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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)

INSIDE INFORMATION
AND
RESUMPTION OF TRADING

I. INSIDE INFORMATION

The board of directors (the “**Board**”) of Kowloon Development Company Limited (the “**Company**”) together with its subsidiaries, the “**Group**”) makes this announcement pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 23 November 2015 and 4 December 2015 (collectively, the “**Announcements**”), the Annual Report 2015, Interim Report 2016, Annual Report 2016 and Interim Report 2017 of the Company, and the announcement of Polytec Asset Holdings Limited (“**Polytec Asset**”) (Stock Code: 208), a 73.4%-owned listed subsidiary of the Company, dated 20 October 2017. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those used in the Announcements.

The Board of the Company has been informed by the directors of Polytec Asset that on 19 October 2017, the Tribunal de Segunda Instancia (中級法院) of the Macau SAR rejected the application by PCL for invalidating the decision made by the Chief Executive of the Macau SAR to terminate the Concession of the Project. According to the legal opinion obtained by Polytec Asset, PCL has sufficient grounds to further appeal (the “**Final Appeal**”) to the Tribunal de Ultima Instancia (終審法院), and the Court of the Macau SAR should consider and assess the essential points regarding the delay caused by the Macau SAR Government and the right of PCL to claim for an extension of time to complete the construction work of the Project and deliver the properties to the respective purchasers. An application for the Final Appeal will be made by PCL as soon as practicable.

With respect to the principal application by PCL to the Tribunal Administrativo (行政法院) requesting compensation of time (by way of extension of the Concession) for the Project, it is still being suspended pending the decision of the Final Appeal.

The management of Polytec Asset will take all necessary and appropriate actions to protect the interests of Polytec Asset.

Further announcement(s) will be made to keep the market informed on the development of the case upon receipt of further information.

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

II. RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted with effect from 9:07 a.m. on 20 October 2017. The Company has applied to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 23 October 2017.

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

Hong Kong, 20 October 2017

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