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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)

DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY

On 27 November 2007, the Vendor entered into the Provisional Agreement with the Purchaser pursuant to which the Company agreed to sell its interest in the Property to the Purchaser for a total consideration of HK\$27,178,800.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser and its beneficial owners are third parties independent of the Company and connected persons of the Company.

As the applicable percentage ratio for the Disposal calculated pursuant to Rule 14.07(4) exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular containing, among other matters, details of the Disposal will be dispatched to Shareholders as soon as practicable.

THE PROVISIONAL AGREEMENT

1. Date

27 November 2007

2. The Parties

- (1) The Vendor, an indirectly wholly owned subsidiary of the Company
- (2) The Purchaser
- (3) Midland Realty (Comm.) Ltd , the agent

3. The Property to be disposed of

The Vendor has pursuant to the Provisional Agreement agreed to sell the Property to the Purchaser. The Property is for office use and is located at 13th and 14th Floor, Max Share Centre, No. 373, King's Road, Hong Kong. The Property is subject to an existing tenancy which expires on 30 September 2009.

4. Consideration

The total consideration for the Property shall be HK\$27,178,800, payable by the Purchaser to the Vendor in the following manner:

- (a) HK\$1,000,000 as initial deposit, which was paid upon the signing of the Provisional Agreement;
- (b) HK\$1,717,880 as further deposit to be paid on or before 12 December 2007; and
- (c) the balance of the consideration in the sum of HK\$24,460,920 to be paid on or before 28 March 2008.

Under the Provisional Agreement, the Vendor and the Purchaser have agreed to pay HK\$240,000 and HK\$271,788, respectively to the agent as commission for the services rendered by the agent.

The consideration was arrived at after arm's length negotiations with reference to the current commercial property market.

5. Completion

Under the Provisional Agreement, the formal sale and purchase agreement in respect of the Property is to be signed on or before 12 December 2007 and completion of the sale and purchase of the property is to take place on or before 28 March 2008.

INFORMATION ON THE GROUP AND THE PURCHASER

The Group is principally engaged in (i) the construction business, as a main contractor, as well as the provision of contracting intelligent building engineering and electrical and mechanical engineering services, mainly in Hong Kong and the PRC; and (ii) the property development and investment business.

To the best of the Directors' knowledge, the Purchaser is a newly incorporated investment holding company and is principally engaged in property investment.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser and its beneficial owners are third parties independent of the Company and connected persons of the Company.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Property was used as the office of the Group until 2001 and had since been held as a long term asset for sale. From 2002, the Property was temporarily rented out for rental income. Based on Hong Kong Accounting Standards, the net profit before tax attributable to the Property for the years ended 31 March 2006 and 2007 was HK\$510,000 and HK\$660,000, respectively and the net profit after tax attributable to the Property for the same period was HK\$420,000 and HK\$544,500, respectively. However, the Board is of the view that the consideration offered by the Purchaser which would result in an estimated gain before tax of approximately HK\$12,300,000, after expenses, to the Group as compared to the book value of the Property as at 30 September 2007 of approximately HK\$14,500,000 is attractive. The Board considers that the Disposal provides an opportunity for the Group to realize the Property and provide additional working capital for the Group.

The proceeds from the Disposal will be applied as general working capital.

The Directors are of the view that the disposal will not affect the Group's existing principal business and the Group will continue to be involved in the property development and investment business.

The Directors (including the independent non-executive Directors) consider the terms of the Agreement and the Disposal contemplated therein are on normal commercial terms and are fair and reasonable and in the interests of the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratio for the Disposal calculated pursuant to Rule 14.07(4) exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular containing, among other matters, details of the Disposal will be dispatched to Shareholders as soon as practicable.

DEFINITIONS

“Board”	the board of Directors
“Company”	Deson Development International Holdings Limited, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange

“Completion”	the completion of the sale and purchase of the Property which is expected to take place on or before 28 March 2008
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser pursuant to the terms of the Provisional Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the commercial property situated at 13th and 14th Floor, Max Share Centre, No. 373 King’s Road, Hong Kong
“Provisional Agreement”	the provisional agreement dated 27 November 2007 entered into between the Vendor, the Purchaser and the agent in relation to the sale and purchase of the Property
“Purchaser”	Asian Time Investment Limited, a company incorporated in Hong Kong
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Deson Development Limited, an indirectly wholly owned subsidiary of the Company

By Order of the Board of
Deson Development International Holdings Limited
Tjia Boen Sien
Managing Director and Deputy Chairman

Hong Kong, 30 November 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.*