dynamic gaming industry in Macau and elsewhere to expand its business and to increase its market share in the gaming industry.

The Proposed Acquisition is in line with the Group’s business strategies and represents a development of the Group’s existing casino management service business. In addition, having its own hotel business will enable the Group to directly provide hospitality services to its patrons (instead of relying on hospitality services provided by other hotels) to support the Group’s existing casino management service business.

#### 4 GENERAL

The Proposed Acquisition, if materialised, may constitute a very substantial acquisition for the Company under Chapter 14 of the Listing Rules. If the Company proceeds with the Proposed Acquisition, it will enter into legally binding agreement(s) with the Seller in respect of the Proposed Acquisition and will make further announcement as and when appropriate in compliance with the Listing Rules.

**As the Proposed Acquisition may or may not materialise, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**PARADISE ENTERTAINMENT LIMITED**  
**Chan Kin Man**  
*Company Secretary*

Hong Kong, 29 June 2017

*As at the date of this announcement, the executive Directors are Mr. Jay Chun (Chairman and Managing Director, also alternate Director to Mr. Shan Shiyong, alias, Sin Sai Yung), Mr. Shan Shiyong, alias, Sin Sai Yung and Mr. Hu Liming and the independent non-executive Directors are Mr. Li John Zongyang, Mr. Kai-Shing Tao and Ms. Tang Kiu Sam Alice.*