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

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

JOINT ANNOUNCEMENT

This announcement is made by Kowloon Development Company Limited ("**KDC**") and Polytec Asset Holdings Limited ("**PAH**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**").

The board of directors of KDC and PAH are pleased to jointly announce that on 7 December 2009, Ufex Advisors Corp. ("**Ufex**"), a company incorporated in the British Virgin Islands, has entered into a deed of call option ("**Deed**") with Power Mighty B.V. ("**Power Mighty**"), a company incorporated in the Kingdom of the Netherlands, an indirect wholly-owned subsidiary of PAH, which is owned as to 73.44% by Marble King International Limited, which is in turn wholly owned by KDC. Pursuant to the Deed, in consideration of the payment by Power Mighty to Ufex of the sum of US$1,000,000, which can be applied towards the payment of the consideration mentioned below, Ufex grants to Power Mighty an irrevocable option ("**Option**") to require Ufex to (i) sell all of the issued share capital of Caspi Neft TME to Power Mighty, and (ii) assign any and all of the outstanding debt owed by Caspi Neft TME to Ufex as at the date of the Deed and such other amount that may be extended or granted by Ufex to Caspi Neft TME subsequent to the date of the Deed, to Power Mighty or its nominee at a total consideration of US$139,600,000. The Option may be exercised at the discretion of Power Mighty at any time within four months from the date of the Deed.

Caspi Neft TME is a joint stock company registered under the laws of Kazakhstan and is principally engaged in the production of oil from hydrocarbon deposits in Kazakhstan.

In the event of the exercise of the Option by Power Mighty, the acquisitions of the entire issued share capital of Caspi Neft TME and the outstanding debt Caspi Neft TME owes to Ufex will constitute a notifiable transaction for each of KDC and PAH. Each of KDC and PAH will comply with the requirements of the Listing Rules if the Option is exercised.

Shareholders of KDC and PAH and the public are reminded that Power Mighty may or may not exercise the Option and the acquisitions of the entire issued share capital of Caspi Neft TME and the outstanding debt Caspi Neft TME owes to Ufex by Power Mighty will be subject to a number of conditions which may or may not be fulfilled. Shareholders of KDC and PAH and the public should exercise caution when dealing in the securities of KDC and PAH.

By Order of the Board
Kowloon Development Company Limited
Or Wai Sheun
Chairman

By Order of the Board
Polytec Asset Holdings Limited
Or Wai Sheun
Chairman

Hong Kong, 7 December 2009

As at the date of this joint announcement, the board of directors of KDC comprises:

Mr. Or Wai Sheun (Chairman), Ms. Ng Chi Man, Mr. Lai Ka Fai and Mr. Or Pui Kwan as executive directors; Mr. Keith Alan Holman (Deputy Chairman), Mr. Tam Hee Chung 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 joint announcement, the board of directors of PAH comprises:

Mr. Or Wai Sheun (Chairman), Mr. Yeung Kwok Kwong, Ms. Wong Yuk Ching, Mr. Lam Chi Chung, Tommy and Ms. Chio Koc Ieng as executive directors; Mr. Lai Ka Fai as non-executive director and Mr. Anthony Francis Martin Conway, Mr. Siu Leung Yau and Mr. Liu Kwong Sang as independent non-executive directors.