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APPLIED DEVELOPMENT HOLDINGS LTD.

實力建業集團有限公司 *

(incorporated in Bermuda with limited liability)

Stock Code: 519

CHANGE IN BOARD LOT SIZE

The Board announces that the board lot size of the Shares for trading on the Stock Exchange will be changed from 20,000 Shares to 5,000 Shares with effect from Wednesday, 22 November 2006. The expected timetable for such change in board lot size is set out below.

Shareholders may submit their existing share certificate in board lot of 20,000 Shares each to the Company's branch share registrar in exchange for new share certificates in board lot of 5,000 Shares each free of charge during business hours from Wednesday, 8 November 2006 to Wednesday, 20 December 2006 (both dates inclusive).

The Board announces that the board lot size of the Shares for trading on the Stock Exchange will be changed from 20,000 Shares to 5,000 Shares with effect from Wednesday, 22 November 2006. The Board believes that the reduced board lot size may facilitate the trading and improve the liquidity of the Shares and enable the Company to attract more investors and broaden its shareholders base. The change in board lot size will not affect any of the Shareholders' rights.

EXPECTED TIMETABLE

2006

First day for free exchange of existing share certificates in board lot of 20,000 Shares each for new share certificates in board lot of 5,000 Shares each Wednesday, 8 November

Effective date of the change in board lot size from 20,000 Shares to 5,000 Shares Wednesday, 22 November

Original counter for trading in the Shares in board lot of 20,000 Shares each closes and becomes counter for trading in the Shares in board lot of 5,000 Shares each 9:30 a.m. on Wednesday, 22 November

Temporary counter for trading in the Shares in board lot of 20,000 Shares each opens 9:30 a.m. on Wednesday, 22 November

Parallel trading in Shares commences 9:30 a.m. on Wednesday, 22 November

Temporary counter for trading in the Shares in board lot of
20,000 Shares each closes 4:00 p.m. on Wednesday, 13 December

Parallel trading in Shares ends 4:00 p.m. on Wednesday, 13 December

Last day for free exchange of existing share certificates in board lot of
20,000 Shares each for new share certificates in
board lot of 5,000 Shares each Wednesday, 20 December

Shareholders may submit their existing share certificates in board lot of 20,000 Shares each to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in exchange for new share certificates in board lot of 5,000 Shares each free of charge during business hours from Wednesday, 8 November 2006 to Wednesday, 20 December 2006 (both dates inclusive). Such exchange of share certificates thereafter will be accepted only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate in board lot of 5,000 Shares each issued or each existing share certificate submitted, whichever number of share certificate involved is higher. It is expected that the new share certificates will be available for collection from the Company's branch share registrar by the Shareholders within 10 business days after delivery of the existing share certificates to the Company's share registrar for exchange purpose.

As from Wednesday, 22 November 2006, any new share certificates will be issued in board lot of 5,000 Shares each. All existing share certificate in board lot of 20,000 Shares each will continue to be evidence of title to such Shares and be valid for transfer, delivery and settlement purposes. New share certificates in board lots of 5,000 Shares will be issued in Reddish-Brown colour to distinguish from the old share certificates in the colour of Green in issue bearing the former name of "Applied International Holdings Limited".

TERMS USED IN THIS ANNOUNCEMENT

- "Board" the board of directors of the Company;
- "Company" Applied Development Holdings Limited;
- "Shares" shares of HK\$0.01 each in the share capital of the Company;
- "Shareholders" holders of Shares; and
- "Stock Exchange" The Stock Exchange of Hong Kong Limited

As at the date of this announcement, the Board comprises of Mr. Hung Kin Sang, Raymond, Ms. Hung Wong Kar Gee, Mimi, Mr. Fang Chin Ping and Mr. Hung Kai Mau, Marcus as executive Directors and Mr. Soo Hung Leung, Lincoln, Mr. Lo Yun Tai, Mr. Lun Tsan Kau and Mr. Lam Ka Wai, Graham as independent non-executive Directors.

By order of the Board
Applied Development Holdings Limited
Hung Kin Sang, Raymond
Executive Director

Hong Kong, 27 October 2006

* *For identification purpose only*

"Please also refer to the published version of this announcement in China Daily"