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**VERY SUBSTANTIAL DISPOSAL  
DISPOSAL OF PROPERTIES IN HAINAN  
VIA THE DISPOSAL OF COMPANIES**

**THE PROPOSED DISPOSAL**

The Board is pleased to announce that on 7 August 2023 (after trading hours), the Vendors, the Purchaser and the Target Companies entered into the Equity Transfer Agreement, pursuant to which the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the entire equity interests in the Target Companies, for a total consideration of RMB385.0 million (equivalent to approximately HK\$423.5 million).

As at the date of this announcement, (i) Vendor 1 is an indirect wholly-owned subsidiary of the Company, which is the sole shareholder of Target Company 1, and Target Company 1 is the legal and beneficial owner of Target Property 1; and (ii) Vendor 2 is wholly-owned by Wong Ching Chik (王征績), an Independent Third Party, which is the sole shareholder of Target Company 2, and Target Company 2 is the legal owner of Target Property 2. Target Property 2 is held for the benefit of the Group pursuant to a contractual arrangement since 2002. Thus, the Group is entitled to the consideration in respect of the Proposed Disposal 2. The Target Properties comprising Target Property 1 and Target Property 2 are commercial properties located in Asian Villas, with a total gross floor area of approximately 37,383 square metres.

Upon Completion, the Group will cease to have any interests in Target Company 1 and the Target Properties. As such, the financial results of Target Company 1 and/or the Target Properties will no longer be consolidated into the financial statements of the Group.

\* For identification purpose only

## **IMPLICATION OF THE LISTING RULES**

As one or more of the applicable percentage ratios as calculated under Rule 14.07 of the Listing Rules in respect of the Proposed Disposal exceed 75%, the Proposed Disposal constitutes a very substantial disposal of the Company and is therefore subject to announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to the Listing Rules, any Shareholder who has a material interest in the Proposed Disposal and his/her/its close associates will abstain from voting on the relevant resolutions at the SGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has any material interest in the Proposed Disposal and the transactions contemplated under the Equity Transfer Agreement, and therefore none of the Shareholders and their associates would be required to abstain from voting on the resolution to approve the Proposed Disposal and the transactions contemplated the Equity Transfer Agreement at the SGM.

## **GENERAL**

The SGM will be convened for the Shareholders to consider, and if thought fit, to approve the Proposed Disposal and the transactions contemplated under the Equity Transfer Agreement.

Each of the controlling shareholders of the Company, namely, Mr. Tjia Boen Sien and Sparta Assets Limited, as well as the substantial shareholder of the Company, Granda Overseas Holding Co., Ltd has irrevocably undertaken that he/it will vote in favour of the resolution(s) to be proposed at the SGM to approve the Equity Transfer Agreement and the transactions contemplated thereunder. As at the date of this announcement, Mr. Tjia Boen Sien (including his personal interest and deemed interest via Sparta Assets Limited) and Granda Overseas Holding Co., Ltd owns approximately 44.58% and 17.76% of the total issued Shares of the Company, respectively.

As the Company requires additional time to prepare and finalise certain information to be included in the circular, a circular containing, among other things, (i) further details of the Proposed Disposal and the transactions contemplated under the Equity Transfer Agreement; (ii) further information required to be disclosed under the Listing Rules; (iii) the valuation report of the Target Properties; and (iv) a notice of the SGM, is expected to be despatched to the Shareholders on or before 31 August 2023.

**Completion of the Proposed Disposal is subject to the obtaining of the Shareholders' approval at the SGM. As the Proposed Disposal may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.**

The Board is pleased to announce that on 7 August 2023 (after trading hours), the Vendors, the Purchaser and the Target Companies entered into the Equity Transfer Agreement, pursuant to which the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the entire equity interests in the Target Companies, for a total consideration of RMB385.0 million (equivalent to approximately HK\$423.5 million).

## **EQUITY TRANSFER AGREEMENT**

The principal terms of the Equity Transfer Agreement are set out below:

- Date : 7 August 2023
- Parties : (i) Vendor 1, being an indirect wholly-owned subsidiary of the Company;
- (ii) Vendor 2, an Independent Third Party;
- (iii) the Purchaser;
- (iv) Target Company 1; and
- (v) Target Company 2.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

### **Assets to be disposed**

Pursuant to the Equity Transfer Agreement, (i) Vendor 1 conditionally agreed to sell the entire equity interest in Target Company 1; and (ii) Vendor 2 conditionally agreed to sell the entire equity interest in Target Company 2, and the Purchaser has conditionally agreed to purchase the entire equity interests in the Target Companies, free from any encumbrances.

The Target Properties comprising Target Property 1 and Target Property 2 are commercial properties located in Asian Villas, with a total gross floor area of approximately 37,383 square metres. Target Company 1 is a company established in the PRC, which is holding Target Property 1, comprising three buildings consisting of 31 units of shops in Haikou City, Hainan Province, which is located at phase one to phase three of the shopping mall at Asian Villas with a total gross floor area of approximately 7,693 square metres. Target Company 2 is a company established in the PRC, which holds, Target Property 2, comprising (i) phase one of the shopping mall at Asian Villas; and (ii) two units of shops nos. 33 and 34 of phase three of the shopping mall at Asian Villas, with a total gross floor area of approximately 29,690 square metres. Target

Property 2 has been held by Target Company 2 for the benefit of the Group since 2002 pursuant to a contractual arrangement. According to such contractual arrangement, the Group has all rights, entitlements, distributions, gains, profits and other benefits generated by Target Property 2. Upon Completion, the Group will cease to have any interests in Target Company 1 and the Target Properties.

### **Consideration**

The total consideration for the Proposed Disposal is RMB385.0 million (equivalent to approximately HK\$423.5 million), which will be settled by the Purchaser as follows:

- (i) the Earnest Money of RMB10.0 million (equivalent to approximately HK\$11.0 million) has been paid by the Purchaser to the Vendors on 20 October 2022, which was within 30 days of the date of the Letter of Intent. The Earnest Money was applied towards the total consideration for the Proposed Disposal upon execution of the Equity Transfer Agreement;
- (ii) RMB100.0 million (including the Earnest Money paid on 20 October 2022) (equivalent to approximately HK\$110.0 million) in cash to be paid to the Vendors within 15 days before the commencement of works on the transfer of equity interest in accordance with the Equity Transfer Agreement (“**1<sup>st</sup> Instalment**”);
- (iii) RMB120.0 million (equivalent to approximately HK\$132.0 million) in cash to be paid to the Vendors before 31 October 2024 (“**2<sup>nd</sup> Instalment**”);
- (iv) RMB110.0 million (equivalent to approximately HK\$121.0 million) in cash to be paid to the Vendors before 31 October 2025 (“**3<sup>rd</sup> Instalment**”);
- (v) RMB50.0 million (equivalent to approximately HK\$55.0 million) in cash to be paid to the Vendors before 31 October 2026 (“**4<sup>th</sup> Instalment**”); and
- (vi) the remaining balance of the total consideration, being RMB5.0 million (equivalent to approximately HK\$5.5 million) to be paid to the Vendors before 31 October 2027 (“**Final Instalment**”).

Due to large capital investment by the Purchaser to develop Target Property 1 and Target Property 2 after completion of the Proposed Disposal, the Purchaser, being a governmental entity, requires sufficient time to undergo internal procedures. As such, the Purchaser has sought for, and the Vendors have agreed to a prolonged period of payment of the remaining balance of the consideration, being the 2nd Instalment to the Final Instalment.

Given that Target Property 2 is held for the benefit of the Group pursuant to a contractual arrangement, the Group is entitled to the consideration in respect of the Proposed Disposal 2.

The consideration for the Proposed Disposal was determined after arm's length negotiations between the Vendors and the Purchaser with reference to the valuation of the Target Properties conducted by an independent valuer as at 31 March 2023.

The valuation of Target Properties was arrived at with the adoption of market approach performed by an independent valuer, Peak Vision Appraisals Limited, based on the direct comparison method. The direct comparison method is based on prices realised in actual transactions and/or asking prices of comparable properties. Comparable properties of similar size, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of value. According to the valuation, the fair values of the Target Property 1 and Target Property 2 as at 31 March 2023 were approximately RMB99.7 million and RMB267.7 million (equivalent to approximately HK\$109.7 million and HK\$294.5 million) respectively.

### **Completion**

Pursuant to the Equity Transfer Agreement:

- (i) within 30 days upon signing of the Equity Transfer Agreement, the Vendors shall transfer 30% of the equity interests in the Target Companies to the Purchaser and complete the registration for the change of ownership at the State Administration for Industry and Commerce;
- (ii) within 45 days (or such later date to be agreed in writing by the Vendors and the Purchaser) after payment of the 1<sup>st</sup> Instalment, the Vendors shall transfer the remaining 70% of the equity interests in the Target Companies to the Purchaser. At the same time, the Purchaser shall pledge 74% of the equity interest in the Target Companies to the Vendors to secure the payment of the remaining unpaid consideration. A pledge agreement will be entered into by the Purchaser and the Vendors to effect the pledge of equity interest. The parties shall complete the registration for the change of ownership and the pledge of equity interest at the State Administration for Industry and Commerce simultaneously; and
- (iii) each time after payment by the Purchaser of the relevant instalment, the Vendors shall release the pledge of equity interest proportionately such that:
  - (a) upon payment of the 2<sup>nd</sup> Instalment by the Purchaser, the Vendors shall release the pledge of equity interest so that only the pledge of 43% of the equity interest in the Target Companies remains;
  - (b) upon payment of the 3<sup>rd</sup> Instalment by the Purchaser, the Vendors shall release the pledge of equity interest so that only the pledge of 14% of the equity interest in the Target Companies remains;

- (c) upon payment of the 4<sup>th</sup> Instalment by the Purchaser, the Vendors shall release the pledge of equity interest so that only the pledge of 4% of the equity interest in the Target Companies remains; and
- (d) upon payment of the Final Instalment by the Purchaser, the Vendors shall release the pledge of equity interest entirely.

During the period when the pledge of equity interest remains valid, any guarantee, financing or disposal of assets by the Target Companies shall be subject to the prior written consent of the Vendors, and any funding obtained shall be first applied towards the payment of the unpaid consideration due and payable to the Vendors, failing which it shall be a breach by the Purchaser and all unpaid consideration shall be due and payable by the Purchaser to the Vendors immediately.

Upon Completion, the Group will cease to have any interests in Target Company 1 and the Target Properties. As such, the financial results of Target Company 1 and/or the Target Properties will no longer be consolidated into the financial statements of the Group.

#### **CONDITION PRECEDENT TO THE PROPOSED DISPOSAL**

Completion of the Proposed Disposal is subject to the satisfaction of the passing of resolutions by the Shareholders to approve the Proposed Disposal and the transaction contemplated under the Equity Transfer Agreement at the SGM in accordance with the requirements of the Listing Rules.

#### **INFORMATION ON THE TARGET COMPANIES**

Target Company 1 is a company established in the PRC with limited liability, and an indirect wholly-owned subsidiary of the Company. Target Company 1 is principally engaged in property investment and owns Target Property 1. Target Property 1, comprising three buildings consisting of 31 units of shops in Haikou City, Hainan Province, which is located at phase one to phase three of the shopping mall at Asian Villas with a total gross floor area of approximately 7,693 square metres. As at the date of this announcement, a portion of Target Property 1 is leased to Independent Third Parties as cinema.

Target Company 2 is a company established in the PRC with limited liability, and is wholly-owned by Vendor 2. Target Company 2 is principally engaged in property investment and owns Target Property 2. Target Property 2, comprising (i) phase one of the shopping mall at Asian Villas; and (ii) two units of shops nos. 33 and 34 of phase three of the shopping mall at Asian Villas, with a total gross floor area of approximately 29,690 square metres. Target Property 2 has been held by Target Company 2 for the benefit of the Group since 2002 pursuant to a contractual arrangement. According to such contractual arrangement, the Group has all rights, entitlements, distributions, gains, profits and other benefits generated by Target Property 2, as such the Group has

been consolidating Target Property 2 and its net profits into the Group's results of operations and assets and liabilities as if Target Property 2 were owned by the Group. As at the date of this announcement, Target Property 2 is vacant.

Set out below are the unaudited (loss)/profit before and after taxation and the unaudited net asset value of the Target Company 1 for the two financial years ended 31 March 2023 prepared in accordance with Hong Kong Financial Reporting Standards:

	<b>For the year ended</b>	
	<b>31 March</b>	
	<b>2022</b>	<b>2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	—	—
(Loss)/profit before taxation	(268)	404
(Loss)/profit after taxation	(261)	387
Net asset value	40,123	38,071

Set out below are the unaudited loss before and after taxation and the unaudited net book value of the Target Property 2 for the two financial years ended 31 March 2023:

	<b>As at/Year ended</b>	
	<b>31 March</b>	
	<b>2022</b>	<b>2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	2,485	363
Loss before taxation	(4,023)	(1,497)
Loss after taxation	(4,023)	(1,497)
Net book value	302,164	300,679

## **FINANCIAL IMPACT OF THE PROPOSED DISPOSAL AND THE INTENDED APPLICATION OF PROCEEDS**

Subject to final audit, it is expected that the Group will recognise an estimated net gain of approximately HK\$89.1 million from the Proposed Disposal, which is calculated on the basis of the difference between the total consideration and the unaudited net asset value of Target Company 1 as at 31 March 2023 and the net book value of the Target Property 2 as at 31 March 2023, together with its deferred tax impact and other directly related costs, including taxes as a result of the Proposed Disposal. The actual amount of the gain from the Proposed Disposal to be recorded by the Group is subject to audit and will take into account any costs and expenses incurred relating to the Proposed Disposal, and accordingly it may be different from the amount stated above.

It is expected that the net proceeds from the Proposed Disposal will amount to approximately HK\$388.9 million. The Group intends to apply the net proceeds for the following purposes:

1. approximately 54.2% or approximately HK\$210.8 million to be applied towards repayment of existing borrowings of the Group; and
2. approximately 45.8% or approximately HK\$178.1 million to be used as general working capital of the Group.

## **REASONS FOR AND BENEFITS OF THE PROPOSED DISPOSAL**

Asian Villas is one of the development projects developed by the Group in the PRC. In the past, the sales of residential and commercial units have contributed meaningful turnover and profits to the Group. While the Group has sold a majority of units in Asian Villas, the Group has retained the Target Properties since the completion of the property development. The Board considers that the Proposed Disposal will allow the Group to realise its investment in the Target Properties, optimising the allocation of its resources for the development of its existing business and/or investments in other business opportunities, enhancing its financial flexibility and reducing its gearing ratio, which is conducive to the Group's ability to manage risks and achieve long-term stable and healthy development, which will be beneficial to the Group and the Shareholders as a whole.

The Directors (including the independent non-executive Directors) believe that the terms of the Proposed Disposal and the transactions contemplated under the Equity Transfer Agreement are on normal commercial terms, fair and reasonable, and the Proposed Disposal are in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ON THE GROUP, VENDOR 1, VENDOR 2 AND THE PURCHASER**

### **Information about the Group**

The Company is an investment holding company. The Group is principally engaged in (i) property development and investment; (ii) trading of medical equipment and home security and automation products, including the provision of related installation and maintenance services; and (iii) operation of a hotel.

### **Information about Vendor 1**

Vendor 1 is a company incorporated in Hong Kong with limited liability, which is an investment holding company and is an indirect wholly-owned subsidiary of the Company.

### **Information about Vendor 2**

Vendor 2 is a company incorporated in the British Virgin Islands with limited liability, which is an investment holding company and is wholly-owned by Wong Ching Chik (王征績), an Independent Third Party.

### **Information about the Purchaser**

The Purchaser is a limited liability company established in the PRC and is principally engaged in the business of urban infrastructure investment, land consolidation, real estate development and operation, project investment, asset management of investment projects, asset management of leasing (except car leasing), tourism project development, bazaar market management, stall leasing, gardening, greening infrastructure, road construction, advertisement design and installation, film and television production, distribution and post-production, cultural and tourism industry development, advertisement design, production and agency, distribution, mass actor recruitment, training, public relations services, property management services, business information consulting, corporate marketing planning consultation, construction project consultation, agency construction services, etc.. The Purchaser is wholly-owned by 海口市龍華區招商引資和項目開發服務中心 (Haikou Longhua City Investment Promotion and Project Development Service Centre\*), which is ultimately owned by the government of Longhua District of Haikou.

\* *For identification purposes only*

## IMPLICATION UNDER THE LISTING RULES

As one or more of the applicable percentage ratios as calculated under Rule 14.07 of the Listing Rules in respect of the Proposed Disposal exceed 75%, the Proposed Disposal constitutes a very substantial disposal of the Company and is therefore subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to the Listing Rules, any Shareholder who has a material interest in the Proposed Disposal and his/her/its close associates will abstain from voting on the relevant resolutions at the SGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has any material interest in the Proposed Disposal and the transactions contemplated as contemplated under the Equity Transfer Agreement, and therefore none of the Shareholders and their associates would be required to abstain from voting on the resolution to approve the Proposed Disposal and the transaction contemplated under the Equity Transfer Agreement at the SGM.

## GENERAL

The SGM will be convened for the Shareholders to consider, and if thought fit, to approve the Proposed Disposal and the transactions contemplated under the Equity Transfer Agreement.

Each of the controlling shareholders of the Company, namely, Mr. Tjia Boen Sien and Sparta Assets Limited, as well as the substantial shareholder of the Company, Granda Overseas Holding Co., Ltd has irrevocably undertaken that he/it will vote in favour of the resolution(s) to be proposed at the SGM to approve the Equity Transfer Agreement and the transactions contemplated thereunder. As at the date of this announcement, Mr. Tjia Boen Sien (including his personal interest and deemed interest via Sparta Assets Limited) and Granda Overseas Holding Co., Ltd owns approximately 44.58% and 17.76% of the total issued Shares of the Company, respectively.

As the Company requires additional time to prepare and finalise certain information to be included in the circular, a circular containing, among other things, (i) further details of the Proposed Disposal and the transactions contemplated under the Equity Transfer Agreement; (ii) further information required to be disclosed under the Listing Rules; (iii) the valuation report of the Target Properties; and (iv) a notice of the SGM, is expected to be despatched to the Shareholders on or before 31 August 2023.

**Completion of the Proposed Disposal is subject to the obtaining of the Shareholders' approval at the SGM. As the Proposed Disposal may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.**

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless otherwise requires:

“Asian Villas”	the development project known as 亞洲豪苑城市廣場 (Asian Villas City Square*) located at Haikou City, Hainan Province, the PRC
“associate” or “close associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day(s) (other than Saturday(s), Sunday(s) or public holiday(s) in Hong Kong) on which licensed banks in Hong Kong are open generally for normal banking business
“Company”	Deson Development International Holdings Limited, an exempted company incorporated in Bermuda with limited liabilities, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 262)
“Completion”	the completion of the Proposed Disposal
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Directors”	directors of the Company
“Earnest Money”	the sum of RMB10.0 million (equivalent to approximately HK\$11.0 million), being the earnest money of the Proposed Disposal, paid to the Purchaser to the Vendors pursuant to the Letter of Intent
“Equity Transfer Agreement”	the equity transfer agreement dated 7 August 2023 entered into among the Vendors and the Purchaser in relation to the Proposed Disposal
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Letter of Intent”	the letter of intent dated 20 October 2022 entered into between the Purchaser, the Vendors, Target Company 1 and Target Company 2
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement and for geographical reference only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Proposed Disposal”	collectively, the Proposed Disposal 1 and Proposed Disposal 2
“Proposed Disposal 1”	the proposed disposal of the entire equity interest in Target Company 1 by Vendor 1 to the Purchaser as contemplated under the Equity Transfer Agreement
“Proposed Disposal 2”	the proposed disposal of the entire equity interest in Target Company 2 by Vendor 2 to the Purchaser as contemplated under the Equity Transfer Agreement
“Purchaser”	海口市龍華區城市投資控股有限公司 (Haikou Longhua City Investment Holding Co., Ltd.*), a limited liability company established in the PRC which is wholly-owned by 海口市龍華區招商引資和項目開發服務中心 (Haikou Longhua City Investment Promotion and Project Development Service Centre*), which is ultimately owned by the government of Longhua District of Haikou, an Independent Third Party
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	the special general meeting to be convened by the Company to consider and, if thought fit, approve, among other things, the Proposed Disposal
“Share(s)”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holders of the Shares

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it in the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Target Companies”	collectively, Target Company 1 and Target Company 2
“Target Company 1”	江裕置業(海南)有限公司 (Honour Advance Real Estate (Hainan) Limited*), a company established in the PRC and is wholly-owned by Vendor 1, which is the registered holder of Target Property 1
“Target Company 2”	海南富迪商業管理有限公司 (Hainan Fruitful Business Management Ltd*), a company established in the PRC and is wholly-owned by Vendor 2, which is the registered holder of Target Property 2
“Target Properties”	collectively, Target Property 1 and Target Property 2
“Target Property 1”	the property comprising three buildings consisting of 31 units of shops in Haikou City, Hainan Province, which is located at phase one to phase three of the shopping mall at Asian Villas, with a total gross floor area of approximately 7,693 square metres
“Target Property 2”	collectively, (i) phase one of the shopping mall at Asian Villas; and (ii) two units of shops nos. 33 and 34 of phase three of the shopping mall at Asian Villas, with a total gross floor area of 29,690 square metres. Target Property 2 has been held by Target Company 2 for the benefit of the Group since 2002 pursuant to a contractual arrangement
“Vendor 1”	Honour Advance Limited (江裕有限公司), a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Vendor 2”	Fanning Properties Limited (富海地產投資有限公司), a company incorporated in the British Virgin Islands and is wholly-owned by Wong Ching Chik (王征績), an Independent Third Party. As at the date of this announcement, Vendor 2 owns the entire equity interest in Target Company 2, which holds Target Property 2 for the benefit of the Group through a contractual arrangement

“Vendors” collectively, Vendor 1 and Vendor 2

“%” per cent

\* *For identification purpose only. English names of the PRC established companies in this announcement are only translations of their official Chinese names. In case of inconsistency, the Chinese names prevail.*

*For the purpose of this announcement, RMB has been converted into HK\$ at the rate of RMB0.909 to HK\$1.00 for illustrative purpose only. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.*

For and on behalf of the Board  
**Deson Development International Holdings Limited**  
**Tjia Boen Sien**  
*Managing Director and Chairman*

Hong Kong, 7 August 2023

*As at the date of this announcement, the executive Directors are Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Mr. Tjia Wai Yip, William and Ms. Tse Hoi Ying and the independent non-executive Directors are Dr. Ho Chung Tai, Raymond, Ir Siu Man Po, Mr. Siu Kam Chau and Mr. Song Sio Chong.*