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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)

ANNOUNCEMENT
PURSUANT TO RULE 13.18 OF THE LISTING RULES

This announcement is made pursuant to Rule 13.18 of the Listing Rules with respect the Loan Agreement entered into by the Company as borrower.

This announcement is made pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

On 22 January 2010, Kowloon Development Company Limited (the “Company”) as borrower entered into the loan agreement (the “Loan Agreement”) with Bank of China (Hong Kong) Limited (the “Bank”) as lender for term loan and revolving loan facilities of up to HK\$2,568 million for the purposes of refinancing the existing loan made by the Bank and financing the general working capital of the Company. The final maturity date of the loans thereunder shall be on the date falling twelve months from 22 January 2010.

The Loan Agreement provides that it would constitute an event of default if the shareholding of Polytec Holdings International Limited (the Company’s controlling shareholder as defined under the Listing Rules), or through its subsidiaries, in the Company falls below 51%. After the happening of the event of default, the Bank may declare that the indebtedness or any part thereof has become immediately due and payable.

In accordance with the requirements under Rule 13.21 of the Listing Rules, disclosure will be included in the annual and interim reports of the Company for so long as circumstances giving rise to the obligation continue to exist.

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

Hong Kong, 22 January 2010

As at the date of this announcement, the Directors of the Company are 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.