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**Flourish Harmony Holdings Company  
Limited**

*(Incorporated in the Cayman Islands with limited liability, an indirectly wholly-owned subsidiary of S.F. Holding Co., Ltd.)*

*(Incorporated in the British Virgin Islands and continued into Bermuda as an exempted company with limited liability)*  
website: [www.kln.com](http://www.kln.com)  
**(Stock Code: 636)**

**JOINT ANNOUNCEMENT**

- (1) PRE-CONDITIONAL VOLUNTARY PARTIAL CASH OFFER AND PARTIAL OPTION OFFER BY J.P. MORGAN ON BEHALF OF THE OFFEROR TO ACQUIRE 931,209,117 SHARES IN THE SHARE CAPITAL OF THE COMPANY AND TO CANCEL 51.8% OUTSTANDING SHARE OPTIONS**
- (2) SHAREHOLDERS' AGREEMENT, PROPOSED BRAND LICENCE AGREEMENTS, PROPOSED WAREHOUSES SALE AGREEMENT, PROPOSED WAREHOUSES MANAGEMENT AGREEMENTS AND PROPOSED TAIWAN BUSINESS SALE AGREEMENT**
- AND**
- (3) POSSIBLE SPECIAL DIVIDEND BY THE COMPANY**

**FULFILMENT OF PRE-CONDITION – IRREVOCABLE UNDERTAKINGS**

Reference is made to the announcement jointly published by the Offeror, the Company and Kerry Properties on 10 February 2021 (the “**Joint Announcement**”) and the monthly update announcement jointly published by the Offeror and the Company on 8 March 2021. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

As stated in the Joint Announcement, the making of the Partial Offer and the Option Offer is subject to the satisfaction or waiver (where applicable) of the Pre-Conditions by the Long Stop Date. Since the Joint Announcement, steps have been taken in relation to the fulfilment of the Pre-Conditions.

## **THE IRREVOCABLE UNDERTAKINGS**

The Offeror is pleased to announce that all the Controlling Shareholders which directly hold Shares (being, all the Controlling Shareholders other than Kerry Holdings Limited and Kerry Group Limited) (the “**Relevant Controlling Shareholders**”) have duly executed and delivered to the Offeror the Controlling Shareholders Irrevocable Undertakings and the Executive Directors have duly executed and delivered to the Offeror the Executive Directors Irrevocable Undertakings, in each case in substantially the same terms as disclosed in the Joint Announcement and in favour of the Offeror on 30 March 2021. Accordingly, Pre-Condition (vii) has been fulfilled.

The principal terms of the Controlling Shareholders Irrevocable Undertakings and the Executive Directors Irrevocable Undertakings are set out below:

### **Controlling Shareholders Irrevocable Undertakings**

***Date:***

30 March 2021

***Parties:***

- (1) the Offeror; and
- (2) each of the Relevant Controlling Shareholders

***Irrevocable undertaking to accept the Partial Offer:***

Each of the Relevant Controlling Shareholders has irrevocably and unconditionally undertaken to duly accept or procure acceptance of the Partial Offer in accordance with its terms in respect of an aggregate of 575,545,164 Shares (representing (i) approximately 32.0% of the Shares in issue as at the date of the Joint Announcement, (ii) approximately 31.8% of the Shares in issue as at the date of the Joint Announcement on a Fully-Diluted Basis, and (iii) approximately 50.7% of the Shares held by the Controlling Shareholders as at the date of the Joint Announcement on a Fully-Diluted Basis) (the “**Controlling Shareholders Undertaking Shares**”) on the basis as set out in the tables in the section headed “*Shareholding structure of the Company and effect of the Partial Offer and the Option Offer*” below, as soon as possible after the commencement of the Acceptance Period and in any event no later than the third business day of the Acceptance Period.

For the avoidance of doubt, the Relevant Controlling Shareholders may tender more Shares for acceptance than as required under the Controlling Shareholders Irrevocable Undertakings depending on

the overall level of acceptances under the Partial Offer (as may be announced by the Offeror (i) after trading hours on the trading day immediately prior to the Final Closing Date and (ii) at such other times during the Acceptance Period as the Offeror may decide, after consultation with the Executive) and/or may be required to sell Shares pursuant to the Placing Agreements.

***No withdrawal:***

Notwithstanding that the terms of the Composite Document will confer rights of withdrawal on accepting Shareholders, the Relevant Controlling Shareholders shall not withdraw any acceptance of the Partial Offer in respect of any of the Controlling Shareholders Undertaking Shares and shall procure that no rights to withdraw any acceptance in respect of any of the Controlling Shareholders Undertaking Shares are exercised.

***Termination:***

The Relevant Controlling Shareholders' obligation to tender acceptances terminates automatically if, without the prior written consent of the Controlling Shareholders:

- (a) any of the Pre-Conditions (iv), (viii), (ix), (xiv), (xv) and (xvi) set out in the Joint Announcement headed "*The Partial Offer and the Option Offer – Pre-Conditions to the Partial Offer and the Option Offer*" are waived; or
- (b) save for the Taiwan Business Sale, the Group makes any disposal of assets that may be required in order to implement the Partial Offer under, and in compliance with, all applicable law in the relevant jurisdictions (for example, to comply with any applicable merger control or foreign investment restrictions),

or if any of the Pre-Conditions have not been satisfied or (without prejudice to paragraph (a) above) waived by the Long Stop Date or the Partial Offer does not otherwise become unconditional in all respects, is withdrawn or lapses.

Save as set out above, the undertakings given in the Controlling Shareholders Irrevocable Undertakings are irrevocable and unconditional and shall not cease to be binding in any circumstances.

In respect of the Controlling Shareholders Irrevocable Undertakings executed by Kerry Properties, such undertakings shall be conditional upon the requisite approval having been obtained from the independent shareholders of Kerry Properties pursuant to Chapters 14 and 14A of the Listing Rules. For details, please refer to the announcement published by Kerry Properties on 30 March 2021.

**Executive Directors Irrevocable Undertakings**

***Date:***

30 March 2021

***Parties:***

- (1) the Offeror; and
- (2) each of the Executive Directors (see details below)

As at the date of this joint announcement, the identity and shareholdings of the Executive Directors and their close associates are set out as follows:

|                            | <b>Interests directly held</b> | <b>ESOP</b> | <b>Interests of his close associates</b> | <b>Total interests</b> |
|----------------------------|--------------------------------|-------------|--|------------------------|
| KUOK Khoon Hua             | 301,000                        | 800,000     | 3,018,492                                | 4,119,492              |
| MA Wing Kai<br>William     | 1,588,761                      | 3,000,000   | 1,300,000                                | 5,888,761              |
| CHEUNG Ping<br>Chuen Vicky | 31,514,956                     | 0           | 0  | 31,514,956             |
| NG Kin Hang                | 35,936                         | 120,000     | 0  | 155,936                |

***Irrevocable undertaking to accept the Partial Offer:***

Each Executive Director has irrevocably and unconditionally undertaken to duly accept or procure acceptance of the Partial Offer in accordance with its terms in respect of his pro rata share (on a Fully-Diluted Basis), totalling 18,957,330 Shares (representing (i) approximately 1.1% of the Shares in issue as at the date of the Joint Announcement, (ii) approximately 1.0% of the Shares in issue as at the date of the Joint Announcement on a Fully-Diluted Basis, and (iii) approximately 50.7% of the Shares held by the Executive Directors as at the date of the Joint Announcement on a Fully-Diluted Basis) (the “**Executive Directors Undertaking Shares**”), as soon as possible after the commencement of the Acceptance Period and in any event no later than the third business day after the commencement of the Acceptance Period.

Each Executive Director also undertakes to exercise such number of Share Options granted to the relevant Executive Director (if applicable) as soon as practicable such that from the commencement of the Acceptance Period until such time as the obligations to accept the Partial Offer are fulfilled, the relevant Executive Director will be able to comply with obligations to accept the Partial Offer under the Executive Directors Irrevocable Undertakings.

For the avoidance of doubt, the Executive Directors may tender more Shares for acceptance than as required under the Executive Directors Irrevocable Undertakings depending on the overall level of acceptances under the Partial Offer as may be announced by the Offeror (i) after trading hours on the trading day immediately prior to the Final Closing Date and (ii) at such other times during the Acceptance Period as the Offeror may decide, after consultation with the Executive.

***No withdrawal:***

Notwithstanding that the terms of the Composite Document will confer rights of withdrawal on accepting Shareholders, the Executive Directors shall not withdraw any acceptance of the Partial Offer in respect of any of the Executive Directors Undertaking Shares and shall procure that no rights to withdraw any acceptance in respect of any of the Executive Directors Undertaking Shares are exercised.

***Termination:***

The Executive Directors’ obligation to tender acceptances terminates automatically if, without the prior written consent of the Controlling Shareholders:

- (a) any of the Pre-Conditions (iv), (viii), (ix), (xiv), (xv) and (xvi) set out in the Joint Announcement headed “*The Partial Offer and the Option Offer – Pre-Conditions to the Partial Offer and the Option Offer*” are waived; or
- (b) save for the Taiwan Business Sale, the Group makes any disposal of assets that may be required in order to implement the Partial Offer under, and in compliance with, all applicable law in the relevant jurisdictions (for example, to comply with any applicable merger control or foreign investment restrictions),

or if any of the Pre-Conditions have not been satisfied or (without prejudice to paragraph (a) above) waived by the Long Stop Date or the Partial Offer does not otherwise become unconditional in all respects, is withdrawn or lapses.

Save as set out above, the undertakings given in the Executive Directors Irrevocable Undertakings are irrevocable and unconditional and shall not cease to be binding in any circumstances.

### **Shareholding structure of the Company and effect of the Partial Offer and the Option Offer**

***Assuming that no Share Options are exercised except for such options undertaken to be exercised by the Executive Directors (if applicable) for the purpose of their Executive Directors Irrevocable Undertakings***

The shareholding structure of the Company (a) as at 29 March 2021 and (b) immediately after the closing of the Partial Offer and the Option Offer and (c) immediately after the closing of the Partial Offer and the Option Offer and immediately upon completion of the Placing Agreements, assuming that (i) there will be no change to the issued share capital of the Company between 29 March 2021 and up to the Final Closing Date; and (ii) all Shareholders validly elect to accept the Partial Offer in respect of all of their Shares (except for (1) the Controlling Shareholders who will tender 575,545,164 Shares pursuant to the Controlling Shareholders Irrevocable Undertakings, and who may or may not tender more Shares for acceptances than as required under the Controlling Shareholders Irrevocable Undertakings; (2) the Executive Directors who will tender 18,957,330 Shares pursuant to the Executive Directors Irrevocable Undertakings and who may or may not tender more Shares for acceptances than as required under the Executive Directors Irrevocable Undertakings; (3) the Controlling Shareholders Close Associates, the Relevant Directors (other than the Executive Directors) and close associates of the Relevant Directors who will tender their Shares in the same proportion as regards their respective own shareholdings as the Controlling Shareholders; and (4) all unvested Share awards for the Relevant Directors are vested and tendered in the same proportion as regards their respective own shareholdings as the Controlling Shareholders) and no Share Options are exercised except for such options undertaken to be exercised by the Executive Directors (if applicable) for the purpose of their Executive Directors Irrevocable Undertakings, is set out below:

| As at 29 March 2021 | Shares to be tendered for acceptance in respect of the Partial Offer | Immediately after completion of the Partial Offer and the Option Offer | Immediately after completion of the Partial Offer and the Option Offer and immediately upon completion of the Placing Agreements |
|---------------------|--|--|--|
|---------------------|--|--|--|

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|                    |   |   |   |   |                    |             |                    |             |
|--------------------|---|---|---|---|--------------------|-------------|--------------------|-------------|
| <b>The Offeror</b> | - | - | - | - | <b>931,209,117</b> | <b>51.7</b> | <b>931,209,117</b> | <b>51.7</b> |
|--------------------|---|---|---|---|--------------------|-------------|--------------------|-------------|

*The Offeror and parties acting in concert with it*

*Controlling Shareholders*

|   |                      |             |                    |             |                    |             |                    |             |
|---|----------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| Kerry Properties  | 718,340,998          | 39.9        | 364,496,510        | 20.3        | 440,406,778        | 24.5        | 363,061,185        | 20.2        |
| Caninco Investments Limited                               | 156,124,097          | 8.7         | 79,219,603         | 4.4         | 95,717,926         | 5.3         | 78,907,649         | 4.4         |
| Darmex Holdings Limited                                   | 128,449,630          | 7.1         | 65,030,344         | 3.6         | 78,862,988         | 4.4         | 65,012,827         | 3.6         |
| Desert Grove Limited                                      | 18,502,856           | 1.0         | 9,388,614          | 0.5         | 11,343,893         | 0.6         | 9,351,644          | 0.5         |
| Glory Voice International Limited                         | 7,842,163            | 0.4         | 3,979,226          | 0.2         | 4,807,942          | 0.3         | 3,963,556          | 0.2         |
| Kerry Asset Management Limited                            | 67,971               | 0.0         | 67,971             | 0.0         | 16,142             | 0.0         | 13,307             | 0.0         |
| Star Medal Limited  | 28,851               | 0.0         | 28,851             | 0.0         | 6,852              | 0.0         | 5,649              | 0.0         |
| Total Way Investments Limited                             | 201,273              | 0.0         | 201,273            | 0.0         | 47,799             | 0.0         | 39,404             | 0.0         |
| Moslane Limited   | 36,910,748           | 2.1         | 18,729,042         | 1.0         | 22,629,564         | 1.3         | 18,655,290         | 1.0         |
| Paruni Limited  | 12,844,175           | 0.7         | 6,517,318          | 0.4         | 7,874,619          | 0.4         | 6,491,654          | 0.4         |
| Ban Thong Company Limited                                 | 9,189,586            | 0.5         | 4,662,928          | 0.3         | 5,634,031          | 0.3         | 4,644,565          | 0.3         |
| Alpha Model Limited                                       | 4,448,313            | 0.2         | 2,257,138          | 0.1         | 2,727,210          | 0.2         | 2,248,249          | 0.1         |
| Bright Magic Investments Limited                          | 5,182,183            | 0.3         | 2,629,514          | 0.1         | 3,177,138          | 0.2         | 2,619,159          | 0.1         |
| Ace Time Holdings Limited                                 | 701,118              | 0.0         | 701,118            | 0.0         | 166,505            | 0.0         | 137,263            | 0.0         |
| Macromind Investments Limited                             | 5,290,234            | 0.3         | 2,684,340          | 0.1         | 3,243,383          | 0.2         | 2,673,770          | 0.1         |
| Marsser Limited   | 1,586,871            | 0.1         | 805,201            | 0.0         | 972,893            | 0.1         | 802,031            | 0.0         |
| Noblespirit Corporation                                   | 12,095,067           | 0.7         | 6,137,210          | 0.3         | 7,415,349          | 0.4         | 6,113,043          | 0.3         |
| Summer Fort Limited                                       | 16,464,500           | 0.9         | 8,008,963          | 0.4         | 10,357,541         | 0.6         | 8,538,519          | 0.5         |
| <b>Sub-total of the Controlling Shareholders (Note 1)</b> | <b>1,134,270,634</b> | <b>63.0</b> | <b>575,545,164</b> | <b>32.0</b> | <b>695,408,553</b> | <b>38.6</b> | <b>573,278,764</b> | <b>31.9</b> |

*Executive Directors*

|                |         |     |         |     |         |     |         |     |
|----------------|---------|-----|---------|-----|---------|-----|---------|-----|
| KUOK Khoon Hua | 558,663 | 0.0 | 558,663 | 0.0 | 132,674 | 0.0 | 132,674 | 0.0 |
|----------------|---------|-----|---------|-----|---------|-----|---------|-----|

|  |                      |             |                    |             |                      |             |                      |             |
|--|----------------------|-------------|--------------------|-------------|----------------------|-------------|----------------------|-------------|
| MA Wing Kai William  | 2,328,403            | 0.1         | 2,328,403          | 0.1         | 552,960              | 0.0         | 552,960              | 0.0         |
| CHEUNG Ping Chuen Vicky  | 31,514,956           | 1.8         | 15,991,140         | 0.9         | 19,321,465           | 1.1         | 19,321,465           | 1.1         |
| NG Kin Hang  | 79,124               | 0.0         | 79,124             | 0.0         | 18,791               | 0.0         | 18,791               | 0.0         |
| <b>Sub-total of Executive Directors (Note 2)</b>   | <b>34,481,146</b>    | <b>1.9</b>  | <b>18,957,330</b>  | <b>1.1</b>  | <b>20,025,890</b>    | <b>1.1</b>  | <b>20,025,890</b>    | <b>1.1</b>  |
| <i>Controlling Shareholders Close Associates</i>   |                      |             |                    |             |                      |             |                      |             |
| Shang Holdings Limited   | 2,241,725            | 0.1         | 1,137,483          | 0.1         | 1,374,377            | 0.1         | 1,374,377            | 0.1         |
| Pristine Holdings Limited  | 981,835              | 0.1         | 498,197            | 0.0         | 601,952              | 0.0         | 601,952              | 0.0         |
| Rosy Frontier Limited  | 473,047              | 0.0         | 240,031            | 0.0         | 290,020              | 0.0         | 290,020              | 0.0         |
| <b>Sub-total of Controlling Shareholders Close Associates (Note 3)</b>   | <b>3,696,607</b>     | <b>0.2</b>  | <b>1,875,711</b>   | <b>0.1</b>  | <b>2,266,349</b>     | <b>0.1</b>  | <b>2,266,349</b>     | <b>0.1</b>  |
| <i>Executive Directors' close associates</i>   |                      |             |                    |             |                      |             |                      |             |
| Peacebright Assets Limited   | 263,610              | 0.0         | 133,759            | 0.0         | 161,617              | 0.0         | 161,617              | 0.0         |
| Lochtenny Investments Limited  | 1,300,000            | 0.1         | 659,639            | 0.0         | 797,015              | 0.0         | 797,015              | 0.0         |
| <b>Sub-total of Executive Directors' close associates (Note 4)</b>   | <b>1,563,610</b>     | <b>0.1</b>  | <b>793,398</b>     | <b>0.0</b>  | <b>958,632</b>       | <b>0.1</b>  | <b>958,632</b>       | <b>0.1</b>  |
| <b>Sub-total of the Offeror and parties acting in concert with it</b>  | <b>1,174,011,997</b> | <b>65.2</b> | <b>597,171,603</b> | <b>33.2</b> | <b>1,649,868,541</b> | <b>91.7</b> | <b>1,527,738,752</b> | <b>84.9</b> |
| <i>Relevant Directors (excluding Executive Directors) and close associates of the Relevant Directors (excluding Executive Directors)</i> |                      |             |                    |             |                      |             |                      |             |
| Wong Yu Pok Marina   | -                    | -           | -                  | -           | -                    | -           | -                    | -           |
| Yeo Philip Liat Kok  | -                    | -           | -                  | -           | -                    | -           | -                    | -           |
| Directors of subsidiaries  | 1,248,304            | 0.1         | 633,407            | 0.0         | 765,321              | 0.0         | 765,321              | 0.0         |
| <b>Sub-total of Relevant Directors (excluding Executive Directors) and close associates of the Relevant Directors</b>                    | <b>1,248,304</b>     | <b>0.1</b>  | <b>633,407</b>     | <b>0.0</b>  | <b>765,321</b>       | <b>0.0</b>  | <b>765,321</b>       | <b>0.0</b>  |

**(excluding  
Executive  
Directors)**

Unvested Share  
awards for  
Relevant  
Directors (other  
than INEDs)

|                        |                      |              |                      |             |                      |              |                      |              |
|------------------------|----------------------|--------------|----------------------|-------------|----------------------|--------------|----------------------|--------------|
| Public<br>Shareholders | 1,960,329            | 0.1          | 994,699              | 0.1         | 1,201,856            | 0.1          | 1,201,856            | 0.1          |
| <b>Total</b>           | <b>1,799,654,035</b> | <b>100.0</b> | <b>1,221,233,114</b> | <b>67.9</b> | <b>1,799,654,035</b> | <b>100.0</b> | <b>1,799,654,035</b> | <b>100.0</b> |

1. *The Relevant Controlling Shareholders will tender 575,545,164 Shares pursuant to the Controlling Shareholders Irrevocable Undertakings, and may or may not tender more Shares for acceptances than as required under the Controlling Shareholders Irrevocable Undertakings.*
2. *The Executive Directors will tender 18,957,330 Shares pursuant to the Executive Directors Irrevocable Undertakings, and may or may not tender more Shares for acceptances than as required under the Executive Directors Irrevocable Undertakings.*
3. *Controlling Shareholders Close Associates comprise (i) Shang Holdings Limited, a company which is indirectly owned as to more than 30% by Kerry Holdings; and (ii) Pristine Holdings Limited and Rosy Frontier Limited, each of which is a discretionary trust of which Kerry Group Limited and Mr. Kuok Khoon Hua are discretionary beneficiaries.*
4. *Close associates of the Executive Directors comprise (i) Peacebright Assets Limited, a discretionary trust of which Mr. Kuok Khoon Hua is a discretionary beneficiary; and (ii) Lochtenny Investments Limited, a discretionary trust of which Mr. Kuok Khoon Hua and Mr. Ma Wing Kai William are discretionary beneficiaries. Each of Mr. Kuok Khoon Hua and Mr. Ma Wing Kai William are Executive Directors.*
5. *J.P. Morgan is the financial adviser to the Offeror in respect of the Partial Offer. Accordingly, J.P. Morgan and persons controlling, controlled by or under the same control as J.P. Morgan (except exempt principal traders and exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) are presumed to be acting in concert with the Offeror in relation to the Company in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code. As confirmed by J.P. Morgan, as at 29 March 2021, members of J.P. Morgan group do not legally or beneficially own, control or have direction over any Shares (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code). Notwithstanding that connected exempt principal traders within the J.P. Morgan group are not acting in concert with the Offeror, Shares held by any such connected exempt principal traders must not be assented to the Partial Offer until the Partial Offer becomes or is declared unconditional as to acceptances in accordance with the requirements of Rule 35.3 of the Takeovers Code, and must not approve the Partial Offer and the Special Deal Agreements in accordance with the requirements of Rule 35.4 of the Takeovers Code, unless (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions shall originate from the client only, and if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader. For this purpose, a written confirmation of the matters set out in points (i) and (ii) above and whether the relevant underlying clients are entitled to vote in the context of the Partial Offer will be submitted to the Executive prior to the publication of the Composite Document.*

***Assuming that all Share Options are exercised***

The shareholding structure of the Company (a) as at 29 March 2021 and (b) immediately after the closing of the Partial Offer and the Option Offer and (c) immediately after the closing of the Partial Offer and the Option Offer and immediately upon completion of the Placing Agreements, assuming that (i) there will be no change to the issued share capital of the Company between 29 March 2021 and



up to the Final Closing Date; and (ii) all Shareholders validly elect to accept the Partial Offer in respect of all of their Shares (except for (1) the Controlling Shareholders who will tender 575,545,164 Shares pursuant to the Controlling Shareholders Irrevocable Undertakings, and who may or may not tender more Shares for acceptances than as required under the Controlling Shareholders Irrevocable Undertakings; (2) the Executive Directors who will tender 18,957,330 Shares pursuant to the Executive Directors Irrevocable Undertakings and who may or may not tender more Shares for acceptances than as required under the Executive Directors Irrevocable Undertakings; (3) the Controlling Shareholders Close Associates, the Relevant Directors (other than the Executive Directors) and close associates of the Relevant Directors who will tender their Shares in the same proportion as regards their respective own shareholdings as the Controlling Shareholders; and (4) all unvested Share awards for the Relevant Directors are vested and tendered in the same proportion as regards their respective own shareholdings as the Controlling Shareholders) and all Share Options are exercised, is set out below:

|   | As at 29 March 2021  |                 | Shares to be tendered for acceptance in respect of the Partial Offer |                 | Immediately after completion of the Partial Offer and the Option Offer |                 | Immediately after completion of the Partial Offer and the Option Offer and immediately upon completion of the Placing Agreements |                 |
|---|----------------------|-----------------|--|-----------------|--|-----------------|--|-----------------|
|   | <i>No. of Shares</i> | <i>Approx.%</i> | <i>No. of Shares</i>   | <i>Approx.%</i> | <i>No. of Shares</i>   | <i>Approx.%</i> | <i>No. of Shares</i>   | <i>Approx.%</i> |
| <b>The Offeror</b>  | -                    | -               | -  | -               | <b>931,209,117</b>   | <b>51.5</b>     | <b>931,209,117</b>   | <b>51.5</b>     |
| <i><u>The Offeror and parties acting in concert with it</u></i> |                      |                 |  |                 |  |                 |  |                 |
| <i><u>Controlling Shareholders</u></i>                          |                      |                 |  |                 |  |                 |  |                 |
| Kerry Properties  | 718,340,998          | 39.7            | 364,496,510  | 20.2            | 441,240,157  | 24.4            | 364,236,660  | 20.1            |
| Caninco Investments Limited                                     | 156,124,097          | 8.6             | 79,219,603   | 4.4             | 95,899,052   | 5.3             | 79,163,127   | 4.4             |
| Darmex Holdings Limited   | 128,449,630          | 7.1             | 65,030,344   | 3.6             | 79,011,672   | 4.4             | 65,222,866   | 3.6             |
| Desert Grove Limited  | 18,502,856           | 1.0             | 9,388,614  | 0.5             | 11,365,359   | 0.6             | 9,381,921  | 0.5             |
| Glory Voice International Limited                               | 7,842,163            | 0.4             | 3,979,226  | 0.2             | 4,817,040  | 0.3             | 3,976,389  | 0.2             |
| Kerry Asset Management Limited                                  | 67,971               | 0.0             | 67,971   | 0.0             | 16,297   | 0.0             | 13,453   | 0.0             |
| Star Medal Limited  | 28,851               | 0.0             | 28,851   | 0.0             | 6,918  | 0.0             | 5,711  | 0.0             |
| Total Way Investments Limited                                   | 201,273              | 0.0             | 201,273  | 0.0             | 48,259   | 0.0             | 39,837   | 0.0             |
| Moslane Limited   | 36,910,748           | 2.0             | 18,729,042   | 1.0             | 22,672,386   | 1.3             | 18,715,690   | 1.0             |
| Paruni Limited  | 12,844,175           | 0.7             | 6,517,318  | 0.4             | 7,889,520  | 0.4             | 6,512,672  | 0.4             |
| Ban Thong Company Limited                                       | 9,189,586            | 0.5             | 4,662,928  | 0.3             | 5,644,693  | 0.3             | 4,659,603  | 0.3             |

|  |                      |             |                    |             |                    |             |                    |             |
|--|----------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| Alpha Model Limited  | 4,448,313            | 0.2         | 2,257,138          | 0.1         | 2,732,371          | 0.2         | 2,255,528          | 0.1         |
| Bright Magic Investments Limited                                       | 5,182,183            | 0.3         | 2,629,514          | 0.1         | 3,183,150          | 0.2         | 2,627,639          | 0.1         |
| Ace Time Holdings Limited  | 701,118              | 0.0         | 701,118            | 0.0         | 168,108            | 0.0         | 138,770            | 0.0         |
| Macromind Investments Limited  | 5,290,234            | 0.3         | 2,684,340          | 0.1         | 3,249,521          | 0.2         | 2,682,427          | 0.1         |
| Marsser Limited  | 1,586,871            | 0.1         | 805,201            | 0.0         | 974,734            | 0.1         | 804,627            | 0.0         |
| Noblespirit Corporation  | 12,095,067           | 0.7         | 6,137,210          | 0.3         | 7,429,382          | 0.4         | 6,132,835          | 0.3         |
| Summer Fort Limited  | 16,464,500           | 0.9         | 8,008,963          | 0.4         | 10,375,853         | 0.6         | 8,565,102          | 0.5         |
| <b>Sub-total of the Controlling Shareholders (Note 1)</b>              | <b>1,134,270,634</b> | <b>62.7</b> | <b>575,545,164</b> | <b>31.8</b> | <b>696,724,472</b> | <b>38.5</b> | <b>575,134,857</b> | <b>31.8</b> |
| <i>Executive Directors</i>   |                      |             |                    |             |                    |             |                    |             |
| KUOK Khoon Hua   | 1,101,000            | 0.1         | 558,663            | 0.0         | 676,288            | 0.0         | 676,288            | 0.0         |
| MA Wing Kai William  | 4,588,761            | 0.3         | 2,328,403          | 0.1         | 2,818,641          | 0.2         | 2,818,641          | 0.2         |
| CHEUNG Ping Chuen Vicky  | 31,514,956           | 1.7         | 15,991,140         | 0.9         | 19,358,027         | 1.1         | 19,358,027         | 1.1         |
| NG Kin Hang  | 155,936              | 0.0         | 79,124             | 0.0         | 95,784             | 0.0         | 95,784             | 0.0         |
| <b>Sub-total of Executive Directors (Note 2)</b>                       | <b>37,360,653</b>    | <b>2.1</b>  | <b>18,957,330</b>  | <b>1.0</b>  | <b>22,948,740</b>  | <b>1.3</b>  | <b>22,948,740</b>  | <b>1.3</b>  |
| <i>Controlling Shareholders Close Associates</i>                       |                      |             |                    |             |                    |             |                    |             |
| Shang Holdings Limited   | 2,241,725            | 0.1         | 1,137,483          | 0.1         | 1,376,977          | 0.1         | 1,376,977          | 0.1         |
| Pristine Holdings Limited  | 981,835              | 0.1         | 498,197            | 0.0         | 603,091            | 0.0         | 603,091            | 0.0         |
| Rosy Frontier Limited  | 473,047              | 0.0         | 240,031            | 0.0         | 290,568            | 0.0         | 290,568            | 0.0         |
| <b>Sub-total of Controlling Shareholders Close Associates (Note 3)</b> | <b>3,696,607</b>     | <b>0.2</b>  | <b>1,875,711</b>   | <b>0.1</b>  | <b>2,270,636</b>   | <b>0.1</b>  | <b>2,270,636</b>   | <b>0.1</b>  |
| <i>Executive Directors' close associates</i>                           |                      |             |                    |             |                    |             |                    |             |
| Peacebright Assets Limited   | 263,610              | 0.0         | 133,759            | 0.0         | 161,923            | 0.0         | 161,923            | 0.0         |
| Lochtenny Investments Limited  | 1,300,000            | 0.1         | 659,639            | 0.0         | 798,523            | 0.0         | 798,523            | 0.0         |

|   |                      |              |                      |             |                      |              |                      |              |
|---|----------------------|--------------|----------------------|-------------|----------------------|--------------|----------------------|--------------|
| <b>Subtotal of Executive Directors' close associates (Note 4)</b>   | <b>1,563,610</b>     | <b>0.1</b>   | <b>793,398</b>       | <b>0.0</b>  | <b>960,446</b>       | <b>0.1</b>   | <b>960,446</b>       | <b>0.1</b>   |
| <b>Sub-total of the Offeror and parties acting in concert with it</b>   | <b>1,176,891,504</b> | <b>65.1</b>  | <b>597,171,603</b>   | <b>33.0</b> | <b>1,654,113,411</b> | <b>91.5</b>  | <b>1,532,523,796</b> | <b>84.8</b>  |
| <i>Relevant Directors (excluding Executive Directors) and close associates of the Relevant Directors (excluding Executive Directors)</i>              |                      |              |                      |             |                      |              |                      |              |
| Wong Yu Pok Marina  | 200,000              | 0.0          | 101,483              | 0.0         | 122,850              | 0.0          | 122,850              | 0.0          |
| Yeo Philip Liat Kok   | 200,000              | 0.0          | 101,483              | 0.0         | 122,850              | 0.0          | 122,850              | 0.0          |
| Directors of subsidiaries   | 4,840,804            | 0.3          | 2,456,293            | 0.1         | 2,973,459            | 0.2          | 2,973,459            | 0.2          |
| <b>Sub-total of Relevant Directors (excluding Executive Directors) and close associates of the Relevant Directors (excluding Executive Directors)</b> | <b>5,240,804</b>     | <b>0.3</b>   | <b>2,659,259</b>     | <b>0.1</b>  | <b>3,219,159</b>     | <b>0.2</b>   | <b>3,219,159</b>     | <b>0.2</b>   |
| Unvested Share awards for Relevant Directors (other than INEDs)   | 1,960,329            | 0.1          | 994,699              | 0.1         | 1,204,130            | 0.1          | 1,204,130            | 0.1          |
| Public Shareholders   | 624,080,405          | 34.5         | 624,080,405          | 34.5        | 149,636,342          | 8.3          | 271,225,957          | 15.0         |
| <b>Total</b>  | <b>1,808,173,042</b> | <b>100.0</b> | <b>1,224,905,966</b> | <b>67.7</b> | <b>1,808,173,042</b> | <b>100.0</b> | <b>1,808,173,042</b> | <b>100.0</b> |

1. The Relevant Controlling Shareholders will tender 575,545,164 Shares pursuant to the Controlling Shareholders Irrevocable Undertakings, and may or may not tender more Shares for acceptances than as required under the Controlling Shareholders Irrevocable Undertakings.
2. The Executive Directors will tender 18,957,330 Shares pursuant to the Executive Directors Irrevocable Undertakings, and may or may not tender more Shares for acceptances than as required under the Executive Directors Irrevocable Undertakings.
3. Controlling Shareholders Close Associates comprise (i) Shang Holdings Limited, a company which is indirectly owned as to more than 30% by Kerry Holdings; and (ii) Pristine Holdings Limited and Rosy Frontier Limited, each of which is a discretionary trust of which Kerry Group Limited and Mr. Kuok Khoon Hua are discretionary beneficiaries.
4. Close associates of the Executive Directors comprise (i) Peacebright Assets Limited, a discretionary trust of which Mr. Kuok Khoon Hua is a discretionary beneficiary; and (ii) Lochtenny Investments Limited, a discretionary trust of which Mr. Kuok Khoon Hua and Mr. Ma Wing Kai William are discretionary beneficiaries. Each of Mr. Kuok Khoon Hua and Mr. Ma Wing Kai William are Executive Directors.

5. *J.P. Morgan is the financial adviser to the Offeror in respect of the Partial Offer. Accordingly, J.P. Morgan and persons controlling, controlled by or under the same control as J.P. Morgan (except exempt principal traders and exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code) are presumed to be acting in concert with the Offeror in relation to the Company in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code. As confirmed by J.P. Morgan, as at 29 March 2021, members of J.P. Morgan group do not legally or beneficially own, control or have direction over any Shares (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code). Notwithstanding that connected exempt principal traders within the J.P. Morgan group are not acting in concert with the Offeror, Shares held by any such connected exempt principal traders must not be assented to the Partial Offer until the Partial Offer becomes or is declared unconditional as to acceptances in accordance with the requirements of Rule 35.3 of the Takeovers Code, and must not approve the Partial Offer and the Special Deal Agreements in accordance with the requirements of Rule 35.4 of the Takeovers Code, unless (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions shall originate from the client only, and if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader. For this purpose, a written confirmation of the matters set out in points (i) and (ii) above and whether the relevant underlying clients are entitled to vote in the context of the Partial Offer will be submitted to the Executive prior to the publication of the Composite Document.*

As at the date of this joint announcement, save as disclosed in the monthly update announcement jointly published by the Offeror and the Company on 8 March 2021 and this joint announcement, there are no further updates on the fulfilment of the Pre-Conditions. The Offeror will continue to work towards satisfaction of the rest of the Pre-Conditions. Further announcement(s) in relation to the latest status of the Partial Offer will be made in due course.

Further announcement(s) will be made as and when appropriate in compliance with the Takeovers Code upon the satisfaction of the Pre-Conditions and the despatch of the Composite Document.

**WARNING: As the making of the Partial Offer and the Option Offer is subject to the satisfaction or waiver (where applicable) of the Pre-Conditions, the Partial Offer and the Option Offer are a possibility only and may or may not be made. Accordingly, Shareholders and prospective investors are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their professional advisers.**

**Completion of the Partial Offer and the Option Offer is subject to the Conditions being fulfilled. Accordingly, the issue of this joint announcement does not in any way imply that the Partial Offer and the Option Offer will be completed. The transactions contemplated by the Special Deal Agreements may or may not proceed. Shareholders and prospective investors are advised to exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their professional advisers.**

By Order of the Sole Director of  
**Flourish Harmony Holdings Company Limited**  
**NG Wai Ting**  
*Director*

By Order of the Board of  
**Kerry Logistics Network Limited**  
**LEE Pui Nee**  
*Company Secretary*

Hong Kong, 30 March 2021

*As at the date of this joint announcement, the Directors are as follows:*

*Executive Directors:*

*Mr. KUOK Khoon Hua, Mr. MA Wing Kai William, Mr. CHEUNG Ping Chuen Vicky and Mr. NG Kin Hang*

*Non-executive Director:*

*Ms. TONG Shao Ming*

*Independent Non-executive Directors:*

*Ms. KHOO Shulamite N K, Ms. WONG Yu Pok Marina, Mr. YEO Philip Liat Kok and Mr. ZHANG Yi Kevin*

*The Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than information relating to the Offeror) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the sole director of the Offeror is Ms. Ng Wai Ting.*

*The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Group) and confirms, having made all reasonable inquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the directors of the Offeror Parent are as follows:*

*Chairman:*

*Mr. Wang Wei*

*Vice Chairman:*

*Mr. Lin Zheyang*

*Directors:*

*Mr. Zhang Yichen, Mr. Liu Chengwei, Mr. Deng Weidong, Mr. Chen Fei, Mr. Luo Shili, Ms. Wu Weiting, Mr. Jin Li, Mr. Ye Diqi, Mr. Zhou Yongjian and Mr. Zhou Zhonghui*

*The directors of the Offeror Parent jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*