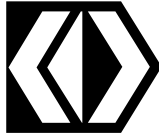


*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents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



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

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 34)

**MAJOR TRANSACTION**

**ACQUISITION OF ALL THE ISSUED SHARES OF  
WINSWORLD PROPERTIES LIMITED AND THE SALE LOAN**

**DELAY IN DESPATCH OF CIRCULAR**

On 15 October 2004, the Purchaser and the Company entered into the Agreement under which the Purchaser is to acquire all of the issued shares of the Property Co and the Sale Loan for a cash consideration of HK\$1,342,000,000.

Under the Listing Rules, the Company is required to despatch a circular in relation to the Acquisition to the Shareholders on or before 15 November 2004. As the Company is awaiting for the result as to whether Mexan can comply with the requirements of Rule 14.92 in respect of restrictions on disposal of assets by Mexan, information in relation to the Property Co from the Seller and the finalization of the terms of the formal sale and purchase agreement, additional time is required to prepare the circular. Accordingly, the Company has applied for an extension for the time of despatch of the circular to on or before 15 December 2004.

**Shareholders and investors should note that the Acquisition is subject to conditions, including that the parties satisfying all relevant requirements of the Listing Rules. The Stock Exchange has indicated concern as to whether Mexan can comply with the requirements of Rule 14.92 in respect of restrictions on disposal of assets by Mexan. Accordingly, the Acquisition may or may not complete. Shareholders should exercise caution when dealing in the Shares.**

The Directors refer to the announcement of the Company dated 21 October 2004 in relation to the Acquisition (“Announcement”) and further announcements dated 1 November 2004 and 9 November 2004. Terms used in this announcement shall have the same meanings as defined in the Announcement. On 15 October 2004, the Purchaser and the Company entered into the Agreement under which the Purchaser is to acquire all of the issued shares of the Property Co and the Sale Loan for a cash consideration of HK\$1,342,000,000. The Property Co’s principal asset is the Property being the commercial and car park complex of a building known as the “Elizabeth House” located at numbers 250 to 254 of Gloucester Road, Causeway Bay, Hong Kong.

Under the Listing Rules, the Company is required to despatch a circular in relation to the Acquisition to the Shareholders within 21 days of the publication of the Announcement, ie on or before 15 November 2004. As the Company is awaiting for the result as to whether Mexan can comply with the requirements of Rule 14.92 in respect of restrictions on disposal of assets by Mexan, information in relation to the Property Co from the Seller and the finalization of the terms of the formal sale and purchase agreement, additional time is required to prepare the circular. Accordingly, the Company has applied to the Stock Exchange for an extension of the time of despatch of the circular to on or before 15 December 2004. Further announcement will be made by the Company upon the despatch of the circular.

**Shareholders and investors should note that the Acquisition is subject to conditions, including that the parties satisfying all relevant requirements of the Listing Rules. The Stock Exchange has indicated concern as to whether Mexan can comply with the requirements of Rule 14.92 in respect of restrictions on disposal of assets by Mexan. Accordingly, the Acquisition may or may not complete. Shareholders should exercise caution when dealing in the Shares.**

## **DIRECTORS OF THE COMPANY**

At the date of this announcement, the executive Directors are Mr. Or Wai Sheun, Ms. Ng Chi Man, Mr. Lai Ka Fai, the non-executive Directors are Mr. Keith Alan Holman, Mr. Tam Hee Chung, Mr. Yeung Kwok Kwong and the independent non-executive Directors are Mr. Chau Cham Son, Mr. Li Kwok Sing, Aubrey, Mr. Lok Kung Chin, Hardy and Mr. Seto Gin Chung, John.

By Order of the Board  
**KOWLOON DEVELOPMENT COMPANY LIMITED**  
**Or Wai Sheun**  
*Chairman*

Hong Kong, 15 November 2004

Please also refer to the published version of this announcement in the South China Morning Post.