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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)

ANNOUNCEMENT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

All the necessary approvals and permits, including the gas flaring permit, for conducting normal crude oil production in the South Alibek Oilfield of Caspi Neft TME, a wholly-owned subsidiary of Polytec Asset in Kazakhstan, have been obtained for the period from 1 January 2015 to 31 August 2015 from the Kazakhstan Government authorities.

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

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 "**Listing Rules**") and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "**SFO**").

References are made to the announcement of the Company dated 24 September 2014, and the announcement of Polytec Asset Holdings Limited ("**Polytec Asset**") (Stock Code: 208), a 73.4%-owned listed subsidiary of the Company, dated 28 November 2014.

The Board of the Company has been informed by the directors of Polytec Asset that all the necessary approvals and permits, including the gas flaring permit, for conducting normal crude oil production in the South Alibek Oilfield of Caspi Neft TME, a wholly-owned subsidiary of Polytec Asset in Kazakhstan, have been obtained for the period from 1 January 2015 to 31 August 2015 from the Kazakhstan Government authorities. The management of Caspi Neft TME has been considering several alternative plans to obtain all the necessary approvals and permits from the Kazakhstan Government authorities in order to continue the normal crude oil production after 31 August 2015. Further announcements will be made as soon as practicable 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.

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

Hong Kong, 28 November 2014

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