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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)

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 may record a decrease in profit attributable to the owners of the Company for the six months ended 30 September 2017 (the “**Reporting Period**”) by 97%, as compared to that for the corresponding period in 2016. Based on the information currently available to the Board, such considerable decrease was mainly attributable to:

- (i) the decrease in the profit contribution from Deson Construction International Holdings Limited and its subsidiaries (“**DCIHL**”, together with its subsidiaries, the “**DCIHL Group**”) as a result of DCIHL Group are ceasing to be subsidiaries of the Group upon completion of the placing of 200,000,000 shares of DCIHL to independent places on 31 March 2017. The construction business and securities investment business of the DCIHL Group were classified as discontinued operation for the six months ended 30 September 2016. During the Reporting Period, the Company has re-classified the interest in DCIHL Group as an investment in associate, which was accounted for by using equity method; and
- (ii) the decrease in the profit contribution from property development and investment segment in the Reporting Period arising from the Group’s one-off profit from the disposal of a six-storey office premises (properties held for sales) in the Kaifeng City, Henan Province of the People’s Republic of China for six months ended 30 September 2016. During this Reporting Period, the majority of sales arrangement has been contracted and title will be transferred in early 2018, while sales revenue will only be recognised for the year ending 31 March 2018.

* For identification purpose only

The Company is in the process of preparing the interim 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 at or before the early of November 2017.

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, 27 October 2017

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.