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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Kowloon Development Company Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or the agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Kowloon Development Company Limited is set out on pages 11 to 14 of this circular. Whether or not you intend to attend the meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or adjourned meeting thereof to the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish.

28 April 2011

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LETTER FROM THE BOARD



九龍建業有限公司 KOWLOON DEVELOPMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 34)

Executive Directors

Or Wai Sheun (*Chairman*)
Ng Chi Man
Lai Ka Fai
Or Pui Kwan

Registered Office

23rd Floor, Pioneer Centre
750 Nathan Road
Kowloon
Hong Kong

Non-executive Directors

Keith Alan Holman (*Deputy Chairman*)
Tam Hee Chung
Yeung Kwok Kwong

Independent Non-executive Directors

Li Kwok Sing, Aubrey
Lok Kung Chin, Hardy
Seto Gin Chung, John
David John Shaw

28 April 2011

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS
AND
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES
(collectively, the “Proposals”)
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the Proposals. Your approval of the Proposals will be sought at the annual general meeting of the Company to be held on Monday, 27 June 2011 (the “AGM”).

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with Article 105 of the Articles of Association of the Company, Mr Lai Ka Fai, Mr Tam Hee Chung, Mr Yeung Kwok Kwong and Mr David John Shaw (collectively, the “**Retiring Directors**”) will retire at the AGM. They, being eligible, have offered themselves for re-election. Their biographical details are set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 5 May 2010, general mandates were given to the directors of the Company (the “**Directors**”) to allot, issue and deal with additional shares of nominal value of HK\$0.10 each in the share capital of the Company (“**Share(s)**”) and to exercise the powers of the Company to repurchase its own Shares. Under the Companies Ordinance and the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), these general mandates will lapse at the conclusion of the AGM.

At the AGM, ordinary resolutions as referred in items (5), (6) and (7) of the notice convening the AGM will therefore be proposed to refresh these general mandates given to the Directors, as follows:

- (a) a general mandate to allot, issue and deal with additional Shares up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution (the “**Issue Mandate**”);
- (b) a general mandate to repurchase Shares on the stock market up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution (the “**Repurchase Mandate**”); and
- (c) if the Repurchase Mandate is granted, a general mandate to increase the limit of the Issue Mandate by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate.

As at 20 April 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular (the “**Latest Practicable Date**”), the issued share capital of the Company was 1,150,681,275 Shares. If the ordinary resolution granting the Issue Mandate to the Directors is passed at the AGM, and assuming no further Shares are issued or repurchased prior to the AGM, up to 230,136,255 Shares, representing 20% of aggregate nominal amount of the issued share capital of the Company as at the date of passing the ordinary resolution at the AGM, may be issued by the Company.

The Directors consider that the Issue Mandate provides flexibility for the allotment and issue of Shares for cash as working capital and/or for business expansion or as consideration for acquisitions as and when appropriate.

LETTER FROM THE BOARD

The Issue Mandate and the Repurchase Mandate may only continue in force until the conclusion of the next annual general meeting of the Company; or revoked or varied by the Company in general meeting, whichever occurs first. The Directors believe that the grant of the general mandates is in the best interests of the Company.

An explanatory statement as required under the Listing Rules to provide the requisite information regarding the Repurchase Mandate is set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

Notice of the AGM is set out on pages 11 to 14 of this circular.

A form of proxy for the AGM is enclosed. Whether or not you intend to attend the AGM, please complete and return the proxy form in accordance with the instructions printed thereon not later than 48 hours before the time appointed for holding the AGM. Completion and return of the proxy form will not preclude you from attending and voting at the AGM if you so wish. In such event, the form of proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, the vote of shareholders at a general meeting must be taken by poll. The Chairman will demand poll voting at the AGM for all the resolutions as set out in the notice of the AGM.

RECOMMENDATION

The Directors consider that the Proposals are in the best interests of the Company and its shareholders as a whole and recommend that the shareholders to vote in favour of all the resolutions to be proposed at the AGM.

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

The following are particulars of the Retiring Directors (as required by the Listing Rules) proposed to be re-elected at the AGM:

1. **LAI Ka Fai**, aged 46, has been an Executive Director of the Company since January 2002. He is responsible for the development of corporate strategies, corporate planning and day-to-day management of the Company. Mr Lai is also a non-executive director of Polytec Asset Holdings Limited, a separately listed subsidiary of the Company, and a director of Intellinsight Holdings Limited. He has over 20 years of experience in finance, accounting, financial and operational management and corporate planning. Mr Lai graduated from the University of East Anglia in the United Kingdom with a Bachelor's degree in Science. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Saved as disclosed above, Mr Lai did not hold any other directorships in listed companies in the last three years and does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, other than as disclosed below, Mr Lai did not have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which were required to be disclosed under Part XV of the Securities and Futures Ordinance (the "SFO").

(i) Interests in the shares of the Company

<i>Nature of interest</i>	<i>No. of shares</i>
Personal	701,000

(ii) Interest in the shares of Polytec Asset Holdings Limited

<i>Nature of interest</i>	<i>No. of shares</i>
Personal	430,000

There is a service contract between Mr Lai and the Company. The service contract has no specified length nor proposed length of services and is determined by the Company without payment of compensation (other than statutory compensation). His term as an Executive Director shall subject to retirement by rotation and re-election by the shareholders at the annual general meeting of the Company as and when required under the Articles of Association of the Company and the Listing Rules. Mr Lai will receive such director's fees and other emoluments as the Board of Directors may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board of Directors by the shareholders of the Company. In determining the emoluments for Mr Lai, the Board of Directors will take into account the prevailing market practice, workload, scale and complexity of the Company's business and the responsibility involved. Mr Lai received a total of HK\$2,294,561 comprising emoluments of HK\$2,154,561 for being an Executive Director of the Company and director's fee of HK\$140,000 for being a non-executive director of a listed member of the Group for the year ended 31 December 2010.

2. **TAM Hee Chung**, aged 67, has been a Non-executive Director of the Company since January 2002. He is the managing director of Larry H.C. Tam & Associates Limited, a surveying, valuing and development consultancy company. Mr Tam started his professional career in Crown Lands & Survey Office of the Hong Kong Government (already consolidated into the Lands Department), in which he reached the rank of Acting Government Land Agent/Valuation in charge of the Valuation Branch of the said Office. He left the Government in 1981 and joined a property company as the general manager, and later set up his own practice as Larry H.C. Tam & Associates Limited. Mr Tam has extensive experience in all aspects of the land professional work both in government and in private practice. He was a member of the Town Planning Board and the Building Committee of the Housing Authority. Mr Tam is a fellow member of both the Royal Institution of Chartered Surveyors and the Hong Kong Institute of Surveyors. He is also a Registered Professional Surveyor.

Mr Tam does not hold any positions with the Company or its subsidiaries, other than that of a Non-executive Director of the Company. Save as disclosed above, Mr Tam did not hold any other directorships in listed companies in the last three years and does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, other than as disclosed below, Mr Tam did not have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which were required to be disclosed under Part XV of the SFO.

(i) Interests in the shares of the Company

<i>Nature of interest</i>	<i>No. of shares</i>
Personal	300,000

(ii) Interest in the shares of Polytec Asset Holdings Limited

<i>Nature of interest</i>	<i>No. of shares</i>
Personal	1,100,000

There is a service contract between Mr Tam and the Company. The service contract has no specified length nor proposed length of services and is determined by the Company without payment of compensation (other than statutory compensation). His term as a Non-executive Director shall subject to retirement by rotation and re-election by the shareholders at the annual general meeting of the Company as and when required under the Articles of Association of the Company and the Listing Rules. Mr Tam will receive such director's fees as the Board of Directors may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board of Directors by the shareholders of the Company. In determining the director's fee for Mr Tam, the Board of Directors will take into account the prevailing market practice, workload, scale and complexity of the Company's business and the responsibility involved. Save for a director's fee of HK\$220,000, Mr Tam did not receive other emolument from the Company for the year ended 31 December 2010.

3. **YEUNG Kwok Kwong**, aged 52, has been a Non-executive Director of the Company since January 2002. He is also the managing director of Polytec Asset Holdings Limited, a separately listed subsidiary of the Company. Mr Yeung has over 25 years of experience in finance, accounting, financial and operational management and corporate planning. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

Saved as disclosed above, Mr Yeung did not hold any other directorships in listed companies in the last three years and does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, other than as disclosed below, Mr Yeung did not have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which were required to be disclosed under Part XV of the SFO.

(i) Interests in the shares of the Company

<i>Nature of interest</i>	<i>No. of shares</i>
Personal	165,000

(ii) Interest in the shares of Polytec Asset Holdings Limited

<i>Nature of interest</i>	<i>No. of shares</i>
Personal	2,000,000

There is a service contract between Mr Yeung and the Company. The service contract has no specified length nor proposed length of services and is determined by the Company without payment of compensation (other than statutory compensation). His term as a Non-executive Director shall subject to retirement by rotation and re-election by the shareholders at the annual general meeting of the Company as and when required under the Articles of Association of the Company and the Listing Rules. Mr Yeung will receive such director's fees and other emoluments as the Board of Directors may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board of Directors by the shareholders of the Company. In determining the emoluments for Mr Yeung, the Board of Directors will take into account the prevailing market practice, workload, scale and complexity of the Company's business and the responsibility involved. Mr Yeung received a total of HK\$2,638,300 comprising director's fee of HK\$220,000 for being a Non-Executive Director of the Company and other emoluments of HK\$2,418,300 for being a managing director of a listed member of the Group for the year ended 31 December 2010.

4. **David John SHAW**, aged 64, has been an Independent Non-executive Director of the Company since June 2007. He is employed by the HSBC Group as Adviser to the Board of HSBC Holdings plc, a London based appointment which he took up in June 1998. Mr Shaw is a non-executive director of HSBC Private Banking Holdings (Suisse) SA, HSBC Private Bank (Suisse) SA and HSBC Bank Bermuda Limited (formerly known as The Bank of Bermuda Limited), which are companies within HSBC Group. He is also an independent non-executive director of Shui On Land Limited (listed on the Stock Exchange of Hong Kong). Mr Shaw is a solicitor, admitted in England and Wales and in Hong Kong. He was a partner of Norton Rose from 1973 to 1998 and during that period spent approximately 20 years working in Hong Kong. Mr Shaw obtained a law degree from Cambridge University.

Mr Shaw does not hold any positions with the Company or its subsidiaries, other than that of an Independent Non-executive Director of the Company. Save as disclosed above, Mr Shaw did not hold any other directorships in listed companies in the last three years and does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, other than as disclosed below, Mr Shaw did not have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which were required to be disclosed under Part XV of the SFO.

(i) Interests in the shares of the Company

<i>Nature of interest</i>	<i>No. of shares</i>	<i>Note</i>
Personal	133,500	
Family	67,000	(1)
	<u>200,500</u>	

Note:

- (1) Such interest in shares is held by the spouse of Mr David John Shaw.

There is a service contract between Mr Shaw and the Company. The service contract has no specified length nor proposed length of services and is determined by the Company without payment of compensation (other than statutory compensation). His term as a Non-executive Director shall subject to retirement by rotation and re-election by the shareholders at the annual general meeting of the Company as and when required under the Articles of Association of the Company and the Listing Rules. Mr Shaw will receive such director's fees as the Board of Directors may determine from time to time pursuant to the power given to it under the Articles of Association or otherwise granted to the Board of Directors by the shareholders of the Company. In determining the director's fee for Mr Shaw, the Board of Directors will take into account the prevailing market practice, workload, scale and complexity of the Company's business and the responsibility involved. Save for a director's fee of HK\$220,000, Mr Shaw did not receive other emolument from the Company for the year ended 31 December 2010.

Save as disclosed herein, there are no other matters in relation to Mr Lai Ka Fai, Mr Tam Hee Chung, Mr Yeung Kwok Kwong and Mr David John Shaw that need to be brought to the attention of the shareholders of the Company nor information to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

This appendix serves as an explanatory statement to the shareholders as required under the Rule 10.06(1)(b) Listing Rules in connection with the Repurchase Mandate and also constitutes the memorandum required under Section 49BA of the Companies Ordinance.

1. SHAREHOLDERS' APPROVAL

The Listing Rules provides that all proposed share repurchase on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval in relation to specific transactions, and the shares proposed to be purchased by the company must be fully-paid up.

2. NUMBER OF SHARES SUBJECT TO THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,150,681,275 Shares. Subject to the passing of the necessary ordinary resolution and assuming that no further Shares are issued or repurchased prior to the AGM up to 115,068,127 Shares, representing 10% of the issued share capital of the Company as at the date of passing the resolution at the AGM, may be repurchased by the Company.

3. SOURCE OF FUNDS

The Company may only apply funds legally available for the repurchase of Shares in accordance with its Articles of Association, the Listing Rules and the applicable laws of Hong Kong. The Companies Ordinance provides that the repurchases may be made either out of distributable profits or the proceeds of a new issue of shares made for such purpose.

4. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and its shareholders as a whole for the Directors to have a general authority from the shareholders to enable the Company to repurchase shares on the stock market at any appropriate time. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per share and will only be made when the Directors believe that such purchases will benefit the Company and its shareholders as a whole.

5. FINANCIAL EFFECT OF REPURCHASE

There may be a material adverse effect on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements as at 31 December 2010) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. GENERAL

None of the Directors or, to their best knowledge having made all reasonable enquiries, their associates (as defined in the Listing Rules) have any present intention to sell any of the Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by shareholders.

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by shareholders.

If, as a result of a repurchase of the Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Code on Takeovers and Mergers (the "**Takeovers Code**"). As a result, a shareholder or a group of shareholders acting in concert could, depending on the level of increase of shareholding interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. As at the Latest Practicable Date, based on information available to the Company, the Company's single largest registered shareholder, Intellinsight Holdings Limited (ultimately wholly-owned by a discretionary family trust of which Mr Or Wai Sheun, Ms Ng Chi Man, Mr Or Pui Kwan and their family members are beneficiaries), held 823,160,124 Shares which represented approximately 71.54% of the issued share capital of the Company. In the event that the Directors exercise the power in full to repurchase Shares pursuant to the Repurchase Mandate, the shareholding held by Intellinsight Holdings Limited would increase to approximately 79.5% of the issued share capital of the Company. Such increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

In the event of an exercise of the Repurchase Mandate, public shareholding in the Company may be reduced to below 25% which will be in breach of the Listing Rules. In accordance with the aforesaid undertaking and unless otherwise approved by the Stock Exchange, the Directors will refrain from exercising the power conferred by the Repurchase Mandate if it will result in a breach of the Listing Rules.

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2010		
April	10.58	9.54
May	9.60	7.35
June	8.40	7.55
July	8.62	7.56
August	8.84	7.85
September	9.04	7.98
October	9.05	8.48
November	9.29	8.23
December	9.32	8.38
2011		
January	11.52	9.27
February	11.96	10.18
March	10.88	9.40
April (up to the Latest Practicable Date)	10.66	10.26

NOTICE OF ANNUAL GENERAL MEETING



九龍建業有限公司 KOWLOON DEVELOPMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 34)

NOTICE IS HEREBY GIVEN that the annual general meeting of Kowloon Development Company Limited (the “**Company**”) will be held at Crystal Ballroom, Basement 3, Holiday Inn Golden Mile Hong Kong, 50 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Monday, 27 June 2011 at 11:00 a.m. for the following purposes:

As Ordinary Business

Ordinary Resolutions

- (1) To receive and consider the audited accounts together with the reports of the directors and auditors thereon for the year ended 31 December 2010.
- (2) To declare a final dividend for the year ended 31 December 2010.
- (3) To re-elect directors and authorise the board of directors of the Company to fix directors’ remuneration.
- (4) To re-appoint KPMG as auditors and authorise the board of directors of the Company to fix auditors’ remuneration.

As Special Business

Ordinary Resolutions

To consider and, if thought fit, to pass with or without modification the following resolutions as ordinary resolutions:

- (5) “**THAT:**
 - (A) subject to paragraph (C) of this Resolution and pursuant to Section 57B of the Companies Ordinance, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power be generally and unconditionally approved;
 - (B) the approval in paragraph (A) of this Resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (A) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) an issue of shares upon the exercise of options granted under any share option scheme adopted by the Company, or (iii) an issue of shares as scrip dividends or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, or (iv) an issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any of the securities which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution and the said approval shall be limited accordingly; and

(D) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance and/or the Company’s Articles of Association to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by the Company in general meeting; and

“Rights Issue” means an offer of shares in the share capital of the Company open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, Hong Kong or any territory applicable to the Company).”

(6) **“THAT:**

(A) subject to paragraph (B) of this Resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (B) the aggregate nominal amount of shares which may be repurchased on The Stock Exchange of Hong Kong Limited or any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Code on Share Repurchases pursuant to the approval in paragraph (A) of this Resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (C) for the purpose of this Resolution:
- “**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance and/or the Company’s Articles of Association to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by the Company in general meeting.”
- (7) “**THAT** conditional upon the passing of Resolutions (5) and (6) as set out in the notice convening this meeting, the general mandate granted to the directors of the Company pursuant to Resolution (5) as set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution (6) as set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”

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

Hong Kong, 28 April 2011

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member entitled to attend and vote at the annual general meeting of the Company is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy needs not be a member of the Company.
2. To be valid, the form of proxy, together with any power of attorney or other authority under which it is signed or a notarially certified copy thereof, must be lodged with the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting thereof.
3. All resolutions set out in this notice will be taken by poll at the meeting.
4. The English text of this notice shall prevail over the Chinese text.