



Paradise

Paradise Entertainment Limited

(Incorporated in Bermuda with limited liability)

1180.HK

2020 Interim Results

(Business & Financial Updates)

26 August 2020

BUSINESS UPDATE

For the six months ended 30 June 2020











BUSINESS UPDATE

- The outbreak of Covid-19 since early this year has hit hard on global economy and severely affected many businesses including gaming. To contain the spread of coronavirus disease in Macau, the Macau government has adopted a series of restrictions and quarantine requirements. Operations of the Group were significantly affected
- Cessation of provision of casino management services in Casino Waldo since 1 March 2020
- Exploration of other businesses in such extraordinary time including provision of procurement services in the PRC for an oversea customer which made positive contribution to the Group's result for the period

Casino Management Services

Gaming Tables and Machines under Management/In Operation

			At 30 Jun 2020		At 31 Dec 2019
			Under management	In operation	Under management & in operation
金碧匯彩娛樂場 KAMPEK PARADISE CASINO	Total gaming tables		49	32	49
	Traditional gaming tables		39	22	39
	LMG gaming tables/machines		10/996	10/497	10/984
	Slot machines		167	65	188
華都娛樂場 Waldo Casino	Total gaming tables				30
	Traditional gaming tables				25
	LMG gaming tables/machines				5/432
	Slot machines				157

(managed by the Group since Aug 2008)



(managed by the Group during Mar 2014 to Feb 2020)

Deployment of LMGs in Macau



	1H 2020	1H 2019
Number of LMG machines:		
Provision of upgrading services	136	605
Sold	Nil	461
<p><i>Pursuant to DETG Technical Standards Version 1.0 (“Technical Standards”) published by the DICJ in late 2017, all LMGs in Macau should be upgraded to meet the new requirements for the compliance of the Technical Standards by 31 December 2019.</i></p>		

FINANCIAL UPDATE

For the six months ended 30 June 2020



FINANCIAL HIGHLIGHTS

Total GGR from the
2 casinos under management

HK\$ **305.8** m



LMG Deployment
in Macau

Upgraded **136** units



Net loss

HK\$ **(111.3)** m



Reported Revenue

HK\$ **177.3** m



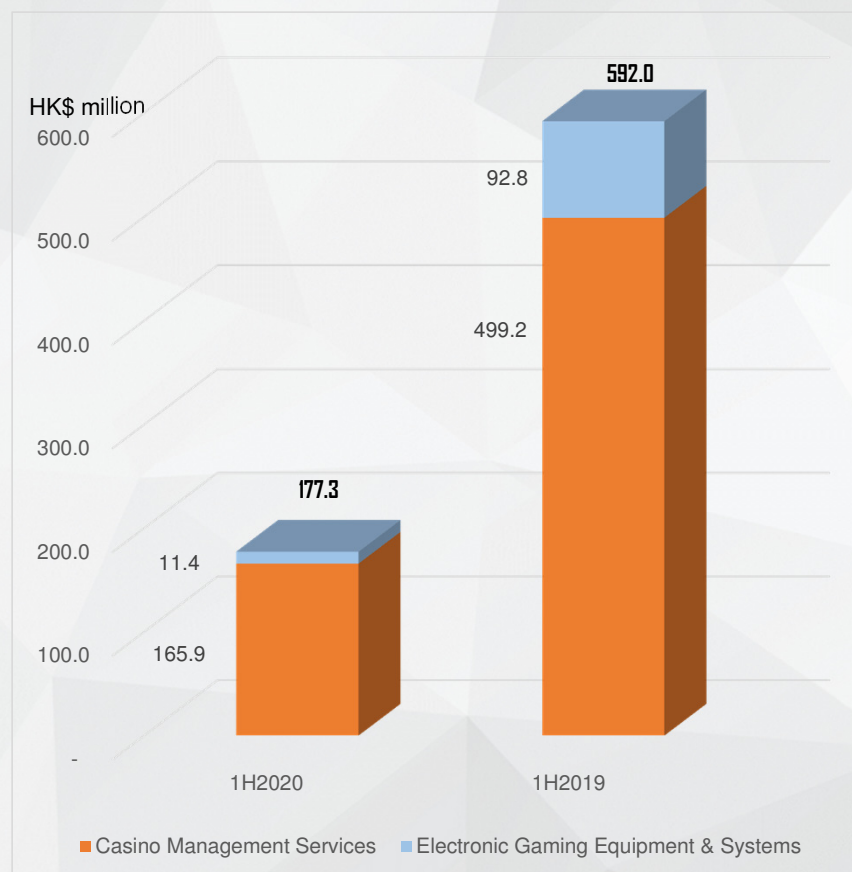
Adjusted EBITDA (loss)

HK\$ **(53.5)** m



REVENUE & ADJUSTED EBITDA

Reported Revenue by Segment



Adjusted EBITDA by Properties/Nature

HK\$ Million	1H2020	1H2019
Casinos under the Group's management:		
• Casino Kam Pek Paradise	(14.1)	66.0
• Casino Waldo	(21.8)	0.3
Subtotal	(35.9)	66.3
Electronic gaming equipment and systems:		
• Sale	(7.6)	51.8
• Leasing	0.9	1.8
• R&D and other costs	(37.9)	(42.6)
• ETG distribution from IGT	0.4	1.1
Subtotal	(44.2)	12.1
Others *	26.6	(15.1)
Group Adjusted EBITDA	(53.5)	63.3

Remark *: Adjusted EBITDA of other businesses in the above table comprised positive contribution of HK\$43.4 million (1H2019: nil) from the Group's provision of procurement services during 1H2020

CASINOS UNDER MANAGEMENT PERFORMANCE HIGHLIGHTS

CASINO MANAGEMENT SERVICES



1H 2020

Jan-Feb 2020



GGR

HK\$ **262.4** million

HK\$ **43.4** million



GGR Contribution

- Traditional Tables

39.4%

66.1%

- LMG

55.4%

33.0%

- Slot Machines

5.2%

0.9%

100.0%

100.0%



Reported Revenue

HK\$ **142.6** million

HK\$ **23.3** million



Adjusted EBITDA (loss)

HK\$ **(14.1)** million

HK\$ **(21.8)** million

KPIs FOR CASINOS UNDER MANAGEMENT





金碧匯彩娛樂場
KAMPEK PARADISE CASINO

華都娛樂場
Waldo Casino



Casino Kam Pek Paradise

Casino Waldo

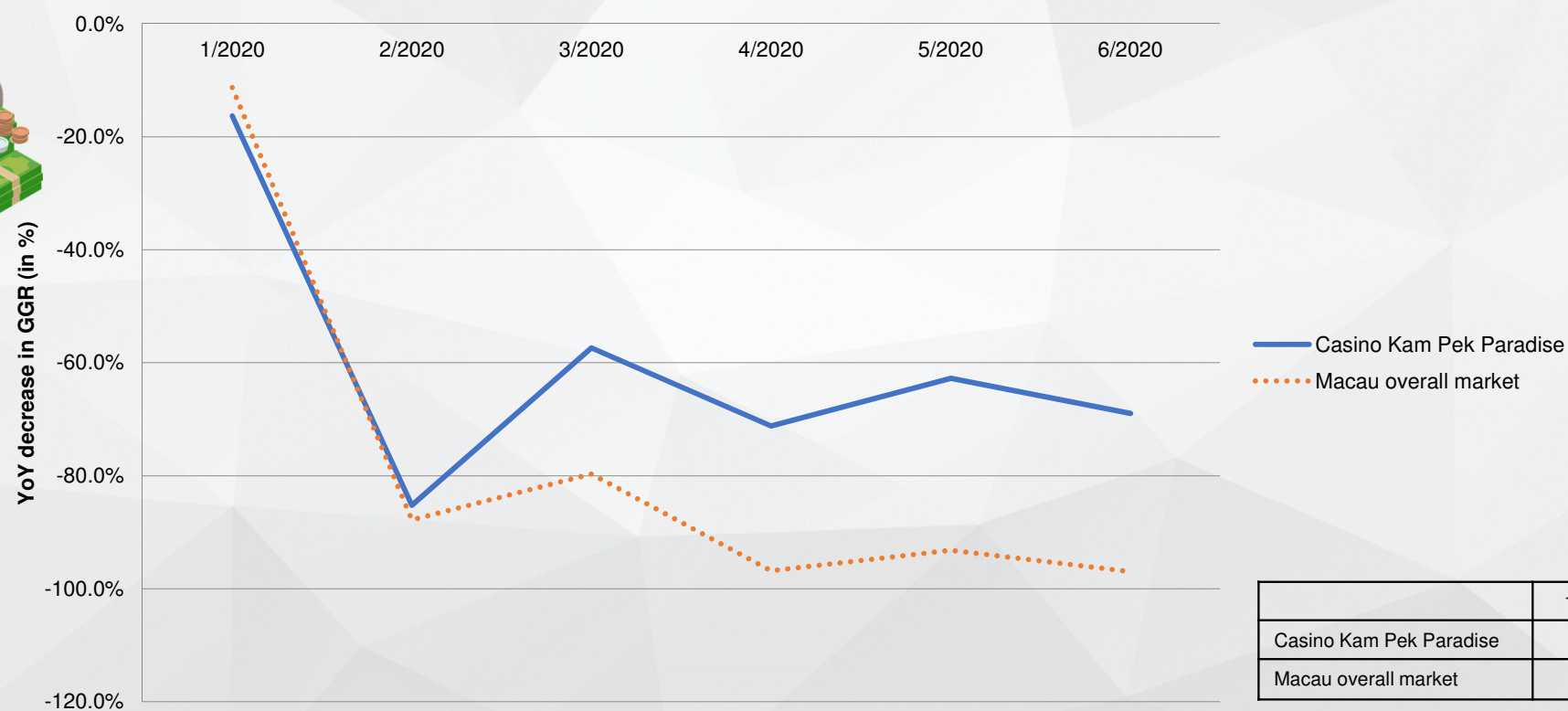
	<u>1H2020</u> HK\$	<u>Jan - Feb 2020</u> HK\$
Total GGR for the period	262.4 million	43.4 million
Traditional Gaming Tables GGR per table/day	 22,700	28,100
LMG Gaming Tables GGR per table/day	 79,900	47,700
GGR per terminal/day	 1,324	745
Blended Table GGR per table/day	 39,100	32,600

YoY DECREASE IN GGR: CASINO KAM PEK PARADISE VS MARKET

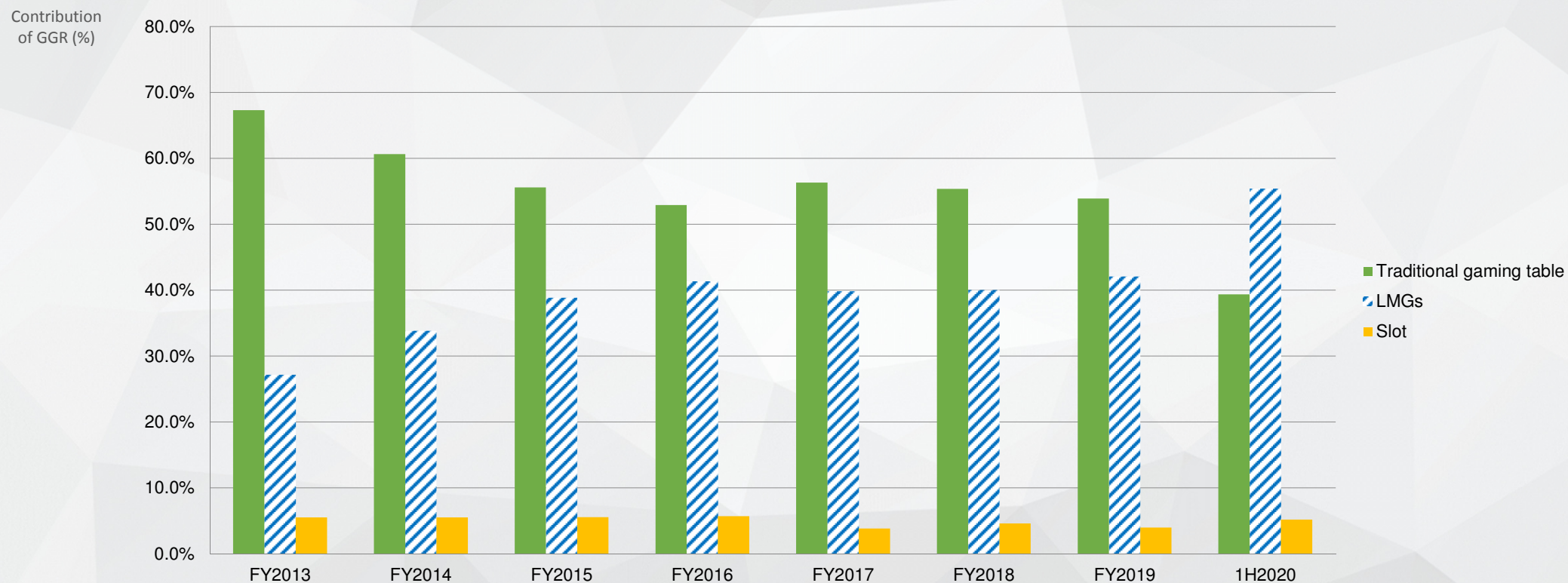
金碧匯彩娛樂場
KAMPEK PARADISE CASINO



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 1H 2020

ELECTRONIC GAMING EQUIPMENT & SYSTEMS PERFORMANCE HIGHLIGHTS

ELECTRONIC GAMING EQUIPMENT & SYSTEMS



Upgrade of LMGs in Macau

136 units



Reported Revenue

HK\$ **11.4** million



R&D and Other Costs

HK\$ **37.9** million



Adjusted EBITDA (loss)

HK\$ **(44.2)** million



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