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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)

**UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS
AND
INSIDE INFORMATION**

This announcement is made at the request of the Stock Exchange and pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571).

The Board noted that there have been unusual movements in the Company's share price and in the volume of share turnover for a continuous period of 2 days and wish to inform the public that the Company has been informed by the Managing Director of the Company, Mr. Hung, that he has been approached by an independent potential investor for the possible sale of all or part of (i) 419,140,584 Shares owned by Mr. Hung and (ii) the Convertible Bonds to the independent potential investor. Discussions are at a preliminary stage and may or may not cumulate in a transaction.

The Board is not aware of any other matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules.

Securities holders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

This announcement is made at the request of the Stock Exchange and pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571).

The board (the "Board") of directors (the "Directors") of Applied Development Holdings Limited (the "Company") noted that there have been unusual movements in the Company's share price and in the

volume of share turnover for a continuous period of 2 days and wish to inform the public that the Company has been informed by the Managing Director of the Company, Mr. Hung Kin Sang, Raymond (“Mr. Hung”), that he has been approached by an independent potential investor (the “Potential Purchaser”) for the possible sale (the “Possible Offer”) of all or part of (i) 419,140,584 shares (the “Shares”) of the Company (representing approximately 50.03% of the issued share capital of the Company as at the date of this announcement) owned by Mr. Hung and (ii) the outstanding convertible bonds (the “Convertible Bonds”) of the Company owned by Mr. Hung which will mature on 28 May 2018 and convertible to 148,000,000 Shares at HK\$0.21 per Share to the independent potential investor. Discussions are at a preliminary stage and may or may not cumulate in a transaction.

As at the date of this announcement, there are (i) a total of 837,773,826 Shares in issue; (ii) outstanding convertible notes of the Company which will mature on 9 December 2013 and convertible to 174,000,000 Shares at HK\$0.24 per Share; and (iii) the Convertible Bonds.

There is no assurance that the discussions will result in any agreement between Mr. Hung and the Potential Purchaser. However, if an agreement has been reached, the Potential Purchaser may be required to make a mandatory offer for all issued Shares (other than those already owned or agreed to be acquired by the Potential Purchaser and the parties acting in concert with it) in accordance with Rule 26.1 of The Hong Kong Code on Takeovers and Mergers (the “Takeovers Code”).

The Directors will keep the market informed in compliance with the Listing Rules and in particular by way of announcement on a monthly basis until an announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with the Possible Offer in compliance with the Takeovers Code. **Securities holders of the Company and potential investors should exercise caution when dealing in the securities of the Company.**

The Board is not aware of any other matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules.

TAKEOVERS CODE IMPLICATIONS

For the purposes of the Takeovers Code, the “offer period” is deemed to commence on the date of this announcement, being 9 October 2013.

Therefore, associates (as defined in the Takeovers Code and including persons holding 5% or more of a class of relevant securities of a company) of the Company or parties acting in concert with it are reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the Takeovers Code.

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them.

Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.

This dispensation does not alter the obligations of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive (as defined in the Takeovers Code) in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive (as defined in the Takeovers Code) with relevant information as to those dealings, including identities of clients, as part of that co-operation.

By Order of the Board
Applied Development Holdings Limited
Tang Sung Ki
Company Secretary

Hong Kong, 9 October 2013

**for identification purpose only*

As at the date of this announcement, the Board comprises Mr. Hung Kin Sang, Raymond, Mr. Hung Kai Mau, Marcus and Ms. Ng Kit Ling as executive Directors; Mr. Lun Tsan Kau, Mr. Su Ru Jia, Mr. Lo Yun Tai and Mr. Chan Ming Fai, Terence as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.