

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.*



## **PARADISE ENTERTAINMENT LIMITED**

**滙彩控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1180)**

### **NOTICE OF SGM**

**NOTICE IS HEREBY GIVEN** that a special general meeting (the “Meeting”) of Paradise Entertainment Limited (the “Company”) will be held at Unit C, 19th Floor, Entertainment Building, 30 Queen’s Road Central, Hong Kong on Monday, 3 June 2013 at 10:00 a.m. for the following purposes:

#### **SPECIAL RESOLUTION**

1. **“THAT** conditional upon (i) compliance with the relevant procedures and requirements under Bermuda laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited to effect the Capital Reorganisation (as defined below); and (ii) The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the new shares (the “**New Shares**”) of the Company arising from the Capital Reorganisation (as defined below), and with effect from the business day immediately following the date on which this resolution is passed:
  - (a) every ten (10) issued existing shares of HK\$0.10 each in the share capital of the Company be consolidated into one (1) consolidated share of HK\$1.00 (the “**Consolidated Shares**”) each (the “**Share Consolidation**”);
  - (b) the nominal value of each of the issued Consolidated Shares be reduced from HK\$1.00 to HK\$0.001 by cancelling HK\$0.999 paid up capital on each of the issued Consolidated Shares (the “**Capital Reduction**”);
  - (c) such amount as the directors of the Company (the “**Directors**”) think fit standing to the credit of the share premium account of the Company be reduced (the “**Share Premium Reduction**”);
  - (d) the credit arising from the Capital Reduction and the Share Premium Reduction be transferred to the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (as amended from time to time) (the “**Companies Act**”);

\* *for identification purposes only*

- (e) the Directors be authorised to apply the entire amount standing to the credit of the contributed surplus account of the Company within the meaning of the Companies Act in such manner as they consider appropriate (including but not limited to setting off against the accumulated losses of the Company, subject to compliance with the Companies Act and the bye-laws of the Company) (the “**Authorisation**”);
- (f) each authorised but unissued existing share of HK\$0.10 in the share capital of the Company be subdivided into 100 new shares of HK\$0.001 each (the “**Share Subdivision**”, together with the Share Consolidation, Capital Reduction and Share Premium Reduction, the “**Capital Reorganisation**”); and
- (g) any one Director be and is authorised generally to do all such acts, deeds and things as they shall, in their absolute discretion, deem appropriate to effect and implement the Capital Reorganisation and the Authorisation.”

## **ORDINARY RESOLUTIONS**

### 2. “**THAT:**

- (a) subject to the passing of special resolution number 1 above, the sale and purchase agreement (the “**Agreement**”) dated 2 November 2012 (as supplemented by two supplemental agreements dated 7 January 2013 and 18 March 2013, respectively) entered into between Solution Champion Limited, a wholly-owned subsidiary of the Company (the “**Purchaser**”) and Mr. Jay Chun (the “**Vendor**”) in relation to the sale and purchase (the “**Acquisition**”) of five approved patents and six patents applications pending approval in the United States of America in relation to a betting terminal system (the particulars of which are set out in the Company’s circular dated 9 May 2013), at a consideration of HK\$740,000,000, to be satisfied by cash, the issue of the Promissory Note (as defined below) and the issue and allotment of 600,000,000 New Shares (the “**Consideration Shares**”), and the transactions contemplated thereunder, be and is hereby approved, confirmed and ratified;
- (b) subject to completion of the Acquisition, the issue of the promissory note (the “**Promissory Note**”) in the principal amount of HK\$200,000,000 by the Company to the Vendor in accordance with the terms of the Agreement be and is hereby approved;
- (c) subject to completion of the Acquisition and the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Consideration Shares, the issue and allotment of the Consideration Shares to the Vendor or his nominee (the “**Specific Mandate**”) be and is hereby approved. The Specific Mandate is in addition to, and shall not prejudice nor revoke any general or specific mandate(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution; and
- (d) any one Director be and is authorised generally to do all such acts, deeds and things as they shall, in their absolute discretion, deem appropriate to give effect to the Agreement and the transactions contemplated thereunder.”

3. “**THAT:**

- (a) the whitewash waiver to be granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission (or any of his delegates) pursuant to Note 1 on Dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers (the “**Whitewash Waiver**”) to waive the obligation of the Vendor and parties acting in concert with him to make a mandatory general offer for all the shares of the Company not already owned or agreed to be acquired by them pursuant to Rule 26 of the Hong Kong Code on Takeovers and Mergers as a result of the issue and allotment of the Consideration Shares to the Vendor be and is hereby approved; and
- (b) any one Director be and is authorised generally to do all such acts, deeds and things as they shall, in their absolute discretion, deem appropriate to give effect to any matters relating to or in connection with the Whitewash Waiver.”

By the Order of the Board  
**Paradise Entertainment Limited**  
**Stella Ho**  
*Company Secretary*

Hong Kong, 9 May 2013

*Notes:*

- 1. A form of proxy to be used for the meeting is enclosed.
- 2. A shareholder entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his/her behalf.
- 3. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude shareholders from attending the Meeting and voting in person should they so desire.
- 4. In the case of joint holders of any share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders is present at the Meeting, personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
- 5. A proxy need not be a shareholder of the Company but must attend the Meeting in person to represent the shareholder.

*As at the date of this notice, the executive directors of the Company are Mr. Jay Chun (Chairman and Managing Director), Mr. Shan Shiyong, alias, Sin Sai Yung and Mr. Hu Liming and the independent non-executive directors of the Company are Mr. Frank Hu, Mr. Li John Zongyang and Mr. Kuan Hin Meng.*