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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)

**DISCLOSEABLE AND
CONNECTED TRANSACTION**



POLYTEC ASSET HOLDINGS LIMITED
保利達資產控股有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 208)

**MAJOR AND
CONNECTED TRANSACTION**

TERMINATION OF THE SECOND ACQUISITION

References are made to the joint announcement of Kowloon Development Company Limited (“**KDC**”) and Polytec Asset Holdings Limited (“**PAH**”) dated 22 June 2018 (the “**Joint Announcement**”) and the circulars of KDC and PAH both dated 26 October 2018. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Joint Announcement.

As at the date of this announcement, the condition precedent (g) to the Second Agreement relating to the Second Target PRC Subsidiary having obtained the relevant PRC government approval regarding the change in use of the northern part of the Second Project from industrial use to commercial use was not satisfied. PAH decided not to proceed with the Second Acquisition after amicable discussion and careful commercial consideration.

On 6 January 2020, the Purchaser served a termination notice in writing to the Vendor, whereupon all rights and obligations of the parties shall cease to have effect, provided however that (a) the surviving provisions as stipulated under the Second Agreement shall continue in force following the lapse of the Second Agreement; and (b) the termination of the Second Agreement shall be without prejudice to the rights and liabilities of any party to the Second Agreement accrued prior to such termination.

The board of PAH considers that the termination of the Second Acquisition does not have any material adverse impact on the business operation and financial position of PAH.

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

By Order of the Board
Polytec Asset Holdings Limited
Lee Chi Ming
Company Secretary

Hong Kong, 6 January 2020

As at the date of this announcement, the directors of KDC 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.

As at the date of this announcement, the directors of PAH are Mr. Or Wai Sheun (Chairman), Mr. Yeung Kwok Kwong, Ms. Wong Yuk Ching and Ms. Chio Koc Ieng as executive directors; Mr. Lai Ka Fai and Ms. Or Pui Ying, Peranza as non-executive directors and Mr. Liu Kwong Sang, Dr. Tsui Wai Ling, Carlye and Prof. Dr. Teo Geok Tien Maurice as independent non-executive directors.

** For identification purpose only*