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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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** 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 to the agent through whom the sale was effected for transmission to the purchaser.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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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)**

**PROPOSALS RELATING TO**  
**A GENERAL MANDATE TO ISSUE SHARES,**  
**A GENERAL MANDATE TO REPURCHASE SHARES AND**  
**AMENDMENTS TO THE ARTICLES OF ASSOCIATION**  
**(“Proposals”)**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

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## LETTER FROM THE CHAIRMAN

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# 九龍建業有限公司 KOWLOON DEVELOPMENT COMPANY LIMITED

*(Incorporated in Hong Kong with limited liability)*

*Directors:*

Or Wai Sheun (*Chairman*)  
Keith Alan Holman (*Deputy Chairman*)  
Ng Chi Man (*Executive Director*)  
Lai Ka Fai (*Executive Director*)  
Tam Hee Chung  
Yeung Kwok Kwong  
Chau Cham Son\*  
Seto Gin Chung, John\*  
Lok Kung Chin, Hardy\*  
Li Kwok Sing, Aubrey\*

*Registered Office:*

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

\* *Independent Non-executive Director*

7 April 2004

*To the Shareholders*

Dear Sir or Madam

**PROPOSALS RELATING TO  
A GENERAL MANDATE TO ISSUE SHARES,  
A GENERAL MANDATE TO REPURCHASE SHARES AND  
AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
("Proposals")  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

### INTRODUCTION

The purpose of this circular is to provide you with information regarding the Proposals and to seek your approval of the Proposals. Your approval will be sought at the annual general meeting of the Company to be held at the Crystal Ballroom, Basement 3, Holiday Inn Golden Mile Hong Kong, 50 Nathan Road, Kowloon, Hong Kong on Monday, 3 May 2004 ("Annual General Meeting").

### GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 21 May 2003, resolutions were passed giving general mandates to the directors of the Company ("Directors") to allot, issue and deal with additional shares of HK\$0.10 each in the share capital of the Company ("Shares") and to exercise the powers of the Company to repurchase its own Shares in accordance with the Rules ("Listing Rules") Governing the Listing of Securities on The Stock Exchange of

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## LETTER FROM THE CHAIRMAN

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Hong Kong Limited (the “Stock Exchange”). These general mandates will lapse at the conclusion of the Annual General Meeting.

At the Annual General Meeting, separate ordinary resolutions will be proposed to renew the general mandates given to the Directors:

- (a) a general mandate to allot, issue and deal with additional Shares up to a limit of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution (the “Share Issue Mandate”);
- (b) a general mandate to repurchase on the Stock Exchange Shares representing up to 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 add the aggregate number of Shares repurchased by the Company under the Repurchase Mandate to the Share Issue Mandate, subject to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution.

Ordinary resolutions referred to in items (5), (6) and (7) of the notice convening the Annual General Meeting as set out on pages 6 to 8 of this circular will therefore be proposed at the Annual General Meeting.

The authority conferred on the Directors by the general mandates in paragraphs (a) and (b) above would continue to be in force until whichever is the earliest of the conclusion of the next annual general meeting of the Company; the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and the revocation or variation of the authority given under such resolutions by ordinary resolution of the shareholders in general meeting. The Directors believe that the grant of the general mandates is in the interests of the Company.

An explanatory statement as required under the Listing Rules giving certain information regarding the Repurchase Mandate is set out in Appendix I.

### AMENDMENTS TO ARTICLES OF ASSOCIATION

The Companies (Amendment) Ordinance 2003 (“Amendment Ordinance”) has become effective on 13 February 2004 and the Stock Exchange has announced amendments to the Listing Rules which include changes to Appendix 3 of the Listing Rules that has come into effect on 31 March 2004. Appendix 3 of the Listing Rules sets out the provisions with which a listed company’s articles of association should conform.

In order for the Company’s articles of association to conform with the Amendment Ordinance and the amended Appendix 3 of the Listing Rules, a special resolution to modify various articles in the Company’s articles of association is proposed under agenda item (8) of the notice convening the Annual General Meeting.

The effect of the proposed amendments to the Company’s articles of association is set out below:

- (a) Article 2                      To insert new definitions for “associate” and “business day” so that “associate” and “business day” have the meanings assigned thereto in the Listing Rules.

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## LETTER FROM THE CHAIRMAN

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|-----------------------------------|--|
| (b) Article 16                    | To be consistent with the Amendment Ordinance that companies other than private companies must complete transfers of shares and have certificates thereof ready for delivery within ten business days after the lodgment of transfers.   |
| (c) Article 85(C)                 | To reflect the restriction on voting by members as required by the amended Appendix 3 of the Listing Rules.  |
| (d) Articles 103(A) (vii) and 111 | To be consistent with the Amendment Ordinance that removal of any Director before the expiration of his period of office can be made by an ordinary resolution instead of a special resolution.  |
| (e) Article 104(B) (i) – (iii)    | To be consistent with the provisions of the amended Appendix 3 of the Listing Rules so that subject to certain exceptions, a Director is not allowed to vote on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting.   |
| (f) Article 109                   | To be consistent with the amended Appendix 3 of the Listing Rules which requires there to be a minimum period during which notice may be given by a person other than a Director to propose a person for election as a Director (and during which notice is also given by such person of his willingness to be elected). This minimum period must be fixed for at least seven days and should commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting. |

### ACTION TO BE TAKEN

Notice of the Annual General Meeting is set out on pages 6 to 12 of this circular.

A form of proxy for the Annual General Meeting is enclosed for your use. Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the proxy form in accordance with the instructions printed thereon. **Proxy forms should be returned as soon as possible and in any event so as to be received not later than 48 hours before the time appointed for the holding of the Annual General Meeting.** Lodging a proxy form will not preclude you from attending and voting at the meeting should you desire.

### RECOMMENDATION

The Directors consider that the Proposals are in the best interests of the Company and its shareholders and recommend that all shareholders vote in favour of the resolutions relating to the Proposals to be proposed at the Annual General Meeting.

Yours faithfully  
**Or Wai Sheun**  
*Chairman*

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**APPENDIX I      EXPLANATORY STATEMENT ON REPURCHASE MANDATE**

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The following is the explanatory statement required to be sent to shareholders under the Listing Rules in connection with the Repurchase Mandate.

- (i) As at 31 March 2004 (the latest practicable date prior to the printing of this circular), the issued share capital of the Company comprised 566,767,850 Shares. Subject to the passing of the necessary ordinary resolutions and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, exercise in full of the Repurchase Mandate could accordingly result in up to 56,676,785 Shares being repurchased by the Company during the course of the period prior to the next annual general meeting.
- (ii) A repurchase of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and/or its earnings per share and will only be made when the Directors believe that such purchase will be to the benefit of the Company and its shareholders.
- (iii) The Company may only apply funds legally available for the repurchase of Shares in accordance with its memorandum and articles of association, the Listing Rules and the applicable laws of Hong Kong.
- (iv) There might be a material adverse impact 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 2003) 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 requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.
- (v) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any associates (within the meaning of the Listing Rules) of Directors who have a present intention to sell Shares to the Company if the Repurchase Mandate is approved by shareholders.
- (vi) The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.
- (vii) If as a result of a repurchase of securities 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 Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the

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**APPENDIX I      EXPLANATORY STATEMENT ON REPURCHASE MANDATE**

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Takeovers Code. As at 31 March 2004 (the latest practicable date prior to the printing of this circular), the Company's single largest shareholder, Intellinsight Holdings Limited, together with parties acting in concert with it held 353,023,083 Shares which represented approximately 62.29% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the percentage shareholding of Shares held by Intellinsight Holdings Limited would increase to approximately 69.21% of the total issued Shares of the Company. Save as aforesaid, the Directors are not aware of any other consequences that would arise under the Takeovers Code as a result of a repurchase pursuant to the Repurchase Mandate.

- (viii) The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.
- (ix) No connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company and no such person has undertaken not to sell any such Shares to the Company, if the Repurchase Mandate is approved by shareholders.
- (x) The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
April 2003	3.700	3.300
May 2003	3.675	3.250
June 2003	3.400	3.250
July 2003	3.400	3.200
August 2003	3.900	3.250
September 2003	4.975	3.700
October 2003	5.100	4.350
November 2003	5.700	4.675
December 2003	6.100	5.250
January 2004	7.900	6.100
February 2004	7.700	6.900
March 2004	7.550	6.700

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## NOTICE OF ANNUAL GENERAL MEETING

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

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (“**Meeting**”) of Kowloon Development Company Limited (the “**Company**”) will be held at the Crystal Ballroom, Basement 3, Holiday Inn Golden Mile Hong Kong, 50 Nathan Road, Kowloon, Hong Kong on Monday, 3 May 2004 at 11:00 a.m. for the following purposes:

#### **As Ordinary Business**

- (1) To receive and consider the audited accounts and the reports of the directors and auditors for the year ended 31 December 2003.
- (2) To declare a final dividend.
- (3) To elect directors and to fix their remuneration.
- (4) To appoint auditors and to authorise the directors to fix their remuneration.

#### **As Special Business**

##### **Ordinary resolutions**

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

(5) **THAT:**

- (A) subject to paragraph (C), the exercise by the directors of the Company during the Relevant Period 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 which might require the exercise of such power be generally and unconditionally approved;
- (B) the approval in paragraph (A) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (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), otherwise than pursuant to (i) a Rights Issue, (ii) the exercise



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## NOTICE OF ANNUAL GENERAL MEETING

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of options granted under any share option scheme adopted by the Company or (iii) any scrip dividend 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, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue 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 law and/or the Company’s articles of association to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares 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 outside Hong Kong).

(6) **THAT:**

- (A) subject to paragraph (B) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to purchase shares of the Company, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities in the Stock Exchange of Hong Kong Limited, be generally and unconditionally approved;
- (B) the aggregate nominal amount of shares which may be purchased on The Stock Exchange of Hong Kong Limited or any other stock exchange on which the securities of the Company may be listed and which is recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Repurchases pursuant to the approval in paragraph (A) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution and the said approval shall be limited accordingly;

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## NOTICE OF ANNUAL GENERAL MEETING

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(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 law and/or the Company’s articles of association to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.

(7) **THAT:**

conditional upon the passing of Resolutions (5) and (6) as set out in this notice convening the Meeting of which this Resolution forms part, the general mandate granted to the directors of the Company pursuant to Resolution (5) as set out in this notice convening the Meeting of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to Resolution (6) as set out in this notice convening the Meeting of which this Resolution forms part, provided that such 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.

### **Special resolution**

To amend the Company’s articles of association by passing the following resolution as a special resolution:

(8) **THAT:**

the articles of association of the Company be and are hereby amended in the following manner:

- (a) By adding the definition of “associate” immediately before the definition of “Auditors” in Article 2:

““associate” shall have the meaning as defined in the Listing Rules;”;

- (b) By adding the definition of “business day” immediately after the definition of “Board” in Article 2:

““business day” shall mean any day on which The Stock Exchange of Hong Kong Limited is open for the business of dealing in securities;”;

- (c) By deleting the words “two months” in the 2nd line of Article 16 and replacing therefor the words “ten business days”;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (d) By adding the following Article 85(C) immediately after Article 85(B):
- “85(C) Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.”;
- (e) By deleting the words “a special” in the 1st line of Article 103(A)(vii) and replacing it with the words “an ordinary”;
- (f) By adding the following words to Article 104(B)(i):
- “or any of his associates” immediately after the word “Director” in the 5th, 6th and 8th lines;
  - “or any of his associates” immediately after the words “in which he” in the 10th line and after the words “after he knows that he” in the 13th line; and
  - “or the interest of any of his associates” immediately after the word “interest” in the 10th line;
- (g) By deleting Article 104(B)(ii) in its entirety and replacing it with the following new Article 104(B)(ii):
- “(ii) Save as otherwise provided by the Articles, a Director shall not vote (or be counted in the quorum at a meeting) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates has a material interest, but this prohibition shall not apply to any of the following matters:
- (a) the giving of any security or indemnity either:
    - (I) to the Director or any of his associates in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
    - (II) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his associates has himself assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (b) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for

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## NOTICE OF ANNUAL GENERAL MEETING

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subscription or purchase where the Director or any of his associates is or is to be interested as a participant in the underwriting or sub-underwriting of the offer;

- (c) any proposal concerning any other company in which the Director or any of his associates is interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or any of his associates is beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in five per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;
- (d) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
  - (I) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or any of his associates may benefit; or
  - (II) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;
- (e) any contract or arrangement in which the Director or any of his associates is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; and/or
- (f) any matter referred to in Article 99.”;
- (h) By deleting Article 104(B)(iii) in its entirety and replacing it with the following new Article 104(B)(iii):
  - “(iii) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or any of his associates or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director or any of his associates shall

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## NOTICE OF ANNUAL GENERAL MEETING

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be final and conclusive except in a case where the nature or extent of the interest of the Director or any of his associates concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or any of his associates, such question shall be decided by a resolution of the Board (for which purpose such chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman or any of his associates as known to such chairman has not been fairly disclosed to the Board. For the purposes of this paragraph and in relation to an alternate Director, an interest of his appointor or any of his associates shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.”;

- (i) By deleting Article 109 in its entirety and replacing it with the following new Article 109:

“109. No person, other than a retiring Director, shall be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company at least seven days before the date of general meeting. Such period for lodgment of the notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting, provided that such period shall be at least seven days.”; and

- (j) By deleting the word “special” in the 1st line of Article 111 and replacing it with the word “ordinary”.

By Order of the Board  
**Wai Yuk Hing, Monica**  
*Company Secretary*

Hong Kong, 29 March 2004

*Notes:*

1. Any member entitled to attend and vote at the Annual General Meeting to be held on 3 May 2004 (“AGM”) is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
2. To be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the office of the Company’s registrars, Computershare Hong Kong Investor Services Limited, on 19th 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.

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## NOTICE OF ANNUAL GENERAL MEETING

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3. All directors, except the Chairman, are subject to retirement by rotation pursuant to the Company's articles of association. In relation to item (3) set out in this Notice regarding election of directors, Mr Seto Gin Chung, John, Mr Lok Kung Chin, Hardy and Mr Li Kwok Sing, Aubrey will retire at the AGM by rotation and, being eligible, offer themselves for re-election. The biographical details and interests in the shares of the Company of all the retiring directors are provided in the "Profile of Directors and Management" section and the "Report of the Directors" section in the 2003 Annual Report of the Company. None of the retiring directors have signed any service contract with the Company and being non-executive directors, their emoluments will be reviewed annually taking into consideration prevailing market practice. For 2002 and 2003, each non-executive director was paid a director's fee of \$100,000. Moreover, none of the retiring directors is related to any directors, senior management or substantial or controlling shareholders of the Company.
4. With reference to items (5), (6) and (7) set out in this Notice, the directors wish to state that they have no immediate plans to repurchase any existing shares or to issue any new shares pursuant to the relevant mandate.
5. In item (8) above, members are asked to approve amendments to the articles of association of the Company for compliance with the recent changes in the Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The articles of association of the Company is written in English and hence the Chinese version of the Resolution as set out in item (8) is for reference only. In case of any inconsistency, the English version shall prevail.

6. **Right to demand a poll**

Pursuant to Article 75 of the articles of association of the Company, every resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by a member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.



九龍建業有限公司

KOWLOON DEVELOPMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

PROXY FORM FOR USE AT THE ANNUAL GENERAL MEETING

I/We (Note 1) \_\_\_\_\_  
of \_\_\_\_\_  
being the registered holder(s) of (Note 2) \_\_\_\_\_ shares of  
HK\$0.10 each in the capital of **KOWLOON DEVELOPMENT COMPANY LIMITED** ("the Company"), **HEREBY**  
**APPOINT** (Note 3) \_\_\_\_\_  
of \_\_\_\_\_  
or failing him, the Chairman of the meeting as my/our proxy to act for me/us at the Annual General Meeting (or at any  
adjournment thereof) of the Company to be held at the Crystal Ballroom, Basement 3, Holiday Inn Golden Mile Hong  
Kong, 50 Nathan Road, Kowloon, Hong Kong on Monday, 3 May 2004 at 11:00 a.m. for the purpose of considering  
and, if thought fit, passing the resolutions as set out in the notice convening the said meeting and at such meeting (or at  
any adjournment thereof) to vote for me/us and in my/our name(s) in respect of the said resolutions as indicated below,  
or if no such indication is given, as my/our proxy thinks fit.

Resolution

For                      Against  
(Note 4)

1.	To receive and consider the audited accounts and the reports of the directors and auditors for the year ended 31 December 2003		
2.	To declare a final dividend		
3.	To re-elect Mr Seto Gin Chung, John as director		
4.	To re-elect Mr Lok Kung Chin, Hardy as director		
5.	To re-elect Mr Li Kwok Sing, Aubrey as director		
6.	To fix the remuneration of the directors		
7.	To appoint auditors and to authorise the directors to fix their remuneration		
8.	To give a general mandate to the directors to issue shares		
9.	To give a general mandate to the directors to repurchase shares		
10.	To extend the general mandate granted to the directors to issue shares by the number of shares repurchased		
11.	To approve the amendments to the articles of association of the Company		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2004

Signature (Note 5): \_\_\_\_\_

Notes:

1. Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
2. Please insert the number of shares of HK\$0.10 each registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares of the Company registered in your name(s).
3. Please insert the full name and address of the proxy desired. **IF NO NAME IS INSERTED, THE CHAIRMAN OF THE MEETING WILL ACT AS YOUR PROXY.**
4. **IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, TICK IN THE BOX MARKED "FOR". IF YOU WISH TO VOTE AGAINST A RESOLUTION, TICK IN THE BOX MARKED "AGAINST".** Failure to complete the boxes will entitle your proxy to cast his vote at his discretion.
5. This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be either under its common seal or under the hand of an officer or attorney duly authorised.
6. In the case of joint holders, any one of such holders may attend and vote at the meeting either personally or by proxy, but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of the joint holding shall alone be entitled to vote in respect thereof.
7. To be valid, this form of proxy, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the office of the Company's registrars, Computershare Hong Kong Investor Services Limited, on 19th 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.
8. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
9. Completion and return of this form of proxy will not preclude you from attending and voting in person at the meeting or adjourned meeting thereof if you so wish, and in such event, the form of proxy shall be deemed to be revoked.
10. **ANY ALTERATION MADE IN THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.**