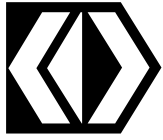


The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents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

**DESPATCH OF CIRCULAR IN RELATION TO
VERY SUBSTANTIAL ACQUISITION
ACQUISITION OF SHENZHEN PROPERTIES & RESOURCES
DEVELOPMENT (GROUP) LIMITED
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

DESPATCH OF CIRCULAR

The Board wishes to announce that the Circular will be despatched to the Shareholders on 30 June 2005 which contains details of, among other things, (i) the Acquisition; and (ii) a notice to convene the Extraordinary General Meeting.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

The Board wishes to give notice to the Shareholders for the holding of the Extraordinary General Meeting to consider and, if thought fit, to pass the resolution to approve the Acquisition.

Reference is made to the announcement (the “Announcement”) of Kowloon Development Company Limited (the “Company”) dated 6 April 2005 in relation to, among other things, the Acquisition, and the announcement of the Company dated 28 April 2005 and 31 May 2005 in relation to the delay of despatch of the circular in respect of the Acquisition (the “Circular”). Terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

DESPATCH OF THE CIRCULAR

The Board wishes to announce that the Circular will be despatched to the Shareholders on 30 June 2005 which contains details of, among other things, (i) the Acquisition; and (ii) a notice to convene the Extraordinary General Meeting.

DIRECTORS OF THE COMPANY

At the date of this announcement, the Board of Directors of the Company comprises three Executive Directors, being Mr. Or Wai Sheun (Chairman), Ms. Ng Chi Man and Mr. Lai Ka Fai; three Non-executive Directors, being Mr. Keith Alan Holman (Deputy Chairman), Mr. Tam Hee Chung and Mr. Yeung Kwok Kwong; and four Independent Non-executive Directors, being 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, 30 June 2005

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general 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 Wednesday, 20 July 2005 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT**

- (a) a sale and purchase agreement dated 1 April 2005 entered into between Brilliant Idea Investments Limited, an 85% owned subsidiary of the Company (the “**Purchaser**”) and Shenzhen Construction Investment Holdings and Shenzhen Investment Management Corporation (together the “**Sellers**”) in relation to the sale of 323,747,713 State-owned promoter shares in Shenzhen Properties & Resources Development (Group) Limited (“**Shenzhen Properties**”) and 57,113,899 domestic legal person shares in Shenzhen Properties, representing an approximately 70.3% equity interest in Shenzhen Properties by the Sellers to the Purchaser (the “**Agreement**”, a copy of which has been produced to the meeting and marked “A” and signed by the Chairman of the meeting for identification purposes) be and is hereby approved, ratified and confirmed; and
- (b) the board of directors of the Company be and is hereby authorized to take all steps necessary, desirable or expedient for the purposes of or in connection with the implementation of the Agreement and the transactions contemplated thereunder.”

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

Hong Kong, 30 June 2005

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

Notes:

1. A member entitled to attend and vote at the meeting, on a poll, convened by this notice is entitled to appoint one or more proxies (who must be individuals) to attend and vote in his stead. 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 46th 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.
3. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof.
4. 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, 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.

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