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PALADIN LIMITED

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

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The Board wishes to inform the Shareholders and potential investors that, based on a preliminary review of the Group's unaudited management accounts, the Group is expected to record a loss for the year ended 30 June 2015 as compared to the profit for the year ended 30 June 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Paladin Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The Board of Directors ("Board") of the Company wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that, based on a preliminary review of the Group's unaudited management accounts, the Group is expected to record a loss for the year ended 30 June 2015 ("FY2015") as compared to the profit for the year ended 30 June 2014 ("FY2014"). The turnaround of the Group's results was mainly attributable to (a) no sale of apartment unit of the Peak Road Project located at Nos. 8, 10 and 12 Peak Road, Hong Kong in FY2015 and (b) the one-off gain derived from selling office premise of HK\$266 million in FY2014 which did not occur in FY2015.

The Company is in the process of finalising the final results of the Group for the year ended 30 June 2015. The information contained in this announcement is only a preliminary assessment by the Board according to the unaudited management accounts of the Group and is not based on any financial figures or information which have been audited or reviewed by the Company's auditors.

Further details of the Group's financial results and performance will be disclosed in the Company's final results announcement to be published before the end of September 2015.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the board of
Paladin Limited
Oung Shih Hua, James
Chairman

Hong Kong, 21 September 2015

As at the date of this announcement, the board of directors of Paladin comprises:

Oung Shih Hua, James (*Executive director*)

Chan Chi Ho (*Non-executive director*)

Yuen Chi Wah (*Non-executive director*)

Au Chik Lam Alexander (*Independent non-executive director*)

Huang Weizong Martin (*Independent non-executive director*)