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PROFIT WARNING

This announcement is made by Deson Development International Holdings Limited (the “**Company**”, and 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on preliminary assessment of the unaudited consolidated management accounts of the Group, the Group expects to record a net loss for the year ended 31 March 2020 (the “**Reporting Period**”), as compared to a net profit attributable to owners of the Company of HK\$27,486,000 for the year ended 31 March 2019.

Based on the information currently available to the Board, such expected loss was mainly due to (i) the disruption caused by Coronavirus Disease 2019 (COVID-19) to the Group’s properties revaluation during the Reporting Period, which is likely to result in fair value losses on both the Group’s investment properties in the People Republic of China (the “**PRC**”) and the Group’s investments in properties investment projects in the PRC which are included in equity investments designated at fair value through profit or loss; and (ii) the fair value losses on other equity investments that are included in the equity investments designated at fair value through profit or loss; and (iii) the decrease in gross profit generated from the property development and investment segment.

* For identification purposes only

The Company is in the process of preparing the annual results of the Group for the Reporting Period. The information contained in this announcement is only based on a preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group for the Reporting Period currently available which has not been reviewed by the Company's independent auditor. Shareholders and potential investors are advised to refer to the details of the Group's financial results for the Reporting Period, which are expected to be released by way of an announcement by end of June 2020.

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

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

Hong Kong, 12 June 2020

As at the date of this announcement, the executive directors of the Company are Mr. Lu Quanzhang, Mr. Tjia Boen Sien, Mr. Wang Jing Ning and Mr. Tjia Wai Yip, William and the independent non-executive directors of the Company are Dr. Ho Chung Tai, Raymond, Ir Siu Man Po and Mr. Siu Kam Chau.