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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)

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF
THE CONSTRUCTION AND ENGINEERING CONTRACTING BUSINESS
OF THE GROUP ON THE GROWTH ENTERPRISE MARKET OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

**FINAL PLACING PRICE
AND
CHANGE OF DIRECTORS**

INTRODUCTION

Reference is made to the announcements of Deson Development International Holdings Limited (the “**Company**”) dated 1 August 2014, 10 September 2014, 16 September 2014, 3 November 2014, 9 December 2014, 19 December 2014 and 24 December 2014 (the “**Spin-off Announcements**”) in respect of the Proposed Spin-off. Capitalised terms used in this announcement shall have the same meanings as those defined in the Spin-off Announcements unless the context requires otherwise.

UNDERWRITING AGREEMENT

The Company wishes to announce that in connection with the Placing, it has on 23 December 2014 entered into the underwriting agreement with, inter alia, DCIHL, Kingsway Capital Limited (the “**Sponsor**”), Kingsway Financial Services Group Limited (the “**Bookrunner and Lead Manager**”) and Sparta Assets Limited relating to the Placing (the “**Underwriting Agreement**”).

* *for identification purpose only*

LEVEL OF INDICATION OF INTEREST UNDER THE PLACING AND RESULTS OF ALLOCATION

Please refer to the announcement of DCIHL on the website of the Stock Exchange at <http://www.hkexnews.hk> and the website of DCIHL at www.deson-c.com on 7 January 2015 for information regarding, among other things, the level of indication of interest under the Placing and the results of allocation of the Placing.

FINAL PLACING PRICE

The Company also wishes to announce that the price determination agreement (the “**Price Determination Agreement**”) was entered into between DCIHL and the Bookrunner and Lead Manager on 29 December 2014. Pursuant to the Price Determination Agreement, the final Placing Price under the Placing was determined at HK\$0.385 per Placing Share (excluding brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

Upon completion of the Conditional Distribution and the Placing, the Company’s percentage shareholding in DCIHL will be reduced from approximately 90.1% to approximately 51.18%. Based on the final Placing Price as stated above, if the Placing proceeds at the final Placing Price of HK\$0.385 per Placing Share, the estimated net proceeds of the Placing (after deducting related expenses payable by the DCIHL Group) will be approximately HK\$16.5 million.

Upon completion of the Proposed Spin-off, DCIHL will become an indirect non-wholly owned subsidiary of the Company (with a market capitalisation of approximately HK\$154 million based on the final Placing Price).

LISTING DATE

Assuming completion of the Placing occurs in accordance with the current timetable, dealings in DCIHL Shares are expected to commence on 8 January 2015. DCIHL Shares will be traded in board lots of 8,000 shares each. The stock code of DCIHL Shares is 8268.

Share certificates for DCIHL Shares were despatched to Qualifying Shareholders on 7 January 2015, and have become valid certificates of title upon the Spin-off becomes unconditional. Qualifying Shareholders should refer to the Spin-off Announcements for details on the trading of odd lots of DCIHL Shares.

Investors who trade in DCIHL Shares prior to the receipt of share certificates or prior to the share certificates becoming valid certificates of title do so entirely at their own risk.

GENERAL

The listing of DCIHL Shares pursuant to the Proposed Spin-off remains subject to, among other things, the listing approval being granted and the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms or otherwise. Accordingly,

Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it will take place. Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the securities of the Company.

CHANGE OF DIRECTORS

Resignation of director

In order for Mr. Keung Kwok Cheung (“**Mr. KC Keung**”) to focus on his responsibilities in view of his position as the Chief Executive Officer, Executive Director and Compliance Officer of DCIHL pursuant to the Proposed Spin-off, the Board announces that with effect from 7 January 2015, Mr. KC Keung resigned as an Executive Director of the Company.

Mr. KC Keung has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company or the Stock Exchange.

The Board would like to express its sincere gratitude to Mr. KC Keung for his valuable contributions to the Board during his tenure of services.

Appointment of director

The Board announces that Mr. Tjia Wai Yip, William (“**Mr. William Tjia**”) has been appointed as an Executive Director of the Company with effect from 7 January 2015. The biographical details of Mr. William Tjia are set out below:

Mr. Tjia Wai Yip, William

Mr. William Tjia, aged 39, joined the Group in February 2000. Mr. William Tjia is a director of Deson Innovative Limited since July 2005, one of the subsidiaries of the Company. He is responsible for intelligent building and security systems business of the Group, and has over 14 years’ of experience in this field. He graduated from City University of Hong Kong with a Bachelor degree in Information Systems (Honours) in 1998.

As at the date of this announcement, Mr. William Tjia was interested in 1,600,000 shares representing approximately 0.29% of the existing issued share capital of the Company. He is the son of Mr. Tjia Boen Sien, the Managing Director and Deputy Chairman and a controlling Shareholder (as defined in the Listing Rules) of the Company who was interested in 279,064,400 shares representing approximately 50.44% interests in the Company. Save as disclosed above, Mr. William Tjia does not have any relationship with any other Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules) of the Company or any other interest in the Shares within the meaning of Part XV of the SFO.

As at the date of this announcement, Mr. William Tjia has entered into a service agreement with the Company for a term of three years commencing from 7 January 2015 unless and until terminated by not less than one month notice in writing served by either party on the other. Mr. William Tjia will be subject to retirement as a director by rotation and will be eligible for re-election at annual general meetings of the Company in accordance with the bye-laws of the Company. Pursuant to such service agreement, Mr. William Tjia will be entitled to an annual salary of HK\$480,000 which is determined by the Board with reference to his duties and responsibilities with the Group and an annual discretionary bonus of such an amount to be determined by the Board from time to time with reference to the financial results of the Group and on his performance.

Save as disclosed above, Mr. William Tjia is not entitled to any other emoluments. Mr. William Tjia did not have any other directorship held in listed public companies in the last three years.

Save as disclosed above, there is no other matter in relation to the biography of Mr. William Tjia that needs to be brought to the attention of the shareholders of the Company or any information that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

The Board would like to extend a warm welcome to Mr. William Tjia in joining the Board.

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

Hong Kong, 7 January 2015

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, the non-executive director of the Company is Mr. Wong Shing Kay, Oliver, and the independent non-executive directors of the Company are Dr. Ho Chung Tai, Raymond, Mr. Siu Man Po and Mr. Siu Kam Chau.