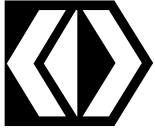


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九龍建業有限公司
KOWLOON DEVELOPMENT COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 34)

MAJOR TRANSACTION
DELAY IN DESPATCH OF CIRCULAR

The Company announces that as additional time is required to prepare the financial information to be included in the Circular, the Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rules 14.38 of the Listing Rules and the extension of time for despatch of the Circular to the Shareholders to on or before 18 October 2007.

Reference is made to the announcement of Kowloon Development Company Limited (the “**Company**”) dated 29 August 2007 (the “**Announcement**”) in respect of the Acquisition and the establishment of the Joint Venture with China Orient. Terms used herein shall have the same meanings as defined in the Announcement unless the context otherwise requires.

The Acquisition and the establishment of the Joint Venture constitute a major transaction for the Company under the Listing Rules. Pursuant to Rules 14.38 of the Listing Rules, the Company is required to despatch a circular (the “**Circular**”) in respect of the Acquisition and the establishment of the Joint Venture to the Shareholders within 21 days after the publication of the Announcement, that is, on or before 19 September 2007. As additional time is required to prepare the financial information to be included in the Circular, namely, the pro-forma financial information as required under Rules 4.25 of the Listing Rules, the Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rules 14.38 of the Listing Rules and the extension of time for the despatch of the Circular to the Shareholders to on or before 18 October 2007.

By Order of the Board
Kowloon Development Company Limited
Wai Yuk Hing, Monica
Company Secretary

Hong Kong, 18 September 2007

As at the date of this announcement, the Board comprises Mr. Or Wai Sheun (Chairman), Ms. Ng Chi Man, Mr. Lai Ka Fai and Mr. Or Pui Kwan as Executive Directors, Mr. Keith Alan Holman (Deputy Chairman), Mr. Tam Hee Chung 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.