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**If you have sold or transferred** all your shares in **Kowloon Development Company Limited**, you should at once hand this circular and the accompanying proxy form 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**

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A notice convening the annual general meeting of Kowloon Development Company Limited is set out on pages 12 to 15 of this circular. Whether or not you intend to attend the meeting, please complete and return the enclosed proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours (excluding Sunday and public holidays) before the time appointed for holding the meeting or any adjournment thereof to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting if you so wish.

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LETTER FROM THE BOARD

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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)**

*Executive Directors*

Or Wai Sheun (*Chairman*)

Lai Ka Fai

Or Pui Kwan

Lam Yung Hei

*Registered Office*

23rd Floor, Pioneer Centre

750 Nathan Road

Kowloon

Hong Kong

*Non-executive Directors*

Ng Chi Man

Yeung Kwok Kwong

*Independent Non-executive Directors*

Li Kwok Sing, Aubrey

Lok Kung Chin, Hardy

Seto Gin Chung, John

David John Shaw

27 April 2017

*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 Kowloon Development Company Limited (the “**Company**”) to be held on Wednesday, 7 June 2017 (“**AGM**”).

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## LETTER FROM THE BOARD

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### RE-ELECTION OF DIRECTORS

In accordance with Article 105 of the Articles of Association of the Company (the “**Articles**”), Mr Lai Ka Fai, Ms Ng Chi Man and Mr Li Kwok Sing, Aubrey will retire at the AGM. Mr Lam Yung Hei, who was appointed as an Executive Director of the Company with effect from 1 July 2017, will also retire at the AGM in accordance with Article 96 of the Articles. Mr Lai Ka Fai, Mr Lam Yung Hei, Ms Ng Chi Man and Mr Li Kwok Sing, Aubrey (collectively, the “**Retiring Directors**”), being eligible, offer 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 28 June 2016, general mandates were given to the directors of the Company (the “**Directors**”) to allot, issue and deal with additional shares of the Company (“**Shares**”) and to exercise the powers of the Company to repurchase its own shares. Under the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (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 total number of the issued Shares as at the date of passing of the relevant resolution (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares in accordance with section 170(2)(e) of the Companies Ordinance after the 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 total number of the issued Shares as at the date of passing of the relevant resolution (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares in accordance with section 170(2)(e) of the Companies Ordinance after the 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 24 April 2017, 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 number of the issued Shares 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 the total number of the issued Shares as at the date of passing the ordinary resolution at the AGM (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares in accordance with section 170(2)(e) of the Companies Ordinance after the passing of the relevant resolution), may be issued by the Company.

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## LETTER FROM THE BOARD

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The board of directors of the Company (the “**Board**”) considers 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.

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 Board believes 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 AGM is set out on pages 12 to 15 of this circular.

A proxy form 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 less than 48 hours (excluding Sunday and public holidays) before the time appointed for holding the AGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM if you so wish. In such event, the proxy form 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 of the AGM will therefore put each of the resolutions to be proposed at the AGM to be voted by way of a poll pursuant to Article 75 of the Articles.

### **RECOMMENDATION**

The Board considers that the Proposals are in the best interests of the Company and its shareholders as a whole and recommends 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 52, 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 (“**Polytec Asset**”), a separately listed subsidiary of the Company, and a director of Intellinsight Holdings Limited, the substantial shareholder of the Company, and certain subsidiaries of the Group. He has over 25 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.

Save 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, Chapter 571 of the Laws of Hong Kong.

**(i) Interest in the shares of the Company**

<i>Nature of interest</i>	<i>No. of ordinary shares</i>
Personal	751,000

**(ii) Interest in the shares of Polytec Asset**

<i>Nature of interest</i>	<i>No. of ordinary 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 but Mr Lai’s term as an Executive Director is 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 and the Listing Rules. The Company can determine the service contract without payment of compensation (other than statutory compensation). Mr Lai will receive such director’s fees and other emoluments as the board of directors of the Company (the “**Board**”) may determine from time to time pursuant to the power given to it under the Articles or otherwise granted to the Board by the shareholders of the Company. In determining the director’s fee and other emoluments for Mr Lai, the Board 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\$3,212,660 comprising emoluments of HK\$3,042,660 for being an Executive Director of the Company and director’s fee of HK\$170,000 for being a non-executive director of a listed member of the Group for the year ended 31 December 2016.

2. **LAM Yung Hei**, aged 37, has been an *Executive Director* of the Company since July 2016. He is responsible for the development of corporate strategies, corporate planning and day-to-day management of the Company. He is also a director of a subsidiary of the Group. Mr Lam has over 10 years of experience in Hong Kong property development, merger and acquisition and information technology. He holds a Master of Commerce (Information Systems and Management) degree and a Bachelor of Science (Computer Science) degree both from University of New South Wales, Sydney. Mr Lam is the son-in-law of Mr Or Wai Sheun and Ms Ng Chi Man and the brother-in-law of Mr Or Pui Kwan.

Save as disclosed above, Mr Lam did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, other than as disclosed below, Mr Lam 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, Chapter 571 of the Laws of Hong Kong.

**(i) Interest in the shares of the Company**

<i>Nature of interest</i>	<i>No. of ordinary shares</i>	<i>Note</i>
Family	830,770,124	(1)

**(ii) Interests in the shares of Polytec Asset Holdings Limited (“Polytec Asset”)**

<i>Nature of interests</i>	<i>No. of ordinary shares</i>	<i>Note</i>
Family	3,260,004,812	(2)
Family	7,000,000	(3)
	3,267,004,812	

*Notes:*

- (1) Such interest in shares is held by Intellinsight Holdings Limited, a wholly-owned subsidiary of Polytec Holdings International Limited which is wholly-owned by Ors Holdings Limited (“OHL”). OHL is in turn wholly-owned by a discretionary trust, the trustee of which is HSBC International Trustee Limited. As the spouse of Mr Lam is one of the discretionary objects of the trust, Mr Lam is deemed to be interested in the same block of shares held by the trust.
- (2) Such interest in shares of Polytec Asset is held by Marble King International Limited, a wholly-owned subsidiary of the Company. By virtue of the deemed interest in the shares of the Company as described in note (1) above, Mr Lam is deemed to be interested in the shares of Polytec Asset through the interest of his spouse in the Company.
- (3) Such interest in shares of Polytec Asset is held by the spouse of Mr Lam.

There is a service contract between Mr Lam and the Company. The service contract has no specified length nor proposed length of services but Mr Lam’s term as an Executive Director is 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 and the Listing Rules. The Company can determine the service contract without payment of compensation (other than statutory compensation). Mr Lam will receive such director’s fees and other emoluments as the board of directors of the Company (the “**Board**”) may determine from time to time pursuant to the power given to it under the Articles or otherwise granted to the Board by the shareholders of the Company. In determining the director’s fee and other emoluments for Mr Lam, the Board will take into account the prevailing market practice, workload, scale and complexity of the Company’s business and the responsibility involved. Mr Lam received emoluments amounting to HK\$816,450 from the Company for the period from 1 July 2016 to 31 December 2016.

3. **NG Chi Man**, aged 64, has been an Executive Director of the Company since January 2002 and redesignated as a *Non-executive Director* of the Company with effect from 1 April 2013. Ms Ng is also a director of Polytec Holdings International Limited (“**Polytec Holdings**”), the sole shareholder of Intellinsight Holdings Limited (“**Intellinsight**”), Intellinsight, the substantial shareholder of the Company, and certain subsidiaries of the Group. Ms Ng has over 35 years of experience in property development, industrial and financial investment business in Hong Kong, Macau and Mainland China. She is the wife of Mr Or Wai Sheun, the mother of Mr Or Pui Kwan and the mother-in-law of Mr Lam Yung Hei.

Save as disclosed above, Ms Ng did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, other than as disclosed below, Ms Ng 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, Chapter 571 of the Laws of Hong Kong.

**(i) Interest in the shares of the Company**

<i>Nature of interest</i>	<i>No. of ordinary shares</i>	<i>Note</i>
Beneficiary of a trust	830,770,124	(1)

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

<i>Nature of interest</i>	<i>No. of ordinary shares</i>	<i>Note</i>
Beneficiary of a trust	3,260,004,812	(2)

*Notes:*

- (1) Such interest in shares is held by Intellinsight, a wholly-owned subsidiary of Polytec Holdings which is wholly-owned by Ors Holdings Limited (“**OHL**”). OHL is in turn wholly-owned by a discretionary trust, the trustee of which is HSBC International Trustee Limited. As Ms Ng is one of the discretionary objects of the trust, she is taken to be interested in the same block of shares held by the trust.

- (2) Such interest in shares of Polytec Asset is held by Marble King International Limited, a wholly-owned subsidiary of the Company. By virtue of the deemed interest in the shares of the Company as described in note (1) above, Ms Ng is taken to be interested in the shares of Polytec Asset.

There is a service contract between Ms Ng and the Company. The service contract has no specified length nor proposed length of services but Ms Ng's term as a Non-executive Director is 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 and the Listing Rules. The Company can determine the service contract without payment of compensation (other than statutory compensation). Ms Ng will receive such director's fees and other emoluments as the board of directors of the Company (the "**Board**") may determine from time to time pursuant to the power given to it under the Articles or otherwise granted to the Board by the shareholders of the Company. In determining the director's fee and other emoluments for Ms Ng, the Board 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\$250,000, Ms Ng did not receive any other emolument from the Company for the year ended 31 December 2016.

4. **LI Kwok Sing, Aubrey**, aged 67, has been an *Independent Non-executive Director* of the Company since January 2002. Mr Li is the chairman of IAM Holdings (Hong Kong) Limited (formerly known as MCL Partners Limited), a Hong Kong based investment firm, and has over 40 years of experience in merchant banking and commercial banking. He is also a non-executive director of The Bank of East Asia, Limited (listed on the Stock Exchange of Hong Kong) and an independent non-executive director of Café de Coral Holdings Limited, China Everbright International Limited, Kunlun Energy Company Limited, Pokfulam Development Company Limited and Tai Ping Carpets International Limited (each of them is listed on the Stock Exchange of Hong Kong). Mr Li holds a Master's degree in Business Administration from Columbia University and a Bachelor of Science degree in Civil Engineering from Brown University.

Mr Li does not hold any positions with the Company or its subsidiaries, other than that of an Independent Non-executive Director of the Company. Mr Li was appointed in 2002 and hence, has served the board of directors of the Company ( the "**Board**") for more than 9 years. The Company has continued to receive written confirmation from him annually on his independence, and by reference to the Listing Rules which set out certain criteria on independence of the Non-executive Directors, the Board considers that Mr Li is independent. Further, in view of the extensive knowledge and experience of Mr Li, the Board believes that his re-election is in the best interests of the Company and its shareholders as a whole.

Save as disclosed above, Mr Li 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, Mr Li 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, Chapter 571 of the Laws of Hong Kong.

There is a service contract between Mr Li and the Company. The service contract has no specified length nor proposed length of services but Mr Li's term as a Non-executive Director is 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 and the Listing Rules. The Company can determine the service contract without payment of compensation (other than statutory compensation). Mr Li will receive such director's fees as the Board may determine from time to time pursuant to the power given to it under the Articles or otherwise granted to the Board by the shareholders of the Company. In determining the director's fee and other emoluments for Mr Li, the Board 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\$250,000, Mr Li did not receive any other emolument from the Company for the year ended 31 December 2016.

Save as disclosed herein, there is no other matters in relation to Mr Lai Ka Fai, Mr Lam Yung Hei, Ms Ng Chi Man and Mr Li Kwok Sing, Aubrey 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.

#### **NOMINATION BY SHAREHOLDERS**

Article 109 of the Articles provides that 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 be 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 dispatch 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.

Accordingly, if a shareholder, who is duly qualified to attend and vote at the general meeting convened to deal with the appointment or election of Director(s), intends to propose a person for election as a Director, the shareholder concerned shall lodge a written notice at the Company's registered office, 23rd Floor, Pioneer Centre, 750 Nathan Road, Kowloon, Hong Kong, for the attention of the company secretary of the Company stating (i) his/her intention to propose such person for election as a Director; and (ii) the biographical details of such nominated candidate as required under Rule 13.51(2) of the Listing Rules for publication by the Company. Such written notice should be signed by the shareholder concerned and the person who has been proposed indicating his/her willingness to be elected.

In order to ensure shareholders of the Company have sufficient time to receive and consider the information of the nominated candidate(s), shareholders are urged to submit their proposals as early as practicable, preferably before 5:00 p.m. (Hong Kong time) on Tuesday, 16 May 2017.

This appendix serves as an explanatory statement to the shareholders as required under the Rule 10.06(1)(b) of the Listing Rules in connection with the Repurchase Mandate and also constitutes the memorandum required under Section 239 of the Companies Ordinance.

#### **1.      SHAREHOLDERS' APPROVAL**

The Listing Rules provide 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 number of the issued Shares was 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 total number of the issued Shares as at the date of passing the resolution at the AGM (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares in accordance with section 170(2)(e) of the Companies Ordinance after the passing of the relevant resolution), 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 the Articles, the Listing Rules and the applicable laws of Hong Kong. The Companies Ordinance provides that the repurchase of Shares 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 Board believes 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 2016) 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 nor, 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 persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any of the Shares to the Company, or have 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 ("**Intellinsight**") (ultimately wholly-owned by a discretionary family trust of which Mr Or Wai Sheun, Ms Ng Chi Man, Mr Or Pui Kwan and Ms Or Pui Ying Peranza (the spouse of Mr Lam Yung Hei) are four of the eligible beneficiaries), held 830,770,124 Shares which represented approximately 72.20% of the number of the issued Shares. In the event that the Directors exercise the power in full to repurchase Shares pursuant to the Repurchase Mandate, the shareholding held by Intellinsight would increase to approximately 80.22% of the number of the issued Shares. 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.

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**APPENDIX II      EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

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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:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2016</b>		
April	7.91	7.02
May	7.54	6.96
June	7.58	7.10
July	7.57	7.05
August	7.62	7.18
September	8.17	7.30
October	7.97	7.65
November	7.88	7.52
December	7.71	7.01
<b>2017</b>		
January	7.58	7.30
February	8.09	7.25
March	8.19	7.67
April (up to the Latest Practicable Date)	8.85	8.05

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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)*

**(Stock Code: 34)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Kowloon Development Company Limited (the “**Company**”) will be held at U Banquet, 6th Floor, Pioneer Centre, 750 Nathan Road, Kowloon, Hong Kong on Wednesday, 7 June 2017 at 11:00 a.m. (Hong Kong time) for the following purposes:

### **As Ordinary Business**

#### **Ordinary Resolutions**

- (1) To receive and consider the audited financial statements together with the reports of the directors and auditor thereon for the year ended 31 December 2016.
- (2) To declare a final dividend for the year ended 31 December 2016.
- (3) To re-elect directors and authorise the board of directors of the Company to fix the directors’ remuneration.
- (4) To re-appoint KPMG as auditor and authorise the board of directors of the Company to fix the auditor’s 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 141 of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (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 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;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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;
- (C) the total number of shares 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 total number of the issued shares of the Company at the date of passing this Resolution (subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares in accordance with section 170(2)(e) of the Companies Ordinance after the passing of 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 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).”

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## NOTICE OF ANNUAL GENERAL MEETING

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(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;
- (B) the total number 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 total number of the issued shares of the Company at the date of passing this Resolution (subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares in accordance with section 170(2)(e) of the Companies Ordinance after the passing of 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.”

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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 total number of shares 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 total number of the issued shares of the Company as at the date of passing this Resolution (subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares in accordance with section 170(2)(e) of the Companies Ordinance after the passing of this Resolution).”

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

Hong Kong, 27 April 2017

*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 proxy form, together with any power of attorney or other authority under which it is signed or a notarially certified copy thereof, must be deposited at the office of the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours (excluding Sunday and public holidays) before the time appointed for holding the meeting or any adjournment thereof.
3. The Register of Members of the Company will be closed from Friday, 2 June 2017 to Wednesday, 7 June 2017, both dates inclusive. In order to be eligible to attend and vote at the meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Thursday, 1 June 2017.
4. The Register of Members of the Company will be closed from Monday, 19 June 2017 to Tuesday, 20 June 2017, both dates inclusive. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Friday, 16 June 2017.
5. All resolutions set out in this notice will be taken by poll at the meeting.
6. The English text of this notice shall prevail over the Chinese text.