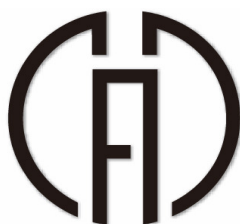


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**APPLIED DEVELOPMENT HOLDINGS LTD.**

**實力建業集團有限公司 \***

*(incorporated in Bermuda with limited liability)*

**(Stock code: 519)**

**ANNOUNCEMENT**

**(1) TERMINATION OF VERY SUBSTANTIAL DISPOSAL  
- DISCLOSURE PURSUANT TO RULE 14.36 OF THE LISTING RULES**

**AND**

**(2) ELECTION OF LANGUAGE AND MEANS OF RECEIPT  
OF CORPORATE COMMUNICATIONS**

This announcement is made pursuant to Rule 14.36 of the Listing Rules. For reasons stated below, the Disposal will not proceed.

The Board further announces that it has decided to postpone the arrangement to provide the Website Version of future Corporate Communications of the Company until further notice.

**TERMINATION OF VERY SUBSTANTIAL DISPOSAL**

This announcement is made pursuant to Rule 14.36 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"). A circular (the "Circular") was issued on 4 December 2008 by the Company in connection with the disposal of the entire issued share capital in the Playa Grande Companies, which constitutes a very substantial disposal for the Company under the Listing Rules. The Company issued a further two announcements dated 23 December 2008 and 6 February 2009 in connection with extensions of time for completion of the Purchaser's due diligence exercise and corresponding completion of the Disposal. The Disposal was approved by the Shareholders at the SGM of the Company held on 30 December 2008. Capitalised terms in the Circular are used with those defined meanings in this announcement, unless the context otherwise requires.

As announced in the Company's announcement dated 6 February 2009, the Purchaser requested an extension of the date for completion of the due diligence exercise in connection with the Disposal to 16 February 2009, and an extension of the completion date to the date which is one calendar week after the completion of due diligence, but in any event no later

than 23 February 2009. On 16 February 2009, the Purchaser requested a further extension of time for the completion of the due diligence exercise and completion of the sale and purchase of the Sale Shares. Given that the Purchaser has not provided any evidence on any material progress in the transaction since the last extension as required by the Company and has not produced evidence of it having available funding to complete the purchase despite repeated requests from the Company, the Company informed the Purchaser that it will not agree to a further extension of time. The Company received a notice today from the Purchaser that the Purchaser does not wish to proceed with its acquisition. As a result, the Disposal will not proceed.

After the termination of the Agreement, the Company remains the owner of 100% of the interests in the two Playa Grande Companies. As at 27 November 2008, the market values of the Panama Land and the Hot Spring Property amounted to US\$40,000,000 (approximately HK\$312,000,000) and US\$1,680,000 (approximately HK\$13,104,000) respectively. The Group may develop the Panama Project together with its strategic partners comprising of parties with expertise in the resort development industry. Alternatively, if a suitably attractive offer is made by potential buyers, the Board may consider the disposal of the Panama Land and/or the Hot Spring Property. The Board will make its decisions in the interests of the Company and its Shareholders as a whole, having regard to the facts and circumstances at the time.

The Board considers that the termination of the Disposal does not have any material adverse effect on the operation, business and financial position of the Group. The Company has no obligation to make any payment to the Purchaser as a result of the decision not to proceed with the Disposal.

#### **POSTPONEMENT OF DESPATCH OF CORPORATE COMMUNICATIONS BY ELECTRONIC MEANS**

The Board further announces that it has decided to postpone the arrangement to provide the Website Version of future Corporate Communications of the Company until further notice.

The Company announced on 2 February 2009 (the “Announcement”) that it would offer Shareholders the option of receiving Corporate Communications by electronic means in place of receiving printed copies, in the form of the Website Version of the Corporate Communications posted on the Company’s website. Capitalised terms in the Announcement are used with those defined meanings in this announcement, unless the context otherwise requires.

Having considered the confirmations received from some but not all Shareholders indicating a preference for receiving printed copies of Corporate Communications over reading the Website Version, and the overall increased costs that the provision of both printed and Website Versions of the Company’s Corporate Communications would entail, the Board considers that it is in the best interests of the Company and its Shareholders to postpone the provision of Corporate Communications by electronic means. The Board has therefore decided to postpone implementation of the arrangement to provide the Website Version of the Company’s Corporate Communications until further notice. The Company will make further announcements as and when necessary.

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

Hong Kong, 17 February 2009

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

*\* for identification purpose only*