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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)**

**PRICE SENSITIVE INFORMATION  
AND  
RESUMPTION OF TRADING**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the public and the Shareholders that the Company is in negotiation with J&J, an independent third party, with respect to a disposal transaction of the Panama Project with a total purchase price of US\$39 million (approximately HK\$304.2 million). The Company has, on 16 September 2008, accepted the terms of a Letter of Intent. Save and except for the Letter of Intent, no agreement has been entered into by the Company or any of its subsidiaries up to the date of this announcement in respect of such possible transaction.

**Shareholders and potential investors are reminded that the proposed transaction may or may not proceed and that Shareholders and potential investors should exercise caution when dealing in the Shares.**

The potential transaction, if proceeded with, would constitute a very substantial disposal for the Company under Chapter 14 of the Listing Rules. The Company is therefore of the view that the negotiations and the agreement to the Letter of Intent are price sensitive in nature and might reasonably be expected to materially affect the market activity in and the price of its shares.

**SUSPENSION AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:44 a.m. on 16 September 2008 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of trading in Shares with effect from 9:30 a.m. on 18 September 2008.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

Reference is made to the Company's announcements dated 20 April 2007, 17 July 2007, 13 March 2008 and the Company's 2007 annual report, in respect of the acquisition of the Panama Project (as defined below) by the Company. The Board of directors of the Company (the "Board") wishes to inform the public and the Shareholders that the Company is in negotiation with J&J Land Acquisition and Development LLC ("J&J"), an independent third party with more than 15 years of real estate sales, development, project management and property management experience, who is currently working with four national banks, with respect to a possible sale and purchase of the Panama Project for a total purchase price of US\$39 million (approximately HK\$304.2 million). The Panama Project is currently held by the Company for development, and was acquired by the Company at an estimated total cost of US\$20.25 million (approximately HK\$157.95 million). After the acquisition of the Panama Project by the Company, and as disclosed in the Company's 2007 annual report, the Company has developed a master plan for the project, devised golf course routing plans, conducted market studies, environmental studies, IRR studies, and various studies and tests on the project. Although the Company has been approached by other potential joint venture partners or purchasers who have shown an interest in the Panama Project, no agreement has been reached between them.

The Company has, on 16 September 2008, accepted the terms of a letter of intent dated 12 September 2008 with the potential purchaser (the "Letter of Intent"). Save and except for the Letter of Intent, no agreement has been entered into by the Company or any of its subsidiaries up to the date of this announcement in respect of such possible transaction.

#### **DETAILS OF THE LETTER OF INTENT**

J&J and the Company will agree to buy and sell respectively the Panama Project, comprising the Panama Land with the Property Numbers: 41583, 41619, 4920, 4924, 4944, 4945, 4921, 4943, 4942, 4923, 4936, 4935, 6921, 1807, 20435, 33248, and 35039 together with the Hot Spring Property Number: 60004, at Playa Grande in Boca Chica District of San Lorenzo, Province of Chiriqui, Panama (the "Panama Project") for a total purchase price of US\$39 million (approximately HK\$304.2 million). The terms of the Letter of Intent are not binding on the Company, and the Company and J&J will enter into a formal sale and purchase agreement in respect of the proposed transaction, the terms of which are still in the process of negotiation and yet to be finalised. A deposit of US\$1 million (approximately HK\$7.8 million) will be paid within 91 days of signing of the sale and purchase agreement (the "Deposit"), such deposit to be refundable only in the event that the Company fails to perform as negotiated. On the closing date of the sale and purchase agreement, which is to be on or before the 80th day after the payment of the Deposit, the balance of US\$38 million (approximately HK\$296.4 million) will be paid by J&J.

**Shareholders and potential investors are reminded that the proposed transaction may or may not proceed and that Shareholders and potential investors should exercise caution when dealing in the Shares.**

The potential transaction, if proceeded with, would constitute a very substantial disposal for the Company under Chapter 14 of the Listing Rules. The Company is therefore of the view that the negotiations and the agreement to the Letter of Intent are price sensitive in nature and might reasonably be expected to materially affect the market activity in and the price of its shares.

## **SUSPENSION AND RESUMPTION OF TRADING**

In view of the price sensitive nature of the negotiations and the agreement to the Letter of Intent, at the request of the Company, trading in the shares of the Company (the "Shares") on the Stock Exchange was suspended with effect from 9:44 a.m. on 16 September 2008 pending the release of this announcement. Application has been made to the Stock Exchange for resumption of trading in Shares with effect from 9:30 a.m. on 18 September 2008

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

Hong Kong, 18 September 2008

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

*\* for identification purpose only*