
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Deson Development International Holdings Limited**, you should at once hand this circular together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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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 GENERAL MANDATES TO
ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 10:30 a.m. on Monday, 11 August 2014 at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong is set out in Appendix III to this circular.

Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the AGM or any adjourned meeting should you so wish.

* *For identification purpose only*

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context other requires:

“AGM”	the annual general meeting of the Company to be held at 10:30 a.m. on Monday, 11 August 2014 at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong, or any adjournment thereof;
“Board”	the board of Directors;
“Business Day”	a day upon which the Stock Exchange is open for securities trading;
“Bye-Laws”	the bye-laws of the Company (as amended from time to time);
“Company”	Deson Development International Holdings Limited, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	HK dollars, the lawful currency in Hong Kong;
“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all the power to allot, issue and otherwise deal with Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolution granting such mandate (such mandate to be extended to Shares with the nominal amount of any Shares repurchased by the Company pursuant to the Repurchase Mandate);
“Latest Practicable Date”	Thursday, 26 June 2014, being the latest practicable date for ascertaining certain information included in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

DEFINITIONS

“PRC”	the People’s Republic of China;
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase Shares on the Stock Exchange with an aggregate nominal amount up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolution granting such mandate;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	Share(s) in the capital of the Company;
“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	The Code on Takeovers and Mergers and Share Repurchases published by the Securities and Futures Commission.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Lu Quanzhang (*Chairman*)

Mr. Tjia Boen Sien

(Managing Director & Deputy Chairman)

Mr. Wang Jing Ning

Mr. Keung Kwok Cheung

Non-executive Director:

Mr. Wong Shing Kay, Oliver

Independent non-executive Directors:

Dr. Ho Chung Tai, Raymond

Mr. Siu Man Po

Mr. Siu Kam Chau

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Principal Place of Business:

11th Floor, Nanyang Plaza

57 Hung To Road, Kwun Tong

Kowloon

Hong Kong

3 July 2014

To the Shareholders

Dear Sirs,

**PROPOSED GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information on the above proposed matters which include, inter alia, (i) the grant of the Issue Mandate and Repurchase Mandate; and (ii) the re-election of retiring Directors, and (iii) to send you the notice of the AGM.

* For identification purpose only

LETTER FROM THE BOARD

2. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 9 August 2013, a general mandate was given by the Shareholders to the Directors to exercise the powers of the Company to allot, issue and deal with Shares. Such mandate would lapse on the earliest of: (i) the conclusion of the forthcoming annual general meeting of the Company; (ii) the expiration of the period within which the forthcoming annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; and (iii) the revocation or variation of the authority by an ordinary resolution of the Shareholders in general meeting. In order to ensure that the flexibility and discretion be given to the Directors in the event that it becomes desirable to allot, issue and deal with Shares of the Company, approval is being sought from the Shareholders for the granting of the Issue Mandate to the Directors to allot, issue and deal with Shares up to a maximum of 20 per cent. of the total nominal amount of the share capital of the Company in issue as at the date of the passing of the ordinary resolution set out as resolution numbered 6(A) in the notice convening the AGM and adding to such general mandate any Shares representing the aggregate nominal amount of the Shares repurchased by the Company under the Repurchase Mandate. If the resolution is passed and no Share is repurchased by the Company, exercise in full of the Issue Mandate (on the basis of 553,210,267 Shares in issue at the Latest Practicable Date) would result in up to 110,642,053 new Shares being allotted, issued and dealt with by the Company. The authority granted under the Issue Mandate to the Directors will be valid until the conclusion of the next annual general meeting of the Company, or the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable law to be held or the date on which the authority given under the Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting (whichever is the earliest).

3. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 9 August 2013, a general mandate was given by the Shareholders to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse on the earliest of: (i) the conclusion of the forthcoming annual general meeting of the Company; (ii) the expiration of the period within which the forthcoming annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; and (iii) the revocation or variation of the authority by an ordinary resolution of the Shareholders in general meeting. A resolution to grant the Directors the Repurchase Mandate will be proposed at the AGM to enable the Directors to exercise the powers of the Company to repurchase its own issued and fully paid Shares up to a maximum of 10 per cent. of the share capital of the Company in issue as at the date of the passing of the ordinary resolution set out as resolution numbered 6(B) in the notice convening the AGM. The authority granted under the Repurchase Mandate to the Directors will be valid until the conclusion of the next annual general meeting of the Company, or the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable law to be held or the date on which the authority given under the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting

LETTER FROM THE BOARD

(whichever is the earliest). The notice convening the AGM is set out in Appendix III to this circular. The Company at present has no immediate plan to exercise the Repurchase Mandate.

An explanatory statement as required by the Listing Rules to provide the requisite information on the Repurchase Mandate is set out in Appendix I to this circular.

4. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

The Company has stated in the annual report of the Company for the year ended 31 March 2014 that the Directors retiring by rotation are Mr. Tjia Boen Sien (executive Director), Mr. Keung Kwok Cheung (executive Director), Mr. Siu Man Po (independent non-executive Director) and Mr. Siu Kam Chau (independent non-executive Director), who are willing to put themselves up for re-election at the AGM.

Mr. Siu Man Po (“Mr. Siu”) was appointed as an independent non-executive Director (“INED”) of the Company in September 2001. He has served the Company for more than 12 years as of the Latest Practicable Date and will retire by rotation at the AGM. The Board intends to further appoint Mr. Siu as an INED. Pursuant to Code Provision A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, if an independent non-executive director serves more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders, and the papers to shareholders accompanying that resolution should include the reasons why the board believes he is still independent and should be re-elected. The Nomination Committee of the Board has reviewed and assessed the independence of the INEDs, including Mr. Siu, and are satisfied that they meet the independence criteria set out in Rule 3.13 of the Listing Rules (including by reference to the annual independence confirmation they have provided). In particular, the Nomination Committee is satisfied that during his tenure of office over the past 12 years, Mr. Siu has been able to fulfill all the requirements regarding independence of an INED and provide annual confirmation of independence to the Company under Rule 3.13 of the Listing Rules. To the best knowledge of the Directors, as of the Latest Practicable Date, the Company is not aware of any foreseeable events that may occur and affect the independence of Mr. Siu in the near future. Hence, the Board believes that Mr. Siu is and will continue to be independent of the Company unless unexpected circumstances arise in the future. The Company will continue to review the independence of Mr. Siu annually and take all appropriate measures to ensure compliance of relevant provisions regarding the independence of INED in the Listing Rules.

In addition, during his tenure of office, Mr. Siu has performed his duties as an INED to the satisfaction of the Board. Through exercising the scrutinizing and monitoring function of an INED, he has contributed to a conscientious and efficient board of directors acting in the interest of Shareholders. In view of the above, the Board considers that the re-election of Mr. Siu as an INED is beneficial to the Board, the Company and Shareholders as a whole.

Pursuant to the requirement of the Listing Rules, a separate ordinary resolution will be proposed at the AGM to approve the re-election of Mr. Siu as an INED of the Company.

LETTER FROM THE BOARD

Each of Mr. Siu and Mr. Siu Kam Chau (“Mr. KC Siu”) has confirmed that he meets the independent requirements set out in Rule 3.13 of the Listing Rules. Each of Mr. Siu and Mr. KC Siu has the relevant experience in construction field and accounting experience, respectively and has a deep understanding of the Group’s operation. Based on the above, the Board believes that each of Mr. Siu and Mr. KC Siu is independent of the Group and will continue to make contribution to the Company if re-elected. Relevant details of each of the Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

Bye-Law 89 of the Bye-Laws provides that no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director, signed by a Shareholder (other than the person to be proposed for election as a Director) duly qualified to attend and vote at the meeting for which such notice is given, and a notice in writing signed by that person of his willingness to be elected shall have been lodged with the Company. The minimum length of the period during which such notices are given shall be at least seven days and the period for lodgment of such notices shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such meeting.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, notice of his intention to propose such person for election as a Director and the notice executed by the nominee of his willingness to be elected must be validly served at the principal place of business of the Company at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong on or before 10:30 a.m. on 4 August 2014.

If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the publication of the notice of the AGM, the Company will publish an announcement to inform Shareholders of the biographical details of the additional candidate proposed.

Details of the biographies of each of the Directors who have offered themselves for re-election are set out in Appendix II to this circular.

5. AGM

A notice of the AGM is set out in Appendix III to this circular. A form of proxy for the AGM is also enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy to the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the AGM or any adjourned meeting should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Directors consider that the proposed resolutions for approving the grant of the Issue Mandate and the Repurchase Mandate and the proposed re-election of retiring Directors are each in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

7. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

By Order of the Board
Tjia Boen Sien
Managing Director and Deputy Chairman

The Listing Rules permit companies with primary listing on the Stock Exchange to repurchase their fully paid-up Shares on the Stock Exchange subject to certain restrictions.

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the grant of the Repurchase Mandate.

1. REASONS FOR REPURCHASE MANDATE

The Directors believe that the granting of the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or the earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders. The Directors have no present intention to repurchase any of the securities of the Company.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 553,210,267 Shares of HK\$0.10 each.

Subject to the passing of the resolution approving the Repurchase Mandate, and assuming no Shares will be issued or repurchased by the Company during the period between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 55,321,027 Shares.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-Laws and the applicable laws of Bermuda. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of the capital paid up on the relevant Shares, or out of funds of the Company otherwise available for dividend or distribution or the proceeds of a new issue of Shares made for such purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company otherwise available for dividend or distribution or out of the share premium or contributed surplus accounts of the Company.

If the Repurchase Mandate were exercised in full, there might be a material adverse effect on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 March 2014). However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4. DIRECTORS DEALINGS AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any Shares under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries or have undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

5. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

	Trading price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
June	0.650	0.580
July	0.640	0.600
August	0.650	0.610
September	0.640	0.610
October	0.630	0.590
November	0.630	0.550
December	0.630	0.540
2014		
January	0.590	0.520
February	0.540	0.520
March	0.550	0.520
April	0.540	0.490
May	0.580	0.470
June up to the Latest Practicable Date	0.690	0.520

6. SHARE REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company did not make any repurchases of Shares on the Stock Exchange.

Save as disclosed herein, the Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

7. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules and the applicable laws of Bermuda.

8. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined under the Takeovers Code) could, depending on the level of increase of the Shareholder's interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Sparta Assets Limited ("Sparta Assets"), which was wholly owned by Mr. Tjia Boen Sien ("Mr. Tjia"), our Managing Director, was interested in 233,290,000 Shares representing approximately 42.17% of the issued share capital in the Company as at the Latest Practicable Date, and Mr. Tjia also had personal interest in 45,774,400 Shares, representing approximately 8.27% of the issued share capital in the Company as at the Latest Practicable Date.

In the event that the Repurchase Mandate was exercised in full by the Company, the aggregate percentage shareholding of Sparta Assets and Mr. Tjia in the Company would increase from approximately 50.44% to approximately 56.05%. Such increases would not result in Sparta Assets and Mr. Tjia to make a mandatory offer under Rule 26 of the Takeovers Code. Save as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code as a consequence of any purchases made pursuant to the Repurchase Mandate.

The following are the biographies of each of the retiring Directors proposed to be re-elected at the AGM:

TJIA Boen Sien (“Mr. Tjia”), aged 70, is one of the co-founders of the Group. He was appointed as a director of the Company in September 1993 and is currently the executive Managing Director and Deputy Chairman of the Group. Mr. Tjia is responsible for the overall corporate strategy and the daily operations of the Group, including business development and overall management. He graduated from the Fujian Overseas Chinese University in the Mainland China. Mr. Tjia is well respected and has established connections in the Mainland China construction industry through his extensive experience. He has over 31 years’ experience in the construction industry in the Mainland China and Hong Kong. Mr. Tjia is the Vice Chairman and a committee member of Zhan Tian You Civil Engineering Development for Science and Technology; a corporate member of the Chartered Institute of Building and a professional member of The Royal Institution of Chartered Surveyors in the United Kingdom.

As at Latest Practicable Date, Mr. Tjia was interested in 45,774,400 shares representing approximately 8.27% of the existing issued share capital of the Company. Sparta Assets Limited (“Sparta Assets”), the single largest shareholder of the Company, was wholly-owned by Mr. Tjia. Sparta Assets was interested in 233,290,000 Shares representing approximately 42.17% of the issued share capital in the Company as at the Latest Practicable Date. Save as disclosed above, Mr. 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 Latest Practicable Date, no service contract had been entered into between the Company and Mr. Tjia. No term has been fixed or proposed for his length of service with the Company. Mr. Tjia will be subject to retirement by rotation at least once every three years. Mr. Tjia will be entitled to an annual salary of HK\$1,704,000 which is determined by the Board with reference to his duties and responsibilities with the Company 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 Company and on his performance.

Save as disclosed above, Mr. Tjia is not entitled to any other emoluments. Mr. 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 re-election of Mr. Tjia that needs to be brought to the attention of the Shareholders or any information that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

KEUNG Kwok Cheung (“Mr. Keung”), aged 56, joined the Group in March 1989. He is an executive director of the Group and is in charge of the Group’s engineering and contracts departments. He has over 31 years’ experience in the fields of civil, structural and building engineering and in the management of large-scale projects. He also holds an Associateship in Civil and Structural Engineering from the Hong Kong Polytechnic University and a Master degree in Business Administration. He is a fellow member of the Hong Kong Institute of Directors.

As at the Latest Practicable Date, Mr. Keung and his associate were interested in 200,000 Shares representing approximately 0.036% of the existing issued share capital of the Company. Save as disclosed, Mr. Keung 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 Part XV of SFO.

As at the Latest Practicable Date, no service contract had been entered into between the Company and Mr. Keung. No term has been fixed or proposed for his length of service with the Company. Mr. Keung will be subject to retirement by rotation at least once every three years. Mr. Keung will be entitled to an annual salary of HK\$1,260,000 which is determined by the Board with reference to his duties and responsibilities with the Company 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 Company and on his performance. Save as disclosed above, Mr. Keung is not entitled to any other emoluments.

Save as disclosed above, Mr. Keung is not entitled to any other emoluments. Mr. Keung 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 re-election of Mr. Keung that needs to be brought to the attention of the Shareholders or any information that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

SIU Man Po (“Mr. Siu”), aged 76, was appointed as an independent non-executive Director of the Company in September 2001 and has continued to hold that position. Mr. Siu was awarded the MEDAL OF HONOUR (MH) by the Chief Executive of the Government of the Hong Kong Special Administrative Region in July 2004 for his dedication and meritorious services to the engineering profession and the community. Mr. Siu is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Board. He obtained his Master of Science in Civil Engineering in 1963 from Auburn University in Auburn, Alabama, U.S.A. Mr. Siu has extensive experience in the construction field including the construction of Tsing Yi Power Stations in 1966 to 1977, MTR stations from 1977 to 1987, and Hong Kong Baptist University campus development from 1989 to 1999. Mr. Siu is a Fellow Member of the Hong Kong Institution of Engineers and the American Society of Civil Engineers. Mr. Siu is currently the Managing Director of Ho Wang Siu Mak Management Ltd.

As at the Latest Practicable Date, Mr. Siu was interested in 530,000 Shares representing approximately 0.10% of the existing issued share capital of the Company. Save as disclosed, Mr. Siu 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 Latest Practicable Date, no service contract had been entered into between the Company and Mr. Siu. No term has been fixed or proposed for his length of service with the Company. Mr. Siu will be subject to retirement by rotation at least once every three

years. Mr. Siu will be entitled to an annual salary of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities with the Company 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 Company and on his performance.

Save as disclosed above, Mr. Siu is not entitled to any other emoluments. Mr. Siu 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 re-election of Mr. Siu that needs to be brought to the attention of the Shareholders or any information that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. SIU Kam Chau (“Mr. KC Siu”), aged 49, was appointed as an independent non-executive Director of the Company in March 2014. He is also the Chairman of the Audit Committee, the Chairman of the Remuneration Committee and the Chairman of the Nomination Committee of the Board. Mr. KC Siu graduated from the City University of Hong Kong with a bachelor degree in accountancy. He is a fellow of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is also a Certified Public Accountant (practicing) in Hong Kong. Mr. KC Siu has over 24 years of working experience in auditing, accounting, company secretarial and corporate finance.

As at the Latest Practicable Date, Mr. KC Siu did not hold any Share of the Company and did 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 Latest Practicable Date, no service contract had been entered into between the Company and Mr. KC Siu. No term has been fixed or proposed for his length of service with the Company. Mr. KC Siu will be subject to retirement by rotation at least once every three years. Mr. KC Siu will be entitled to an annual salary of HK\$120,000 which is determined by the Board with reference to his duties and responsibilities with the Company 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 Company and on his performance.

Save as disclosed above, Mr. KC Siu is not entitled to any other emoluments.

Mr. KC Siu is currently also an executive director and an independent non-executive director of the following companies the shares of which are listed on The Stock Exchange of Hong Kong Limited:

Executive director

Jun Yang Solar Power Investments Limited (Stock Code: 397)

Independent non-executive director

- 1) China New Economy Fund Limited (Stock Code: 0080)
- 2) Wang On Group Limited (Stock Code: 1222)
- 3) Oriental Unicon Agricultural Group Limited (Stock Code: 8120)

Save as disclosed above, Mr. KC Siu did not hold any other directorship in any other public listed company in the last three years and there is no other matter in relation to the re-election of Mr. KC Siu that needs to be brought to the attention of the Shareholders or any information that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

**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)**

NOTICE IS HEREBY GIVEN that an annual general meeting (“AGM”) of Deson Development International Holdings Limited (the “Company”) will be held at 10:30 a.m. on Monday, 11 August 2014 at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong for the following purposes:

- (1) To receive, consider and adopt the audited consolidated financial statements and the reports of directors and auditors of the Company for the year ended 31 March 2014;
- (2) To approve the payment of a final dividend for the year ended 31 March 2014;
- (3) (A) To re-elect Mr. Tjia Boen Sien as executive director of the Company;
- (B) To re-elect Mr. Keung Kwok Cheung as executive director of the Company;
- (C) To re-elect Mr. Siu Man Po (who has served the Company as an independent non-executive director for more than nine (9) years) as an independent non-executive director of the Company;
- (D) To re-elect Mr. Siu Kam Chau as an independent non-executive director of the Company;
- (4) To authorize the board of directors of the Company to fix the remuneration of the directors;
- (5) To re-appoint auditors of the Company and to authorize the board of directors of the Company to fix their remuneration;
- (6) As special business, to consider and, if thought fit, to pass, with or without modification, the following resolutions as ordinary resolutions:
 - (A) **“THAT:**
 - (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue or deal with additional shares in the share capital of the Company or securities

* For identification purpose only

convertible into such shares or options, warrants or similar rights to subscribe for any such shares or such convertible securities and to make or grant offers, agreements and options which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorize the directors of the Company during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital to be allotted and issued or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below), (ii) the exercise of the subscription rights or conversion rights under the terms or any warrants issued by the Company or any securities which are convertible into shares of the Company and from time to time outstanding, (iii) the exercise of any options granted under the share option scheme or similar arrangement for the time being adopted for the grant or issue to (amongst others) officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, or (iv) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company in force from time to time, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and

- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares of the Company open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of or the requirements of any recognized regulatory body or stock exchange in any territory outside Hong Kong applicable to the Company).”

(B) **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose (“Recognised Stock Exchange”), subject to and in accordance with all applicable laws and regulations of Bermuda, the bye-laws of the Company and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other applicable requirements of any Recognised Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares which the Company may be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period (as defined in paragraph (c) below) shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

(C) **“THAT**

subject to the passing of the resolutions set out in items 6(A) and 6(B) in the notice convening this meeting, the aggregate nominal amount of the share capital of the Company which has been purchased by the Company pursuant to the authority granted to the directors of the Company under the resolution set out in item 6(B) of the said notice shall be added to the aggregate nominal amount of share capital of the Company that may be allotted, issued and dealt with by the directors of the Company pursuant to the resolution set out in item 6(A) of the said notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

By Order of the Board

Tjia Boen Sien

Managing Director and Deputy Chairman

Hong Kong, 3 July 2014

Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is appointed. A proxy need not be a shareholder of the Company.
2. In order to be valid, the proxy form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof.
3. The Register of Members will be closed from 18 August 2014 to 20 August 2014, both days inclusive, during which period no transfer of shares will be affected. All transfers accompanied by the relevant share certificates must be lodged with Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on 15 August 2014.
4. As at the date of this circular, the executive directors of the Company are Mr. Lu Quanzhang, Mr. Tjia Boen Sien, Mr. Wang Jing Ning and Mr. Keung Kwok Cheung, the non-executive director of the Company is Mr. Wong Shing Kay, Oliver, the independent non-executive directors of the Company are Dr. Ho Chung Tai, Raymond, Mr. Siu Man Po and Mr. Siu Kam Chau.