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迪臣建設國際集團有限公司
Deson Construction International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8268)

INSIDE INFORMATION

**MEMORANDUM OF UNDERSTANDING IN RELATION TO
THE PROPOSED COOPERATION**

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Board is pleased to announce that on 6 May 2015 (after the trading hours), the Company and Jiangsu Joy Life entered into the MOU in respect of the proposed cooperation relating the Services to be provided by the Group in the Territory. The MOU is non-binding in nature, and the terms and conditions of the Proposed Cooperation are subject to further negotiations between the parties and the execution of formal and binding agreement(s) by the relevant parties.

The MOU may or may not lead to the entering into of any definitive agreement(s) for the Proposed Cooperation. As the Proposed Cooperation may or may not materialise, Shareholders and potential investors should exercise caution when dealing in the Shares.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions (as defined under GEM Listing Rules) under Part XIVA of the SFO.

Reference is made to the announcement of the Company dated 21 April 2015 (the “**Announcement**”). As stated in the Announcement, a third party has indicated to the Company it would like to further explore a business cooperation with the Company in respect of construction projects in China including Hong Kong.

THE MOU

The Board is pleased to announce that on 6 May 2015 (after the trading hours), the Company and Jiangsu Joy Life entered into the MOU in respect of the proposed cooperation relating the Services to be provided by the Group in the Territory. The MOU is non-binding in nature, and

the terms and conditions of the Proposed Cooperation are subject to further negotiations between the parties and the execution of formal and binding agreement(s) by the relevant parties.

Jiangsu Joy Life is a company established in the PRC and is a residential community solutions provider that operates O2O e-commerce platforms. To the best knowledge, information and belief of the Directors, after having made all reasonable enquiries, Jiangsu Joy Life is third party independent of the Company and its connected persons.

PRINCIPAL TERMS OF THE MOU

The principal terms of the MOU include:

- (1) Jiangsu Joy Life will, on an exclusive and long-term cooperation basis, appoint the Group as the contractor to provide the Services to all new O2O platform service centers of Jiangsu Joy Life in the Territory;
- (2) in any construction projects tendered by the Group within the Territory, the Group will on an exclusive basis recommend Jiangsu Joy Life to the developers for them to appoint Jiangsu Joy Life to provide O2O platform at the development area, and the Group will then provide the Services for the O2O platform service center to be constructed at the said development area;
- (3) prior to rendering any Services by the Group, both parties will negotiate the terms of cooperation for each new O2O platform service center to be constructed and enter into a definitive agreement for each of such center. The Company has the right not to participate in any new project of Jiangsu Joy Life in the Territory;
- (4) the costs and expenses for the Services for each new O2O platform service center as well as the proportion of cost sharing of such costs and expenses shall be subject to further negotiation, but Jiangsu Joy Life shall share with the Group a certain percentage of revenue derived from each new O2O platform service center constructed by the Group as consideration for rendering the Services. Payment terms, calculation and the actual percentage of revenue sharing are subject to further negotiation and will be determined when the definitive agreement for each new O2O platform service center is entered into;
- (5) in addition, in any construction projects tendered by the Group within the Territory which the Group recommends Jiangsu Joy Life to provide the O2O platform, the Group shall be entitled to either (i) a certain percentage (to be agreed) of the total amount of the O2O platform services to be received by Jiangsu Joy Life; or (ii) a higher percentage (to be agreed, than the percentage stated in paragraph (4) above) of revenue derived from such new O2O platform service center. Payment terms, calculation and the actual percentage of revenue sharing are subject to further negotiation and will be determined when the definitive agreement for such new O2O platform service center is entered into;
- (6) the Company has the right to have an equity participation in Jiangsu Joy Life, either by way of capital increase or acquisition, after completing a due diligence exercise. The manner of equity participation, percentage of shareholding, consideration and other terms shall be determined when the definitive agreement for such equity participation is entered into. Such equity participation shall be effective after obtaining the relevant approvals from the relevant regulatory authorities. After the equity participation, the Company

shall have the right to (i) nominate at least one director at the board of directors of Jiangsu Joy Life; and (ii) require Jiangsu Joy Life to procure the other shareholders of Jiangsu Joy Life to enter into a shareholders' agreement with the Company;

- (7) the Company shall have the right to commence due diligence exercise on Jiangsu Joy Life and its O2O platform. Any due diligence exercise shall be completed within 60 business days after its commencement;
- (8) the equity participation by the Company in Jiangsu Joy Life shall be subject to the shareholders' approval of the Company (if required);
- (9) the Company and Jiangsu Joy Life agreed that during the period of 6 months from the date of the MOU (the "**Exclusivity Period**"), Jiangsu Joy Life shall not provide information, or discuss any cooperation with, any third party, relating to the Services; and
- (10) it is the mutual understanding of the parties that the MOU shall not constitute the entire legal agreement among the parties on the Proposed Cooperation. Save for the provisions regarding exclusivity, confidentiality and governing law under the MOU, the MOU is not intended to be legally binding.

If the transactions contemplated under the MOU materialise, the Company will comply with the relevant requirements of the GEM Listing Rules when a binding definitive agreement is entered into.

The Board of the Company considers that the entering into of the MOU is in the interests of the Company and the Shareholders as a whole as the transactions contemplated under the MOU, if materialised, are expected to further expand the business operations of the Group in the PRC and Hong Kong.

The MOU may or may not lead to the entering into of any definitive agreement(s) for the Proposed Cooperation. As the Proposed Cooperation may or may not materialise, Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

Unless otherwise defined, capitalised terms used herein shall have the following meanings:

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| “Board” | the board of directors of the Company; |
| “Company” | Deson Construction International Holdings Limited (迪臣建設國際集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the securities of which are listed on GEM; |
| “GEM” | the Growth Enterprise Market of the Stock Exchange; |
| “GEM Listing Rules” or “Rule” | the Rules Governing the Listing of Securities on the GEM; |
| “Group” | the Company and its subsidiaries; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC; |
| “HK\$” | Hong Kong dollar, the lawful currency of Hong Kong; |

“Jiangsu Joy Life”	江蘇樂生活電子商務有限公司 (Jiangsu Joy Life E-Commerce Co., Ltd.*);
“MOU”	the memorandum of understanding dated 6 May 2015 entered into between the Company and Jiangsu Joy Life in respect of the Proposed Cooperation;
“O2O”	the Online to Offline platform, which is a platform that enables customers to order online and to pick up their package at pre-defined locations at any time with the use of security codes;
“PRC”	People’s Republic of China;
“Proposed Cooperation”	the proposed cooperation for the Services in the Territory;
“Services”	the provision of all construction related services including but not limited to construction, fitting-out and maintenance services to all new O2O platform service centers to be constructed;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary shares in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Territory”	the PRC (including Hong Kong); and
“%”	per cent.

By Order of the Board
Deson Construction International Holdings Limited
Keung Kwok Cheung
Chief Executive Officer and Executive Director

Hong Kong, 6 May 2015

As at the date of this announcement, the Board comprises Mr. Keung Kwok Cheung, Mr. Kwok Koon Keung and Mr. Lo Wing Ling as executive directors; Mr. Tjia Boen Sien as non-executive director; and Mr. Lee Tho Siem, Mr. Cheung Ting Kee and Mr. Ong King Keung as independent non-executive directors.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the

* for identification purpose only

information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of seven days from the date of its publication and on the Company’s website at www.deson-c.com.