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Gold Seal Holdings Limited

(Incorporated in the British Virgin Islands with limited liability)

ANNOUNCEMENT

**VOLUNTARY UNCONDITIONAL CASH OFFERS BY
ANGLO CHINESE CORPORATE FINANCE, LIMITED
ON BEHALF OF
GOLD SEAL HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES
IN THE ISSUED SHARE CAPITAL OF
PALADIN LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED
BY GOLD SEAL HOLDINGS LIMITED AND/OR PARTIES ACTING
IN CONCERT WITH IT)**

Financial adviser to Gold Seal Holdings Limited

ANGLO CHINESE 英
CORPORATE FINANCE, LIMITED 高

THE VOLUNTARY UNCONDITIONAL CASH OFFERS

The Offeror announces offers for Shares in the Company.

Based on the published information of the Company as at the date of this announcement, the Company has 935,916,981 Ordinary Shares and 71,351,037 Preference Shares (that are convertible into Ordinary Shares on a 1:1 basis) in issue, and the Offeror is not aware that Company has any other outstanding options, warrants or derivatives or convertible rights affecting the Shares. As at the date of this announcement, the Offeror and parties acting in concert with it own in aggregate 659,432,202 Ordinary Shares and 2,507,508 Preference Shares, representing 70.46% of the issued Ordinary Shares and 3.51% of the issued Preference Shares, respectively.

Anglo Chinese will, on behalf of the Offeror, make the Offers in compliance with the Takeovers Code on the following basis:

For each Ordinary Offer ShareHK\$0.25 in cash

For each Preference Offer ShareHK\$0.29 in cash

The Offers will be unconditional.

The Offeror reserves the right to revise the terms of the Offers in accordance with the Takeovers Code.

Principal terms of the Offers are summarised in the section headed “Voluntary Unconditional Cash Offers” below. The Offeror intends to finance the Offers by internal resources. Anglo Chinese, the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy full acceptance of the Offers.

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the offer document containing, amongst other things, the terms of the Offers and the forms of acceptance and transfer to the Shareholders within 21 days of the date of this announcement. It is expected that such offer document will be issued on or before 3 July, 2014.

Further announcement(s) regarding the despatch of the offer document containing the Offers will be made by the Offeror in due course.

VOLUNTARY UNCONDITIONAL CASH OFFERS

The Offeror will make offers for Shares in the Company.

Principal terms of the Offers

Based on the published information of the Company as at the date of this announcement, the Company has 935,916,981 Ordinary Shares and 71,351,037 Preference Shares (that are convertible into Ordinary Shares on a 1:1 basis) in issue, and the Offeror is not aware that Company has any other outstanding options, warrants or derivatives or convertible rights affecting the Shares. As at the date of this announcement, the Offeror and parties acting in concert with it hold in aggregate 659,432,202 Ordinary Shares and 2,507,508 Preference Shares, representing 70.46% of the issued Ordinary Shares and 3.51% of the issued Preference Shares, respectively.

Anglo Chinese will, on behalf of the Offeror, make the Offers in compliance with the Takeovers Code on the following basis:

For each Ordinary Offer ShareHK\$0.25 in cash

For each Preference Offer Share HK\$0.29 in cash

The Offers will be unconditional.

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the offer document containing, amongst other things, the terms of the Offers and the forms of acceptance and transfer to the Shareholders within 21 days of the date of this announcement. It is expected that such offer document will be issued on or before 3 July, 2014

Comparison of value

The offer price of HK\$0.25 per Ordinary Offer Share represents:

- a discount of approximately 20.6% to the closing price of HK\$0.315 per Ordinary Share as quoted on the Stock Exchange on 2 May, 2014, being the Last Trading Day;
- a discount of approximately 16.7% to the average closing price of approximately HK\$0.300 per Ordinary Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 15.7% to the average closing price of approximately HK\$0.297 per Ordinary Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day; and
- a discount of approximately 16.7% to the average closing price of approximately HK\$0.300 per Ordinary Share as quoted on the Stock Exchange for the thirty consecutive trading days immediately prior to and including the Last Trading Day.

The offer price of HK\$0.29 per Preference Offer Share represents:

- a discount of approximately 19.4% to the closing price of HK\$0.36 per Preference Share as quoted on the Stock Exchange on 2 May, 2014, being the Last Trading Day;
- a discount of approximately 19.4% to the average closing price of approximately HK\$0.36 per Preference Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 19.9% to the average closing price of approximately HK\$0.362 per Preference Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day; and
- a discount of approximately 21.0% to the average closing price of approximately HK\$0.367 per Preference Share as quoted on the Stock Exchange for the thirty consecutive trading days immediately prior to and including the Last Trading Day.

Total consideration for the Offers

Based on the offer price of HK\$0.25 per Ordinary Offer Share and HK\$0.29 per Preference Offer Share, the entire issued share capital of the Company is valued at approximately HK\$254,671,046. The Offers will be made to the Offer Shareholders. Based on the shareholdings of the Offeror and parties acting in concert with it of 659,432,202 Ordinary Shares and 2,507,508 Preference Shares as at the date of this announcement, 276,484,779 Ordinary Shares and 68,843,529 Preference Shares will be subject to the Offers. In the event that the Offers are accepted in full, the aggregate amount payable by the Offeror to accepting shareholders will be approximately HK\$89,085,818.

Confirmation of financial resources

The Offeror intends to finance the total consideration payable by the Offeror in respect of the Offers by internal resources. Anglo Chinese, as the financial advisor to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy full acceptance of the Offers.

Effect of accepting the Offers

By accepting the Offers, the Offer Shareholders will sell their respective Ordinary Shares and Preference Shares, as the case may be, free from all encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid, if any, on or after the date of this announcement.

Payment

Payment in cash in respect of acceptances of the Offers will be made as soon as possible but within seven Business Days of the date of receipt of a duly completed acceptance. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offers complete and valid.

Overseas Shareholders

As the Offers to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of Overseas Shareholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

Stamp duty

Seller's ad valorem stamp duty arising in connection with acceptance of the Offers amounting to HK\$1.00 for every HK\$1,000 or part thereof of the amount payable in respect of relevant acceptances by the Offer Shareholders, or (if higher) the value of the Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable to the Offer Shareholders who accept the Offers. The Offeror will then pay the stamp duty so deducted to the Stamp Office. The Offeror will bear all buyer's ad valorem stamp duty.

OFFEROR'S INTERESTS IN SECURITIES OF THE COMPANY

The Offeror confirms that, save as disclosed in this announcement, as at the date of this announcement:

- (a) save for 659,432,202 Ordinary Shares and 2,507,508 Preference Shares held by the Offeror and parties acting in concert with the Offeror, none of the Offeror and parties acting in concert with it owned or had control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities;
- (b) Other than the conversion of 50,000,000 Preference Shares on 3 June, 2014 and 133,900,000 Preference Shares on 6 June, 2014, into in aggregate 183,900,000 Ordinary Shares, none of the Offeror and any parties acting in concert with the Offeror had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six months prior to the date of this announcement;

- (c) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Ordinary Shares and which might be material to the Offers;
- (d) there is no agreement or arrangement to which the Offeror and parties acting in concert with the Offeror, is a party which relates to circumstances in which the Offeror may or may not seek to invoke a pre-condition or a condition to the Offers;
- (e) none of the Offeror nor any parties acting in concert with the Offeror has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code);
- (f) none of the Offeror nor any parties acting in concert with the Offeror has received any irrevocable commitment to accept the Offers; and
- (g) there is no outstanding derivative in respect of the securities in the Company entered into by the Offeror, nor any parties acting in concert with the Offeror.

In accordance with the terms of the Preference Shares instrument, the conversion of the Preference Shares referred to in paragraph (b) above did not involve any payment or other benefits or costs to the converting Preference Shareholders.

INFORMATION ON THE COMPANY

Based on published information of the Company as at the date of this announcement, the Company is an investment holding company incorporated in Bermuda, the Ordinary Shares and Preference Shares of which are currently listed on the Main Board of the Stock Exchange. According to the 2013 interim report of the Company, the principal activities of the Group are re-development of a property project at Nos. 8, 10 and 12 Peak Road, property investment and indent trading. As at 31 December, 2013, the unaudited net liabilities of the Company amounted to HK\$111,230,000.

INFORMATION ON THE OFFEROR

Gold Seal Holdings Limited is an investment holding company incorporated in the British Virgin Islands with limited liability. Its ultimate beneficial shareholders are Mr. Oung Da Ming who owns 66.7% of its issued shares, and Ms. Uon Margaret, sister of Mr. Oung Da Ming, who owns 33.3% of its issued shares. The directors of Gold Seal Holdings Limited are Mr. Oung Da Ming, his sister Ms. Uon Margaret and his daughter Ms. Chou Ching Chun.

Mr. Oung Shih Hua, James who is a non-executive director of the Company, is a nephew of Mr. Oung Da Ming and Ms. Uon Margaret and a cousin of Ms. Chou Ching Chun.

Mr. Chen Te Kuang Mike, who is an executive director of the Company, is a nephew of Mr. Oung Da Ming and Ms. Uon Margaret and a cousin of Ms. Chou Ching Chun.

Based on published information of the Company as at the date of this announcement, Goldenfield Equities Limited (“Goldenfield”) owns approximately 3.15% of the Ordinary Shares and approximately 12.75% of the Preference Shares. Goldenfield is a presumed concert party of the Offeror under paragraphs (1) and (8) of the definition of acting in concert under the Takeovers Code, but is not included in the calculation of the Shares held by those acting in concert with the Offeror and others in respect of the Company due to differences of opinion with the Offeror. Its directors are Mr. Oung Da Ming and his sister, Ms. Lilian Oung. It is owned as to 40% by Ms. Lilian Oung, 40% by her son, Mr. Chen Te Kuang Mike, and 20% by Mr. Oung Shih Hua, James.

REASONS FOR THE OFFERS AND INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

The Offeror intends that the Group continues its existing business of investment holding, property development and property investment.

Save in connection with the Offeror’s intention regarding the Group as set out above and the potential changes to the members of the board of directors of the Company, the Offeror has no plan to terminate the employment of any other employees or other personnel of the Group.

Should there be any change to the board of directors of the Company, it will be made in compliance with the Takeovers Code and the Listing Rules. A further announcement will be made upon any appointment of new directors of the Company.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Ordinary Shares, are held by the public at all times, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Ordinary Shares; or
- that there are insufficient Ordinary Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Ordinary Shares. Each of the Offeror and parties acting in concert with it will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Ordinary Shares. The Offeror intends to maintain the listing of the Ordinary Shares and Preference Shares on the Stock Exchange. However, if the acceptances to the Offers reach the minimum threshold for compulsory acquisition under the relevant laws of Bermuda, the Offeror may consider exercising its right to compulsory acquire the remaining Shares in the Company in accordance with the laws of Bermuda.

OFFER DOCUMENT RELATING TO THE OFFERS

The Offeror intends to despatch the offer document relating to the Offers containing, amongst other things, the terms of the Offers together with the related forms of acceptance and transfer to the Shareholders on or before 3 July, 2014.

Offer Shareholders are advised to review carefully the offer document relating to the Offers to be despatched to the Shareholders, which will set out the terms of the Offers (including the expected timetable relating to the Offers).

Further announcement(s) regarding the despatch of the offer document relating to the Offers will be made by the Offeror in due course.

DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, the associates of the Company or the Offeror and parties acting in concert with it (including persons holding 5% or more of a class of relevant securities of the Company and parties acting in concert with it) are reminded to disclose their dealings in the securities of the Company pursuant to the Rule 22 of the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

TRADING SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

Trading in the Ordinary Shares and the Preference Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on Friday, 2 May, 2014 pending the release of an announcement in relation to inside information of the Company. Trading in the Ordinary Shares and the Preference Shares remains suspended.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

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| “acting in concert” | the meaning ascribed to it under the Takeovers Code |
| “Anglo Chinese” | Anglo Chinese Corporate Finance, Limited, a registered institution under the SFO, registered to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities |
| “associate(s)” | the meaning ascribed to it under the Takeovers Code |
| “Board” | the board of Directors |
| “Business Day” | a day on which the Stock Exchange is open for the transaction of business |
| “Director(s)” | the director(s) of the Company |
| “Executive” | the Executive Director of the Corporate Finance Division of the SFC or any of his delegates |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Last Trading Day” | 2 May, 2014, being the last trading day immediately prior to the suspension of trading in the Ordinary Shares and the Preference Shares with effect from 1:00 p.m. on Friday, 2 May 2014 |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Offer Shareholder(s)” | holder(s) of the Ordinary Share(s) and Preference Share(s), other than the Offeror and parties acting in concert with it |

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| “Offeror” | Gold Seal Holdings Limited, a company incorporated in the British Virgin Islands with limited liability on 4 March, 2011 |
| “Offers” | the voluntary unconditional cash offers to be made by Anglo Chinese, on behalf of the Offeror, to acquire all the issued Ordinary Shares and Preference Shares not already owned and agreed to be acquired by the Offeror and/or parties acting in concert with it in accordance with the Takeovers Code |
| “Ordinary Offer Share(s)” | the 276,484,779 Ordinary Shares that are subject to the Offers |
| “Ordinary Share(s)” | the ordinary share(s) of par value HK\$0.01 each in the issued share capital of the Company |
| “Overseas Shareholder(s)” | Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong |
| “Paladin” or the “Company” | Paladin Limited, a company incorporated in Bermuda with limited liability, the Ordinary shares and Preference Shares of which are listed on the Main Board of the Stock Exchange (Stock Codes: 495 for Ordinary Shares, and 642 for Preference Shares) |
| “Preference Offer Share(s)” | the 68,843,529 Preference Shares that are subject to the Offers |
| “Preference Share(s)” | the convertible redeemable preference shares of HK\$0.01 each in the issued share capital of the Company |
| “Preference Shareholder(s)” | holders of Preference Shares |
| “SFC” | the Securities and Futures Commission |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | the Ordinary Share(s) and Preference Share(s) |
| “Shareholder(s)” | holder(s) of Ordinary Share(s) and/or Preference Share(s) |

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| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers |
| “the Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent |

By order of the board of directors of
Gold Seal Holdings Limited
Oung Da Ming
Director

Hong Kong, 12 June, 2014

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the directors of the Offeror are Ms. Margaret Uon, Mr. Oung Da Ming and Ms. Chou Ching Chun.