

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **PALADIN LIMITED**

*(Incorporated in Bermuda with limited liability)*  
(Stock code: 495 and 642 (Preference Shares))

### **ANNOUNCEMENT**

#### **POLL RESULTS OF SGM**

#### **INSIDE INFORMATION – UPDATE ON LEGAL PROCEEDINGS**

#### **APPOINTMENT OF CHAIRMAN AND NON-EXECUTIVE DIRECTORS**

The Board of directors of Paladin Limited announces the poll results of the special general meeting of the shareholders of Paladin Limited held on 1 August, 2014.

The ordinary resolutions numbered 1(a) to (g) and 2 (a) and (b) in the notice of the meeting were duly passed on a vote taken by way of poll at the special general meeting of the Shareholders held on 1 August, 2014 and the resolution numbered 3(a) to (d) were defeated on a poll. Changes have therefore been made to the composition of the board of directors of Paladin Limited and to the company secretary and authorised representatives. The new board of directors of Paladin Limited, effective from 1 August, 2014 comprises Dr. Oung Shih Hua, James (the Chairman of the Company), Mr. Yuen Chi Wah, Mr. Chan Chi Ho, Mr. Zhu Pei Qing, and Mr. Kwok Wai Chi. Mr. Chen Te Kuang Mike is no longer the alternate director to Mr. Zhu Pei Qing, effective from 1 August 2014.

The Board announces an update of the legal proceedings and the order issued by the Supreme Court of Bermuda on 26 August, 2014.

The delay in the announcement of the poll results of the SGM on 1 August, 2014 and an update of legal proceedings is due to the fact that the authorised representatives of the Company had not until the date of this announcement been able to obtain from the Stock Exchange the passwords for the purposes of the e-Submission System of the Stock Exchange.

Announcements which the Former Directors (as defined below) caused Paladin Limited to make between 1st and 11th August, 2014 were made without the authority of the board of directors of Paladin Limited.

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“SFO”) and Rules 13.09, 13.39(5) and 13.51 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcements dated 12th and 15th August, 2014 issued by Gold Seal Holdings Limited (the “Offeror”), as well as the announcements which the former directors, namely, Mr. Law Fong, Mr. Chen Te Kuang Mike, Ms. Song Fang Zhou, Mr. Wong Chong Wei Runrun, Ms. Ng Hei Pak, Ms. Lam Chi Wai Tammy (collectively the “Former Directors”) caused Paladin Limited to make on 1st, 3rd, 6th, 11th and 13th August, 2014 following the special general meeting of Shareholders held on 1 August, 2014.

Unless otherwise defined, terms defined in the circular of special general meeting of Paladin Limited dated 22 May, 2014 are used in this announcement with those defined meanings.

### Poll Results of SGM on 1 August, 2014 and Changes of Directors

The SGM was held at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong, on 1 August, 2014 at 2:00 p.m. and the results were as follows:

Ordinary Resolutions		Number of Ordinary Shares (Approximate %)	
		For	Against
1.	(a) To remove Mr. Law Fong as director of the Company with immediate effect.	685,781,429 (100%)	0 (0%)
	(b) To remove Mr. Chen Te Kuang Mike as director of the Company with immediate effect.	685,781,429 (100%)	0 (0%)
	(c) To remove Ms. Song Fang Zhou as director of the Company with immediate effect.	685,781,429 (100%)	0 (0%)
	(d) To remove Mr. Wong Chong Wei Runrun as director of the Company with immediate effect.	685,781,429 (100%)	0 (0%)
	(e) To remove Ms. Ng Hei Pak as director of the Company with immediate effect.	685,781,429 (100%)	0 (0%)
	(f) To remove Ms. Lam Chi Wai Tammy as director of the Company with immediate effect.	685,781,429 (100%)	0 (0%)

Ordinary Resolutions		Number of Ordinary Shares (Approximate %)	
		For	Against
	(g) To remove any other person or persons who may have been appointed as directors of the Company by the board of the Company during the period from the date of the requisition notice dated 2nd May, 2014 from Gold Seal Holdings Limited and Mr. Oung Da Ming, the shareholders of the Company, to the date of the SGM of the Company.	685,781,429 (100%)	0 (0%)
2.	(a) To appoint Mr. Yuen Chi Wah as director of the Company with immediate effect.	685,781,429 (100%)	0 (0%)
	(b) To appoint Mr. Chan Chi Ho as director of the Company with immediate effect.	685,781,429 (100%)	0 (0%)
3.	(a) To re-elect Ms. Song Fang Zhou as the independent non-executive director of the Company.	200,000 (0.03%)	685,581,429 (99.97%)
	(b) To re-elect Mr. Wong Chong Wei Runrun as the independent non-executive director of the Company.	200,000 (0.03%)	685,581,429 (99.97%)
	(c) To re-elect Ms. Ng Hei Pak as the independent non-executive director of the Company.	200,000 (0.03%)	685,581,429 (99.97%)
	(d) To re-elect Ms. Lam Chi Wai Tammy as the non-executive director of the Company.	200,000 (0.03%)	685,581,429 (99.97%)

As at the date of the SGM, the total number of Ordinary Shares in issue was 935,924,489 which was the total number of Ordinary Shares entitling Ordinary Shareholders to attend and vote for or against the resolutions at the SGM. Over 73% of the Ordinary Share capital in issue was voted at the SGM.

There were no Ordinary Shares the holders of which were entitled to attend but required to abstain from voting in favour of the resolutions pursuant to Rule 13.40 of the Listing Rules.

None of the Ordinary Shareholders had stated an intention to vote against any of the resolutions or to abstain at the SGM.

Computershare Hong Kong Investor Services Limited, the share registrar of the Company which had been appointed as the scrutineer of the votes being cast at the SGM, declined to conduct the scrutiny of the votes. The chairman of the meeting therefore collected the polling forms and calculated the results of the votes in respect of all the resolutions.

### **Update on Legal Proceedings**

Amongst other things, the Offeror stated in its announcement of 12 August, 2014 that Dr. Oung Shih Hua, James (“**Dr. Oung**”) had commenced proceedings in the Supreme Court of Bermuda (the “**Bermuda Court**”) which had been served on the Company. As part of those court proceedings, Dr. Oung sought a declaration from the Bermuda Court that the SGM of the Company on 1 August, 2014 was lawfully convened and held, and the resolutions as stated in the notice of SGM of the Company dated 22 May, 2014 were duly passed.

On 26 August, 2014, Bermuda time, as part of those proceedings Bermuda Court issued an order declaring:

- (1) That a lawfully convened Special General Meeting of the Defendant, Paladin Limited (the “**Company**”), was held in Hong Kong on 1 August 2014, and that the following resolutions were duly passed, in accordance with the bye-laws of the Company, by the requisite majority of members of the Company voting on a poll taken at the aforesaid Special General Meeting:

“1(a) to remove Mr. Law Fong as director of the Company with immediate effect

1(b) to remove Mr. Chen Te Kuang Mike as director of the Company with immediate effect

1(c) to remove Ms. Song Fang Zhou as director of the Company with immediate effect

1(d) to remove Mr. Wong Chong Wei Runrun as director of the Company with immediate effect

1(e) to remove Ms. Ng Hei Pak as director of the Company with immediate effect

1(f) to remove Ms. Lam Chi Wai Tammy as director of the Company with immediate effect

- 1(g) to remove any other person or persons who may have been appointed as directors of the Company by the board of the Company during the period from the date of the requisition notice dated 2 May 2014 from Gold Seal Holdings Limited and Mr. Oung Da Ming, the shareholders of the Company, to the date of the special general meeting of the Company
- 2(a) to appoint Mr. Yuen Chi Wah as a director of the Company with immediate effect
- 2(b) to appoint Mr. Chan Chi Ho as a director of the Company with immediate effect”.
- (2) That since the passing of the resolutions referred to in (1) above, none of the following persons are either directors of the Company or have any lawful authority whatsoever to act for or on behalf of the Company: Mr. Law Fong, Mr. Chen Te Kuang Mike, Ms. Song Fang Zhou, Mr. Wong Chong Wei Runrun, Ms. Ng Hei Pak, Ms. Lam Chi Wai Tammy.
- (3) That since the passing of the resolutions referred to in (1) above the following persons are the only directors of the Company and hold such office lawfully pursuant to the bye-laws of the Company: Mr. Oung Shih Hua James, Mr. Yuen Chi Wah, Mr. Chan Chi Ho, Mr. Zhu Pei Qing, Mr. Kwok Wai Chi.

And it is ordered that:

- the Company acting through its corporate administrators, Appleby Services Bermuda Limited, shall forthwith provide a certified copy of this order to Hong Kong Stock Exchanges and Clearing Limited.

## **CHANGES AND APPOINTMENT OF DIRECTORS**

Further, the Board announces that (1) Dr. Oung, a non-executive director of the Company, has been appointed as the chairman of the Company; and (2) Mr. Yuen Chi Wah (“**Mr. Yuen**”) and Mr. Chan Chi Ho (“**Mr. Chan**”) have been appointed as non-executive directors of the Company (the “**New Directors**”) with effect from 1 August 2014. Mr. Chen Te Kuang Mike is no longer the alternate director to Mr. Zhu Pei Qing, an independent non-executive Director, effective from 1 August 2014. The register of directors and officers of the Company in Bermuda and Hong Kong has been updated.

## APPOINTMENT OF CHAIRMAN

Set out below are the biographical details of Dr. Oung who was appointed as the chairman of the Company:

**Dr. Oung**, aged 39, joined the Group in 1995. He holds a Bachelor of Science degree in finance and international business from New York University, a master's degree in psychology, and a Doctorate of Philosophy in applied psychology from East China Normal University. Dr. Oung is also a designated Fellow at Life Management Institute (FLMI) and is teaching graduate students part time in the People's Republic of China. He is currently the chairman of a private technology company.

Dr. Oung is a director of each of Cityguard Holdings Limited, Five Star Investments Limited, Basurto Holdings Limited, and a shareholder and director (appointed on 22 July, 2014) of Goldenfield Equities Limited.

Cityguard Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Five Star Investments Limited, legally and beneficially owns 42.92% of the issued Ordinary Shares.

Five Star Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a subsidiary of Basurto Holdings Limited, holds a further 11.45% of the issued Ordinary Shares in trust for Cityguard Holdings Limited.

The shares in Basurto Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, are held by Dr. Oung's uncle, Mr. Oung Da Ming on trust for the estate of Dr. Oung's deceased grandmother, Ms. Oung Chin Liang Fung (as to 67%) and Dr. Oung's aunt, Ms. Lilian Oung (as to 33%).

Goldenfield Equities Limited, a company incorporated in the British Virgin Islands with limited liability, owns 3.15% of the issued Ordinary Shares and 12.75% of the issued Preference Shares. Its ultimate beneficial shareholders are Mr. Chen Te Kuang Mike who owns 40% of its issued shares, his mother Ms. Lilian Oung who owns 40% of its issued shares and Dr. Oung who owns 20% of its issued shares.

Dr. Oung is interested or deemed to be interested in 7,000,000 Ordinary Shares and 2,500,000 Preference Shares within the meaning of Part XV of the Securities and Future Ordinance (Cap. 571 of the Laws of Hong Kong).

Save as disclosed above, Dr. Oung has not held any other directorships in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas and holds no other positions with the Company or other members of the Group.

No service contract has been entered into between Dr. Oung and the Company in relation to his appointment. The emoluments of Dr. Oung will be determined by the remuneration committee of the Company by reference to his duties and responsibilities with the Company. After the emoluments are agreed, the Company will enter into a service contract with Dr. Oung. Dr. Oung currently has no fixed terms of service with the Company and is subject to retirement by rotation and re-election at the next following general meeting of the Company in accordance with the Bye-laws of the Company. Further announcement(s) will be made upon the fixing of the terms of employment or appointment and emoluments of Dr. Oung by the Company.

To the best knowledge of the Directors, save as disclosed above, Dr. Oung has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company (as such terms are defined in the Listing Rules and is not interested or deemed to be interest in any shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Dr. Oung has confirmed that there is no other information relating to him that needs to be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules or matters that need to be brought to the attention of the shareholders of the Company.

#### **APPOINTMENT OF NON-EXECUTIVE DIRECTORS**

Set out below are the biographical details of the New Directors who were appointed at the special general meeting of the Company which was convened on 1 August, 2014:

**Mr. Yuen**, aged 54, joined the Group as the financial controller in 2007. He has over 35 years working experience in corporate finance, financial management, auditing, accounting, and acquisitions gained from certain senior related positions in an audit firm in Hong Kong, and possess extensive experience in management in the field of garments, electronic industrial and property development. Mr. Yuen had been adjudicated bankrupt by the Official Receiver's Office of Hong Kong on 3rd April, 2007. The Order for Discharge in connection with his bankruptcy was issued on 3rd April, 2011.

**Mr. Chan**, aged 43, first joined the Group as company secretary in 2003. Prior to joining to the Group, Mr. Chan worked in PricewaterhouseCoopers and served as its audit manager. He has over 19 years of experience in accounting and financial management. Mr. Chan holds a Bachelor of Arts degree in business studies and a master's degree in corporate governance from The Hong Kong Polytechnic University. He is a fellow member of both The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. He also is a member of both The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Chartered Secretaries.

Save as disclosed above, neither of the New Directors has held any other directorships in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas and neither of them holds any other positions with the Company or other members of the Group.

No service contract has been entered into between either of the New Directors and the Company in relation to their appointment. The emoluments of each of the New Directors will be determined by the remuneration committee of the Company by reference to their duties and responsibilities with the Company. After the emoluments are agreed, the Company will enter into a service contract with each of the New Directors. The New Directors currently have no fixed terms of service with the Company and they are subject to retirement by rotation and re-election at the next following general meeting of the Company in accordance with the Bye-laws of the Company. Further announcement(s) will be made upon the fixing of the terms of employment or appointment and emoluments of the New Directors by the Company.

To the best knowledge of the Directors, save as disclosed above, neither of the New Directors has any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company (as such terms are defined in the Listing Rules) and neither of them is interested or deemed to be interested in any shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, each of the New Directors has confirmed that there is no other information relating to him that needs to be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules or matters need to be brought to the attention of the shareholders of the Company.

#### **CHANGES OF COMPANY SECRETARY AND AUTHORISED REPRESENTATIVES**

The following changes to the company secretary and authorised representatives of the Company have been made:

- Ms. Law Hau Kwan was removed as the company secretary. Mr. Chan was appointed as the company secretary of the Company with effect from 1 August, 2014; and
- Mr. Chan and Dr. Oung were appointed as the authorised representatives of the Company with effect from 1 August, 2014 for the purposes of Rule 3.05 of the Listing Rules.

#### **AUDIT COMMITTEE AND REMUNERATION COMMITTEE**

As the Bermuda Court had only recently issued the order declaring the composition of the Board, the incumbent Board will require some time to take over the affairs of the Company, including making new appointments of independent non-executive directors and establishing an audit committee and a remuneration committee in compliance with Rule 3.10(1), 3.11, 3.21, 3.23, 3.25 and 3.27 of the Listing Rules.



## General

The delay in the announcement of the poll results of the SGM on 1 August, 2014 and an update of legal proceedings is due to the fact that the authorised representatives of the Company had not until the date of this announcement been able to obtain from the Stock Exchange the passwords for the purposes of the e-Submission System of the Stock Exchange. As mentioned above, the Bermuda Court order issued on 26 August, 2014 states amongst other things that “the Company acting through its corporate administrators, Appleby Services Bermuda Limited shall forthwith provide a certified copy of this order to Hong Kong Stock Exchanges and Clearing Limited.” The Stock Exchange has requested to be given appropriate evidence, in the form of a certified true copy of the final court order dated 26 August, 2014 for the purpose of identifying the correct identities of the composition of the board of directors and the Company’s authorised representatives. On 28 August, 2014, Appleby Corporate Services (HK) Limited sent by email to the Stock Exchange a copy of the certified Bermuda Court order, the original of which was being sent by courier from Appleby Services Bermuda Limited in Bermuda to the Company. The original certified copy of the Bermuda Court order was delivered to the Stock Exchange on 1 September, 2014. Access codes for e-Submission System of the Stock Exchange were available for collection on 1 September, 2014 and were collected by the Company on the date of this announcement.

The Former Directors were removed as Directors with effect from 1 August, 2014. The announcements which the Former Directors caused Paladin Limited to make on 1st, 3rd, 4th, 6th, 11th and 13th August, 2014 following the SGM were made without the authority of the board of Directors. Trading in the Shares on the Stock Exchange will remain suspended until further notice. Shareholders and potential investors should exercise caution when dealing in the Shares as and when trading in the Shares on the Stock Exchange resumes.

By the order of the Board of Directors of  
**Paladin Limited**  
**Dr. Oung Shih Hua, James**  
*Chairman*

Hong Kong, 2 September, 2014

*As at the date of this announcement, the Chairman and non executive director of the Company is Dr. Oung Shih Hua James; the two non-executive directors of the Company are Mr. Yuen Chi Wah and Mr. Chan Chi Ho and the independent non-executive directors of the Company are Mr. Zhu Pei Qing and Mr. Kwok Wai Chi.*