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九龍建業有限公司
KOWLOON DEVELOPMENT COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 34)



POLYTEC ASSET HOLDINGS LIMITED
保利達資產控股有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 208)

JOINT VOLUNTARY ANNOUNCEMENT

CHANGE IN SHAREHOLDING STRUCTURE

This announcement is made by the Companies jointly on a voluntary basis.

The Companies were informed by Mr. Or that as a result of a restructuring exercise of the Family Trust, Mr. Or (via NewCo) had become interested in (i) approximately 70.61% of the voting rights of KDC, which in turn is interested in approximately 70.79% of the voting rights of PAH and (ii) approximately 1.87% of the voting rights of PAH. The Trust Restructuring was completed on 18 December 2018.

The Executive has granted a waiver pursuant to Note 6(a) to Rule 26.1 of the Takeovers Code of the obligation on the part of Mr. Or and NewCo to make a general offer for all the shares in KDC and/or PAH arising as a result of the Trust Restructuring.

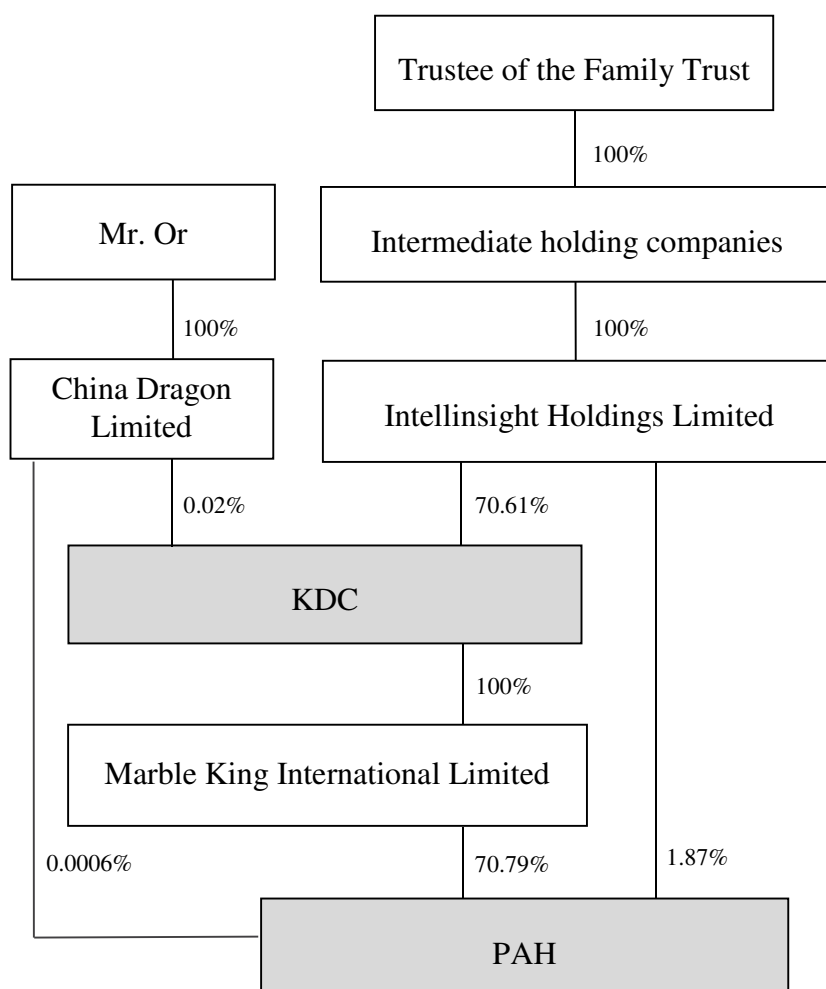
This announcement is made by Kowloon Development Company Limited (“**KDC**”) and Polytec Asset Holdings Limited (“**PAH**”, collectively with KDC, the “**Companies**”) jointly on a voluntary basis.

The Companies were informed by Mr. Or Wai Sheun (“**Mr. Or**”) that as part of the restructuring exercise of his family trust (the “**Family Trust**”), the indirect interest in the shares in KDC and PAH previously held by the trustee of the Family Trust had been transferred to New Explorer Developments Limited (“**NewCo**”, a company wholly-owned by Mr. Or) (the “**Trust Restructuring**”). The Trust Restructuring was completed on 18 December 2018.

BEFORE THE TRUST RESTRUCTURING

Immediately prior to the Trust Restructuring, 830,770,124 shares in KDC, representing approximately 70.61% of the voting rights of KDC, were directly owned by Intellinsight Holdings Limited, which was a trust asset of the Family Trust and was legally owned as to 100% by the trustee of the Family Trust (in its capacity as the trustee of the Family Trust). KDC was indirectly interested in 3,142,341,682 shares in PAH, representing approximately 70.79% of the voting rights of PAH. In addition, KDC and PAH are owned as to approximately 0.02% and 0.0006% respectively by China Dragon Limited, a company wholly-owned by Mr. Or.

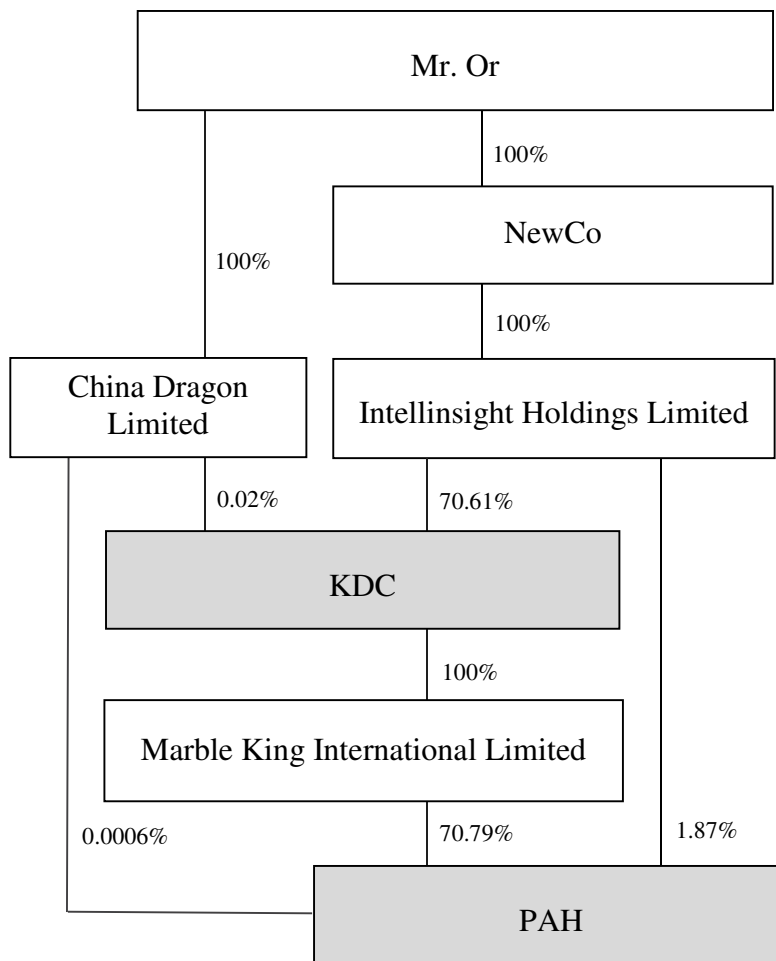
The simplified shareholding structure of the Companies before the Trust Restructuring is as follows:



AFTER THE TRUST RESTRUCTURING

Following the Trust Restructuring, Intellinsight Holdings Limited is owned as to 100% by Mr. Or (via NewCo). The numbers of shares in KDC and PAH held by Intellinsight Holdings Limited are remained as the same.

The simplified shareholding structure of the Companies after the Trust Restructuring is as follows:



REASON FOR AND EFFECT OF THE TRUST RESTRUCTURING

The Family Trust is a discretionary family trust established by Mr. Or for the benefit of his family members to minimise the potential exposure of his assets to estate duty. Since estate duty is now abolished in Hong Kong, the shareholding structure of the Companies can be streamlined by effecting the Trust Restructuring and thereby removing the Family Trust from the shareholding structure.

Notwithstanding the changes in the shareholding chain effected by the Trust Restructuring, Mr. Or has no intention to change his involvement in the Companies and will remain as the chairman of the board and executive director of both KDC and PAH.

IMPLICATIONS UNDER THE TAKEOVERS CODE

As the Trust Restructuring has resulted in an acquisition of control in both KDC and PAH by Mr. Or (via NewCo), Mr. Or and NewCo would be required to make a general offer for all the shares in KDC and/or PAH not already owned by Mr. Or, NewCo or parties acting in concert with them under the Codes on Takeovers and Mergers and Share Buy-backs (“**Takeovers Code**”) unless a waiver is granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission (the “**Executive**”). The Companies have been informed that a waiver from the obligation on the part of Mr. Or and NewCo to make the general offer as aforesaid has been sought from, and granted by, the Executive on 27 November 2018 pursuant to Note 6(a) to Rule 26.1 of the Takeovers Code.

By Order of the Board
Kowloon Development Company Limited
Lee Kuen Chiu
Company Secretary

By Order of the Board
Polytec Asset Holdings Limited
Lee Chi Ming
Company Secretary

Hong Kong, 20 December 2018

As at the date of this announcement, the directors of KDC are Mr. Or Wai Sheun (Chairman), Mr. Lai Ka Fai, Mr. Or Pui Kwan and Mr. Lam Yung Hei as executive directors; Ms. Ng Chi Man and Mr. Yeung Kwok Kwong as non-executive directors; and Mr. Li Kwok Sing, Aubrey, Mr. Lok Kung Chin, Hardy, Mr. Seto Gin Chung, John and Mr. David John Shaw as independent non-executive directors.

As at the date of this announcement, the directors of PAH are Mr. Or Wai Sheun (Chairman), Mr. Yeung Kwok Kwong, Ms. Wong Yuk Ching and Ms. Chio Koc Ieng as executive directors; Mr. Lai Ka Fai and Ms. Or Pui Ying, Peranza as non-executive directors and Mr. Liu Kwong Sang, Dr. Tsui Wai Ling, Carlye and Prof. Dr. Teo Geok Tien Maurice as independent non-executive directors.

** For identification purpose only*