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Deson Development International Holdings Limited

迪臣發展國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 262)

SUPPLEMENTARY ANNOUNCEMENT —

CONNECTED AND DISCLOSEABLE TRANSACTION

DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL OF AN INDIRECTLY WHOLLY-OWNED SUBSIDIARY OF THE COMPANY AND THE RELATED SHAREHOLDER'S LOAN

Reference is made to the announcement of Deson Development International Holdings Limited (the “**Company**”) dated 27 September 2007 in relation to the sale by Grace Profit Investments Limited, an indirectly wholly-owned subsidiary of the Company of (i) the entire issued share capital of Fitness Concept Limited; and (ii) a shareholder’s loan due and owing by Fitness Concept to Grace Profit Investments Limited, to Ideal Choice Holdings Limited, a company that is wholly-owned by a connected person of the Company.

The Company wishes to provide further information on the Fitness Concept Group’s net profits pursuant to Rule 14.58(7) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The losses before tax attributable to the Fitness Concept Group for the two financial years ended 31 March 2006 and 31 March 2007 were HK\$19,621,270.71 and HK\$17,631,994.45 respectively and the net losses attributable to the Fitness Concept Group for the two financial years ended 31 March 2006 and 31 March 2007 were HK\$19,800,377.07 and HK\$17,590,707.09 respectively.

By Order of the Board of
Deson Development International Holdings Limited
Ong Chi King
Executive Director and Company Secretary

Hong Kong, 18 October 2007

As at the date of this announcement, the executive Directors are Mr. Wang Ke Duan, Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Mr. Keung Kwok Cheung and Mr. Ong Chi King and the independent non-executive Directors are Dr. Ho Chung Tai, Raymond, Mr. Siu Man Po and Mr. Wong Shing Kay, Oliver.

** for identification purposes only.*