

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this announcement.



APPLIED DEVELOPMENT HOLDINGS LTD.

實力建業集團有限公司 *

(incorporated in Bermuda with limited liability)

(Stock code: 519)

**1) RESIGNATION OF CHAIRMAN, EXECUTIVE DIRECTOR AND MEMBER OF
THE REMUNERATION COMMITTEE;
2) APPOINTMENT OF CHAIRMAN;
AND
3) APPOINTMENT OF EXECUTIVE DIRECTOR**

The Board hereby announces that with effect from 18 December 2014:

- (1) Mr. Marcus Hung resigned as an Executive Director and the Chairman of the Company and ceased to be a member of the Remuneration Committee;
- (2) Mr. Raymond Hung, an Executive Director and the Managing Director of the Company, has been appointed the Chairman of the Company in place of Mr. Marcus Hung; and
- (3) Mr. Tsao has been appointed as an Executive Director of the Company.

The Board of Directors (the “Board”) of Applied Development Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) announces that:

**(1) RESIGNATION OF CHAIRMAN, EXECUTIVE DIRECTOR AND MEMBER OF
THE REMUNERATION COMMITTEE**

Mr. Hung Kai Mau, Marcus (“Mr. Marcus Hung”) resigned as an Executive Director and the Chairman of the Company and ceased to be a member of the Remuneration Committee of the Company (the “Remuneration Committee”) with effect from 18 December 2014. Mr. Marcus Hung has confirmed that his resignation was to allow him to pursue his own ventures and to set up his own investment company.

Mr. Marcus Hung confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

The Board highly appreciates and would like to take this opportunity to thank Mr. Marcus Hung for his valuable contribution to the Board of the Company and to the Group during his tenure of office.

(2) **APPOINTMENT OF CHAIRMAN**

Mr. Hung Kin Sang, Raymond (“Mr. Raymond Hung”), an Executive Director and the Managing Director of the Company, has been appointed the Chairman of the Company in place of Mr. Marcus Hung with effect from 18 December 2014.

Mr. Raymond Hung, aged 66, first became Managing Director and the Chairman of the Company in 1986. He resigned as the Chairman of the Company in 2005 and from his position as an Executive Director and the Managing Director in April 2011 and was re-appointed as an Executive Director and the Managing Director of the Company in August 2012. Mr. Raymond Hung is a member of the Remuneration Committee and the Nomination Committee of the Company. He also holds directorships in various subsidiaries of the Group. Mr. Raymond Hung holds a Bachelor of Science degree in Electrical Engineering from the University of Illinois and a Master in Business Administration degree from the University of Chicago, United States of America. He founded the Group in April 1976 and has been actively involved in the Group’s development. Mr. Raymond Hung is the father of Mr. Marcus Hung.

Save as disclosed above, Mr. Raymond Hung has confirmed that he does not have any other relationship with any other director of the Company (“Director”), senior management or substantial or controlling shareholders (as defined in the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)) of the Company.

As at the date of this announcement, Mr. Raymond Hung was interested in a total of 550,710,875 shares of the Company (the “Shares”) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”), representing approximately 31.66% of the issued Shares.

There is no service contract between the Company and Mr. Raymond Hung. Mr. Raymond Hung was appointed with no specific term, but his appointment as a Director will be subject to the relevant rules or regulations and provisions in the bye-laws of the Company (“Bye-Laws”), including but not limited to the requirements for retirement by rotation and re-election at the general meetings of the Company. Effective from 18 December 2014, Mr. Raymond Hung will be entitled to a remuneration of HK\$600,000 per annum which has been determined by reference to market benchmarks. Mr. Raymond

Hung may also be entitled to receive discretionary bonuses or other benefits as may be decided by the Remuneration Committee and the Board having regard to the Company's and his performance. The remuneration of Mr. Raymond Hung will be subject to the review by the Remuneration Committee and the Board.

Save as disclosed above, Mr. Raymond Hung has confirmed that he does not have other major appointments and professional qualifications and did not hold, in the last three years, any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information in relation to Mr. Raymond Hung which is required to be disclosed under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to the appointment of Mr. Raymond Hung as Chairman of the Company that need to be brought to the attention of the shareholders of the Company.

(3) APPOINTMENT OF EXECUTIVE DIRECTOR

Mr. Tsao Hoi Ho ("Mr. Tsao") has been appointed as an Executive Director of the Company and as a director of various subsidiaries of the Company, with effect from 18 December 2014.

Mr. Tsao, aged 49, is a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants, an associate of The Institute of Chartered Secretaries and Administrators, an associate of the Australasian Institute of Banking & Finance, a member of the Institute of Chartered Accountants of New Zealand and an associate of the Bankers' Institute of New Zealand. Mr. Tsao holds a Master of Business Administration degree from the University of Warwick, United Kingdom. He has over 20 years' experience in accounting, corporate finance and company secretarial practice and had worked in international accounting firms. Mr. Tsao is an independent non-executive director of Uni-Bio Science Group Limited (stock code: 690), whose shares are listed on the Main Board of the Stock Exchange. Mr. Tsao is also the financial controller, company secretary and authorized representative of Ningbo WanHao Holdings Company Limited, whose shares are listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8249) and the chief financial officer of China Shouguan Mining Corporation, whose shares are quoted at the OTCQB market in the United States of America.

Mr. Tsao has confirmed that he does not have any relationship with any Director, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the date of this announcement, Mr. Tsao does not have any interest in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Tsao. Mr. Tsao was appointed with no specific term, but his appointment as a Director will be subject to the relevant rules or regulations and provisions in the Bye-Laws, including but not limited to the requirements for retirement by rotation and re-election at the general meetings of the Company. Mr. Tsao is entitled to receive a remuneration of HK\$360,000 per annum (which will be pro-rated to the period of his services in the calendar year of his appointment), which has been determined by reference to market benchmarks. Mr. Tsao may also be entitled to receive discretionary bonuses or other benefits as may be decided by the Remuneration Committee and the Board having regard to the Company's and his performance. The remuneration of Mr. Tsao will be subject to the review by the Remuneration Committee and the Board.

Save as disclosed above, Mr. Tsao has confirmed that he does not have other major appointments and professional qualifications and did not hold, in the last three years, any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information in relation to Mr. Tsao which is required to be disclosed under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to the appointment of Mr. Tsao that need to be brought to the attention of the shareholders of the Company.

The Board would like to extend its warmest welcome to Mr. Raymond Hung who has taken up his new role as the Chairman of the Company and Mr. Tsao for joining the Board.

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

Hong Kong, 18 December 2014

As at the date hereof, the executive directors of the Company are Mr. Hung Kin Sang, Raymond, Ms. Ng Kit Ling and Mr. Tsao Hoi Ho; the independent non-executive directors of the Company are Mr. Lun Tsan Kau, Mr. Su Ru Jia, Mr. Lo Yun Tai and Mr. Chan Ming Fai, Terence.

** for identification purpose only*