

**APPLIED DEVELOPMENT (519.HK) ANNOUNCES
DISPOSAL OF AN INDIRECT 51% SUBSIDIARY ENGAGING IN OEM BUSINESS
FOCUSING ON RESORT DEVELOPMENT, PROPERTY INVESTMENT AND DEVELOPMENT**

(Hong Kong, 5 November 2007) ----- **Applied Development Holdings Ltd. ("ADHL", "The Group", 519.HK)** today announced that Elite Industries Limited ("Elite"), an indirect wholly-owned subsidiary of the Group, has entered into an agreement with Crown Peace Asia Limited ("Crown Peace") to sell the sales shares, representing approximately 51% of the existing issued share capital in Wideland Electronics Limited ("Wideland"), a direct 51% owned subsidiary of Elite, for a consideration of HK\$100,000 payable in cash. Wideland is principally engaged in the manufacture and trading of electronic products.

Mr. Raymond Hung, Managing Director of ADHL said, "Considering the fierce market competition and the diminishing profit margin of the OEM market, we believe it is an appropriate time to realize the value of our interest in Wideland as it won't contribute significant revenue to the Group in the future. Most importantly, we can further concentrate our resources on resort development as well as property investment and development after the disposal, which will become the principal revenue contributor to the Group."

The net proceeds of the disposal, after deducting the related expenses, is estimated to be approximately HK\$90,000 and is intended to be used as general working capital of the Group. Upon completion, the Group will cease to have any interest in Wideland, which will accordingly cease to be a subsidiary of the Group.

After completion of the agreement, the net asset value of the Group will increase by approximately HK\$3,037,000 based on the latest audited balance sheet as at 30 June 2007 which represents the negative assets value of Wideland. The current liabilities of the Group will also greatly decrease by approximately HK\$26,919,000 to HK\$16,269,000 which will lead to a significant increase in the current ratio of the Group from 6.6 times to 16.8 times.

About Applied Development Holdings Limited (SEHK: 519 & ADR SYMBOL: ADHLY)

Applied Development Holdings Limited is listed on the Hong Kong Stock Exchange and is engaged in resort development, property investment and property development. The BVI project features a 5-star luxury hotel, branded residency, an 18-hole signature golf course, and a state-of-the-art mega yacht facility. In 2006, the Group acquired an area sized approximately 1,223 acres named Playa Grande in the Province of Chiriqui in Panama to develop another multi-purpose resort project targeting the fast-growing vacationers worldwide and retiree sector from the US where number of existing retirees reaches 300,000. For details of the Company, please visit www.applieddev.com.