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## **ANNOUNCEMENT**

### **(1) MAJOR TRANSACTION IN RESPECT OF THE ENTIRE SHAREHOLDING INTERESTS IN LEAD JOY INVESTMENTS LIMITED**

### **(2) VERY SUBSTANTIAL DISPOSAL IN RESPECT OF THE ENTIRE SHAREHOLDING INTERESTS IN MEASURE UP PROFITS LIMITED**

#### **LEAD JOY AGREEMENT**

Interpath Profits, an indirect non wholly-owned subsidiary of the Company (as vendor), has on 7 April 2010 entered into the Lead Joy Agreement with Bond Light (as purchaser) in relation to the disposal to Bond Light of the entire issued share capital of Lead Joy and the rights to a shareholder's loan due to Interpath Profits from Lead Joy. The total consideration of the Lead Joy Disposal is RMB99,500,000 (approximately HK\$113,068,182).

#### **MEASURE UP AGREEMENT**

Interpath Profits (as vendor) also has on 7 April 2010 entered into the Measure Up Agreement with Big Meg (as purchaser) in relation to the disposal to Big Meg of the entire issued share capital of Measure Up and the assumption by Big Meg of the liabilities under the indebtedness due to Measure Up from Interpath Profits. The total consideration of the Measure Up Disposal is RMB242,000,000 (approximately HK\$275,000,000).

\* for identification purposes only

## **LISTING RULES IMPLICATIONS**

The Lead Joy Disposal constitutes a major transaction, and the Measure Up Disposal constitutes a very substantial disposal, for the Company under the Listing Rules. The Lead Joy Agreement, the Measure Up Agreement and the transactions contemplated thereunder are subject to the approval of the Shareholders by way of poll at the SGM. As, to the best knowledge and belief of the Directors, both Bond Light and Big Meg and their respective ultimate beneficial owners are Independent Third Parties and no Shareholder has a material interest in the Lead Joy Disposal or the Measure Up Disposal which is different from other Shareholders, no Shareholder is required to abstain from voting on the resolutions to be proposed at the SGM for the approval of the Lead Joy Disposal, the Measure Up Disposal and the transactions contemplated under the Lead Joy Agreement and the Measure Up Agreement.

## **CIRCULAR**

A circular containing, among other things, details of the Lead Joy Agreement and the Measure Up Agreement as well as the financial information on the Group and other information as required under the Listing Rules will be despatched to the Shareholders as soon as practicable.

## **SUSPENSION AND RESUMPTION OF TRADING OF SHARES**

At the request of the Company, trading of the Shares on the Stock Exchange was suspended from 9:44 a.m. on 8 April 2010, pending the issue of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:30 am on 14 April 2010.

## **WARNING**

**Shareholders and potential investors should note that the Lead Joy Disposal and the Measure Up Disposal are subject to the fulfillment of a number of conditions, and accordingly, the transactions contemplated under the Lead Joy Agreement and the Measure Up Agreement may or may not proceed. Shareholders of and potential investors in the Company should exercise caution when dealing in the Shares.**

## **THE LEAD JOY AGREEMENT**

### **Date**

7 April 2010

## **The Vendor**

Interpath Profits, a company incorporated in the British Virgin Islands with limited liability, 60% of the issued share capital of which is indirectly owned by the Company.

## **The Purchaser**

Bond Light, a company incorporated in the British Virgin Islands with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Bond Light (and, its ultimate beneficial owner) are Independent Third Parties and the ultimate beneficial owner of Bond Light is an individual who is independent and not connected or otherwise associated with Big Meg or its ultimate beneficial owner.

## **Assets to be disposed**

Pursuant to the Lead Joy Agreement, Interpath Profits has agreed to sell and Bond Light has agreed to purchase the entire issued share capital of Lead Joy and the rights to the Lead Joy Shareholder's Loan.

## **Consideration**

The Consideration for the Lead Joy Disposal shall be RMB99,500,000 (approximately HK\$113,068,182) which shall be satisfied in the following manner:

- (i) an amount of RMB3,500,000 (approximately HK\$3,977,273) was paid in cash on the date of the Lead Joy Agreement;
- (ii) an amount of RMB50,000,000 (approximately HK\$56,818,182) shall be payable in cash on or before 28 April 2010; and
- (iii) the balance of RMB46,000,000 (approximately HK\$52,272,727) shall be payable in cash on 20 August 2010 or within three days from the date of approval by the Shareholders at the SGM of the Lead Joy Disposal and the transactions contemplated under the Lead Joy Agreement, whichever is earlier.

The amount of the consideration was arrived at after arm's length negotiations between the Company and Bond Light and was determined taking into consideration the Acquisition Cost and other factors described in the paragraph headed "Reasons for the Lead Joy Disposal" below.

## **Condition precedent**

Completion of the Lead Joy Disposal shall be conditional upon the fulfillment of the condition that the Company has obtained the approval by the Shareholders at the SGM for the Lead Joy Disposal and the transactions contemplated under the Lead Joy Agreement.

If the above condition is not fulfilled by 31 August 2010 (or such later date as the parties may agree), the Lead Joy Agreement shall terminate and all payments previously paid by Bond Light to Interpath Profits under the Lead Joy Agreement as deposit, together with interest (to be calculated on the basis of the benchmark interest rate for loans announced by the People's Bank of China for the same period), shall be returned to Bond Light within three working days.

## **Completion of Lead Joy Disposal**

Completion of the Lead Joy Disposal shall take place after payment of the last installment of the consideration for the Lead Joy Disposal and within five days from the date of fulfillment of the above condition precedent.

## **Information on the Group and Lead Joy**

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; (ii) property development and investment; and (iii) the trading of medical equipment, provision of related installation and maintenance services.

Lead Joy is an investment holding company incorporated on 11 September 2009, and through its wholly-owned subsidiary, Hong Kong Okabe, holds 100% of the entire issued share capital of Mellink, which owns 90% equity interest (with the remaining 10% held by Shenzhen Kang He Tai Trading Company Limited\* (深圳市康和泰貿易有限公司), an Independent Third Party) in Huizhou Golf. Huizhou Golf owns a piece of land located at Shi Er Tuo, Daling Town, Huidong County, Guangdong Province, the PRC (中國廣東省惠東縣大嶺鎮十二托), with a total site area of approximately 1,008,725 sq. m., on which Huizhou Golf operates a golf course.

\* *for identification purposes only*

Set out below is a summary of key consolidated audited financial information of Hong Kong Okabe for the two years ended 30 September 2008 and 2009, which has been prepared in accordance with the accounting policies in compliance with Hong Kong Financial Reporting Standards issued by Hong Kong Institute of Certified Public Accountants:–

	<b>For the year ended</b>	
	<b>30 September</b>	
	<b>2008</b>	<b>2009</b>
	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	18	18
Loss before tax and loss for the year	(15)	(13)

Based on the audited consolidated accounts of Hong Kong Okabe, the audited consolidated net assets value of Hong Kong Okabe as at 30 September 2009 was approximately HK\$96 million.

As Lead Joy was incorporated on 11 September 2009 and the financial year end date is 31 March, Lead Joy has not prepared any audited accounts since its incorporation.

### **Information on Bond Light**

Bond Light is a limited company incorporated in the British Virgin Islands which is principally engaged in investment holding. Bond Light was introduced to the Company by a third party, who is independent of the Company and any connected persons (as defined in the Listing Rules) of the Company.

### **Reasons for the Lead Joy Disposal**

As announced on 27 January 2010, Lead Joy on 27 January 2010 entered into an agreement to acquire the entire issued share capital of Hong Kong Okabe at the consideration of HK\$106,450,000 (the “**Acquisition Cost**”). This acquisition was completed on 30 March 2010. The consideration for the Lead Joy Disposal exceeds the Acquisition Cost by approximately HK\$6.6 million.

Although the profit expected to be generated by the Lead Joy Disposal will be immaterial after taking into account the administration costs, professional fees, and the share of minority shareholders of Interpath Profits in proportion to their respective shareholding interests in Interpath Profits, the Directors consider the Lead Joy Disposal to be beneficial to our Company on the basis that, after the completion of the Measure Up Disposal, without the eight pieces of land which is contiguous with the piece of land owned by Huizhou Golf at Huizhou, PRC as described in “Information on Measure Up” below, Huizhou Golf may not provide attractive returns to the Group in the future, if the Group is to continue with its investment in Lead Joy. Entering into the Lead Joy Disposal and the Measure Up Disposal on the same day was a strategy on the part of the Company in an attempt to arrange for the Lead Joy

Disposal and the Measure Up Disposal to take place simultaneously so as to maximize the economic benefits of the transactions. Notwithstanding that the Lead Joy Disposal and the Measure Up Disposal are not inter-conditional on each other, in view of the consideration for the Lead Joy Disposal exceeding the Acquisition Cost by approximately HK\$6.6 million, and the relatively short period of time since the completion of the acquisition of the entire issued share capital of Hong Kong Okabe by the Group (through Lead Joy on 30 March 2010), the Directors consider that the Lead Joy Disposal as an individual transaction of the Group is still in the interests of the Company and the Shareholders as a whole.

In view of the above, the Directors believe that the Lead Joy Disposal is in the interests of both the Company and the Shareholders as a whole, and the terms of the Lead Joy Agreement and the Lead Joy Consideration are fair and reasonable.

### **Financial effect of the Lead Joy Disposal**

After the completion of the Lead Joy Disposal, the Company will cease to have any interest in Lead Joy and the financial results of Lead Joy will not be consolidated in the accounts of the Company. As mentioned under “Reasons for the Lead Joy Disposal” above, the consideration for the Lead Joy Disposal exceeds the Acquisition Cost by approximately HK\$6.6 million, and the gain expected to arise as a result of the Lead Joy Disposal will be immaterial taking into account the administrative costs, professional fees incurred, and the share of minority shareholders of Interpath Profits in proportion to their aggregate 40% shareholding interests in Interpath Profits.

### **Use of proceeds of the Lead Joy Disposal**

It is presently intended that the estimated net proceeds from the Lead Joy Disposal of approximately HK\$112 million, will be used for distribution to shareholders of Interpath Profits in proportion to their respective shareholding interests in Interpath Profits, and the Company will use its portion for repaying certain existing bank borrowings, general working capital purposes, and, where appropriate, future acquisitions (if any), where such opportunities arise in future.

## **THE MEASURE UP AGREEMENT**

### **Date**

7 April 2010

### **The Vendor**

Interpath Profits, a company incorporated in the British Virgin Islands with limited liability, 60% of the issued share capital of which is indirectly owned by the Company.

## **The Purchaser**

Big Meg, a company incorporated in the British Virgin Islands with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Big Meg (and, its ultimate beneficial owner) are Independent Third Parties and the ultimate beneficial owner of Big Meg is an individual who is independent and not connected or otherwise associated with Bond Light or its ultimate beneficial owner.

## **Assets to be disposed**

Pursuant to the Measure Up Agreement, Interpath Profits has agreed to sell and Big Meg has agreed to purchase the entire issued share capital of Measure Up, and Big Meg has agreed to assume the liabilities under the Measure Up Shareholder's Borrowing.

## **Consideration**

The consideration for the Measure Up Disposal shall be RMB242,000,000 (approximately HK\$275,000,000) which shall be satisfied in the following manner:

- (i) an amount of RMB3,500,000 (approximately HK\$3,977,273) was paid in cash on the date of the Measure Up Agreement;
- (ii) an amount of RMB45,400,000 (approximately HK\$51,590,909) shall be payable in cash on or before 28 April 2010;
- (iii) an amount of RMB46,000,000 (approximately HK\$52,272,727) shall be payable in cash on or before 28 May 2010;
- (iv) an amount of RMB54,000,000 (approximately HK\$61,363,637) shall be payable in cash on 20 September 2010, or within 30 days from the date of announcement announcing the approval by the Shareholders at the SGM of the Measure Up Disposal and the transactions contemplated under the Measure Up Agreement, whichever is earlier; and
- (v) the balance of RMB93,100,000 (approximately HK\$105,795,454) shall be payable in cash within 10 days from the delivery by Interpath Profits to its solicitors of (a) the instrument of transfer relating to the entire issued share capital of Measure Up; (b) the deed of novation relating to the Measure Up Shareholder's Borrowing; and (c) a copy of the board resolutions of Measure Up approving the transfer of the entire issued share capital of Measure Up.

The consideration for the Measure Up Disposal was arrived at after arm's length negotiations between the Company and Big Meg and was determined taking into consideration the factors described in the paragraph headed "Reasons for the Measure Up Disposal" below, the demand in and selling price trends of the property market in Huizhou, PRC, the risks associated with the macro-economic tightening measures recently adopted by the PRC government especially towards the property markets, and the time and additional investment which the Group would otherwise have to incur if the property development project is to be developed by the Group itself.

### **Condition precedent**

Completion of the Measure Up Disposal shall be conditional upon the fulfillment of the condition that the Company has obtained the approval by the Shareholders at the SGM of the Measure Up Disposal and the transactions contemplated under the Measure up Agreement.

If the above condition is not fulfilled by 31 August 2010 (or such later date as the parties may agree), the Measure Up Agreement shall terminate and all payments previously paid by Big Meg to Interpath Profits under the Measure Up Agreement as deposit, together with interest (to be calculated on the basis of the benchmark interest rate for loans announced by the People's Bank of China for the same period), shall be returned to Big Meg within three working days.

In addition, Mr. Tjia Boen Sien, Managing Director and Deputy Chairman of the Company, has guaranteed the obligation of Interpath Profits to pay to Big Meg such deposit and interest in the circumstances described above.

### **Completion of the Measure Up Disposal**

Completion of the Measure Up Disposal shall take place within five days from the date of payment of the last installment of the consideration for the Measure Up Disposal.

### **Information on Measure Up**

Measure Up is a limited company incorporated in British Virgin Islands which is principally engaged in investment holding. Its principal asset is its 100% shareholding in Huizhou Yihua. Huizhou Yihua is principally engaged in property development business, and it owns eight pieces of land which are contiguous with the piece of land owned by Huizhou Golf at Huizhou, PRC as described in "Information on the Group and Lead Joy" above. The eight pieces of land owned by Huizhou Yihua are located at Guangshan Gonglu Bin, Shi Er Tuo, Daling Town, Huidong County, Guangdong Province, the PRC (中國廣東省惠東縣大嶺鎮十二托廣汕公路邊) and has a total site area of approximately 324,700 sq. m., which has obtained planning permission for residential development purpose. The eight pieces of land were acquired by Huizhou Yihua in November 2006. Since then, Huizhou Yihua has been liaising with

the relevant PRC authorities to apply for required planning and construction permits. Huizhou Yihua has obtained some of the required permits, however, as other required permits have not yet been obtained, the Group has not yet commenced any construction on the land.

Set out below is a summary of the key consolidated audited financial information of Measure Up for the two years ended 31 March 2009, which has been prepared in accordance with the accounting policies in compliance with Hong Kong Financial Reporting Standards issued by Hong Kong Institute of Certified Public Accountants:—

	<b>For the year ended</b>	
	<b>31 March</b>	
	<b>2008</b>	<b>2009</b>
	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	0	0
Loss before tax and loss for the year	3	1

Based on the audited consolidated accounts of Measure Up, its audited consolidated net liabilities as at 31 March 2009 was approximately HK\$0.5 million.

### **Information on Big Meg**

Big Meg is a limited company incorporated in the British Virgin Islands which is principally engaged in investment holding. Big Meg was introduced to the Company by a third party, who is independent of the Company and any connected persons (as defined in the Listing Rules) of the Company.

### **Reasons for the Measure Up Disposal**

The Directors consider the Measure Up Disposal to be beneficial to our Company based on the expected gain of approximately HK\$133 million arising from the Measure Up Disposal.

In view of the above, the Directors believe that the Measure Up Disposal is in the interests of both the Company and the Shareholders as a whole, and the terms of the Measure Up Agreement and the Measure Up Consideration are fair and reasonable.

### **Financial effect of the Measure Up Disposal**

After the completion of the Measure Up Disposal, the Company will cease to have any interest in Measure Up and the financial results of Measure Up will not be consolidated in the accounts of the

Company. Based on the unaudited financial statements of Measure Up as at 31 December 2009, it is expected that a gain of approximately HK\$133 million would arise as a result of the Measure Up Disposal, being the difference between the Measure Up Consideration of RMB242,000,000 (approximately HK\$275,000,000) and the unaudited net liabilities attributable to Measure Up of approximately HK\$2,000,000 (negative) plus the Measure Up Shareholder's Borrowing of HK\$59,100,000 (negative) (less the agency fee, professional fees, administrative costs incurred, tax and the share of minority shareholders of Interpath Profits in proportion to their aggregate 40% shareholding interests in Interpath Profits, in the aggregate sum of approximately HK\$203,000,000).

### **Use of proceeds of the Measure Up Disposal**

It is presently intended that the estimated net proceeds from the Measure Up Disposal of approximately HK\$158 million will be used for distribution to shareholders of Interpath Profits in proportion to their respective shareholding interests in Interpath Profits, and the Company will use approximately 50% of its portion for repaying certain existing bank borrowings, and the rest for general working capital purposes and, where appropriate, future acquisitions (if any) where suitable opportunities arise in future. As disclosed in the latest interim report of the Company, as at 30 September 2009, the total current assets and total current liabilities of the Company amounted to HK\$729 million and HK\$406 million respectively.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Lead Joy Disposal exceed 25% but none exceeds 75%, the Lead Joy Disposal constitutes a major transaction for the Company under the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Measure Up Disposal exceed 75%, the Measure Up Disposal constitutes a very substantial disposal for the Company under the Listing Rules. For the purposes of Chapter 14 of the Listing Rules, the Lead Joy Disposal and the Measure Up Disposal have not been aggregated as if they were one transaction for the following reasons: (a) the Lead Joy Disposal and the Measure Up Disposal are not inter-conditional; (b) to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the ultimate beneficial owner of each of Big Meg and Bond Light is an individual who is not connected or otherwise associated with one another; (c) the Group obtained control of the land owned by Huizhou Golf and the eight pieces of land owned by Huizhou Yihua at different stages; in particular, the Group first obtained control of the eight pieces of land owned by Huizhou Yihua in November 2006, whereas, it has only recently obtained the control of land owned by Huizhou Golf in March 2010; (d) the land owned by Huizhou Golf is zoned for commercial use, whereas the eight pieces of land owned by Huizhou Yihua are zoned for residential use, and each of these two land parcels has its own commercial value and useful life and thus should not be taken as parts of one asset; and (e) the land owned by Huizhou Golf and the eight pieces of land owned by Huizhou Yihua are held by two different companies. The Lead Joy Agreement, the

Measure Up Agreement and the transactions contemplated thereunder are subject to the approval of the Shareholders by way of poll at the SGM. As, to the best knowledge and belief of the Directors, both Bond Light and Big Meg and their respective ultimate beneficial owners are Independent Third Parties and no Shareholder has any material interest in the Lead Joy Disposal or the Measure Up Disposal which is different from other Shareholders, no Shareholder is required to abstain from voting in respect of the resolutions to be proposed at the SGM for the approval of the Lead Joy Disposal, the Measure Up Disposal and the transactions contemplated under the Lead Joy Agreement and the Measure Up Agreement, respectively.

Mr. Tjia Boen Sien is Director and Deputy Chairman of the Company and is thus a connected person. The Directors are of the view that the undertaking provided by Mr. Tjia Boen Sien to guarantee the obligations of Interpath Profits to pay to Big Meg the deposit and interest described in the paragraph headed "Condition precedent" under "The Measure Up Agreement" in the event of the termination of the Measure Up Agreement as a result of non-fulfillment of the condition precedent pursuant to the Measure Up Agreement, being a form of financial assistance (as defined by the Listing Rules) provided by Mr. Tjia Boen Sien for the Group's benefit, was on normal (or better) commercial terms where no security over our Company's assets was granted in respect of such financial assistance, and as such, the undertaking provided by Mr. Tjia Boen Sien will be exempted from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.65(4).

A circular containing, among other things, details of the Lead Joy Agreement and the Measure Up Agreement as well as the financial information of the Group and other information as required under the Listing Rules will be despatched to the Shareholders as soon as practicable.

## **SUSPENSION AND RESUMPTION OF TRADING OF SHARES**

At the request of the Company, trading of the Shares on the Stock Exchange was suspended from 9:44 a.m. on 8 April 2010, pending the issue of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading of the Shares on the Stock Exchange with effect from 9:30 am on 14 April 2010.

## **WARNING**

**Shareholders and potential investors should note that the Lead Joy Disposal and the Measure Up Disposal are subject to the fulfillment of a number of conditions, and accordingly, the transactions contemplated under the Lead Joy Agreement and the Measure Up Agreement may or may not proceed. Shareholders of and potential investors in the Company should exercise caution when dealing in the Shares.**

## DEFINITIONS OF TERMS USED IN THIS ANNOUNCEMENT

“Big Meg”	Big Meg Limited, a company incorporated in the British Virgin Islands with limited liability whose ultimate beneficial owner is, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, an individual independent of the Company and any connected persons (as defined in the Listing Rules) of the Company
“Board”	the board of Directors
“Bond Light”	Bond Light Limited, a company incorporated in the British Virgin Islands with limited liability whose ultimate beneficial owner is, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, an individual independent of the Company and any connected persons (as defined in the Listing Rules) of the Company
“Company”	Deson Development International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Okabe”	Hong Kong Okabe Company Limited (香港岡部有限公司), a limited company incorporated under Hong Kong laws
“Huizhou Golf”	惠州高爾夫球場有限公司 (Huizhou Golf Course Limited Company*), a sino-foreign joint venture incorporated in the PRC
“Huizhou Yihua”	惠州怡海房地產開發有限公司 (Huizhou Yihua Property Development Limited*), a wholly foreign owned enterprise incorporated in the PRC

\* *for identification purposes only*

“Independent Third Party”	a third person who is independent of the Company and its connected persons and who is not a connected person of the Company
“Interpath Profits”	Interpath Profits Limited, a company incorporated in the British Virgin Islands with limited liability, 60% of the issued share capital of which is indirectly owned by the Company
“Lead Joy”	Lead Joy Investments Limited, a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of Interpath Profits and an indirect 60% owned subsidiary of the Company
“Lead Joy Agreement”	the sale and purchase agreement dated 7 April 2010 entered into between Interpath Profits (as vendor) and Bond Light (as purchaser) in relation to the Lead Joy Disposal
“Lead Joy Disposal”	the proposed disposal of the entire issued share capital of Lead Joy and the rights to the Lead Joy Shareholder’s Loan by Interpath Profits to Bond Light pursuant to the Lead Joy Agreement
“Lead Joy Shareholder’s Loan”	the shareholder’s loan in the sum of HK\$109,120,000 due by Lead Joy to Interpath Profits
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Measure Up”	Measure Up Profits Limited, a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of Interpath Profits and an indirect 60% owned subsidiary of the Company
“Measure Up Agreement”	the sale and purchase agreement dated 7 April 2010 entered into between Interpath Profits (as vendor) and Big Meg (as purchaser) in relation to the Measure Up Disposal
“Measure Up Disposal”	the proposed disposal of the entire issued share capital of Measure Up and the transfer of the liabilities under the Measure Up Shareholder’s Borrowing by Interpath Profits to Big Meg pursuant to the Measure Up Agreement
“Measure Up Shareholder’s Borrowing”	the amount of the borrowing in the sum of HK\$59,100,000 due by Interpath Profits to Measure Up

“Mellink”	Mellink Investment Limited, a limited company incorporated in Hong Kong, as wholly owned by Hong Kong Okabe
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	the special general meeting to be convened to approve the Lead Joy Agreement, the Measure Up Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

Unless otherwise specified in this announcement, translations of RMB into HK\$ are made in this announcement, for illustration only, at the rate of RMB0.88 to HK\$1. No representation is made that any amounts in RMB or HK\$ could have been or could be converted at that rate or at any other rate or at all.

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

Hong Kong, 14 April 2010

*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 the independent non-executive Directors are Dr. Ho Chung Tai, Raymond, Mr. Siu Man Po and Mr. Wong Shing Kay, Oliver.*