

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



九龍建業有限公司
KOWLOON DEVELOPMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 34)

ANNOUNCEMENT

The crude oil production of the South Alibek Oilfield of Caspi Neft TME, a wholly-owned subsidiary of Polytec Asset, in Kazakhstan is remaining temporarily suspended because the application of gas flaring permit for the South Alibek Oilfield for 2013 is still pending for the approval from the Kazakhstan Government. The Board expects the results from the oil exploration and production activities of the Group for the first half of 2013 will be adversely affected, however, the degree of impact to the Group is yet to be ascertained.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

References are made to the announcements of Kowloon Development Company Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) dated 3 January 2013 and 1 February 2013, and the profit warning announcement dated 28 June 2013 of Polytec Asset Holdings Limited (“**Polytec Asset**”) (Stock Code: 208), a 73.4%-owned listed subsidiary of the Company.

The board of directors (the “**Board**”) of the Company has been informed by the directors of Polytec Asset that the crude oil production of the South Alibek Oilfield of Caspi Neft TME in Kazakhstan is remaining temporarily suspended because the application of gas flaring permit for the South Alibek Oilfield for 2013 is still pending for the approval from the Kazakhstan Government. Due to the temporary suspension of production of crude oil, a loss from the oil exploration and production activities of Polytec Asset for the first half of 2013 will be resulted and consequently, the results of Polytec Asset for the six months ending 30 June 2013 will be adversely affected as a whole.

The Board expects the results from the oil exploration and production activities of the Group for the first half of 2013 will be adversely affected, however, the degree of impact to the Group is yet to be ascertained. Further announcements will be made by the Company as and when appropriate.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 28 June 2013

As at the date of this announcement, the Directors of the Company are Mr Or Wai Sheun (Chairman), Mr Lai Ka Fai and Mr Or Pui Kwan as Executive Directors; Mr Keith Alan Holman (Deputy Chairman), 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.