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Kerry Logistics  
Network Limited  
嘉里物流聯網有限公司

(Incorporated in the British Virgin Islands and continued into Bermuda  
as an exempted company with limited liability)

Stock Code 636

**INSIDE INFORMATION**  
**PROPOSED ISSUE OF HK DOLLAR DENOMINATED**  
**PERPETUAL CONVERTIBLE SECURITIES**  
**UNDER SPECIFIC MANDATE**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**PROPOSED ISSUE OF HK DOLLAR DENOMINATED PERPETUAL CONVERTIBLE SECURITIES UNDER SPECIFIC MANDATE**

The Company wishes to announce that it is proposing to issue certain Convertible Securities in the aggregate principal amount of up to HK\$780,000,000 to the Subscriber under a specific mandate to be sought from the independent Shareholders.

The Subscriber is an indirect wholly-owned subsidiary of the controlling Shareholder and a connected person of the Company. As such, the Proposed Issue, if it materializes, will constitute a connected transaction of the Company. Upon and subject to finalization of the terms of the Convertible Securities, the Proposed Issue is subject to announcement, reporting and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

No application would be made by the Company for the listing of the Convertible Securities on the Stock Exchange. An application would be made to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares.

**The Proposed Issue may or may not proceed and no definitive agreement in relation to the Proposed Issue has been entered into as at the time of release of this announcement. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares or any other securities of the Company.**

Further announcement in respect of the Proposed Issue will be made by the Company should the parties enter into a subscription agreement in relation to the Convertible Securities.

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## PROPOSED ISSUE OF HK DOLLAR DENOMINATED PERPETUAL CONVERTIBLE SECURITIES UNDER SPECIFIC MANDATE

The Company wishes to announce that it is proposing to issue certain Convertible Securities in the aggregate principal amount of up to HK\$780,000,000 to the Subscriber under a specific mandate to be sought from the independent Shareholders. Terms of the Proposed Issue, including the issue price, the initial conversion price and other terms of the Convertible Securities will be determined by the Company and the Subscriber after further negotiations. Upon and subject to finalization of the terms of the Convertible Securities, the Company and the Subscriber will enter into a subscription agreement in relation to the Convertible Securities.

The Subscriber is an indirect wholly-owned subsidiary of the controlling Shareholder and a connected person of the Company. As such, the Proposed Issue, if it materializes, will constitute a connected transaction of the Company. Upon and subject to finalization of the terms of the Convertible Securities, the Proposed Issue is subject to announcement, reporting and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

No application would be made by the Company for the listing of the Convertible Securities on the Stock Exchange. An application would be made to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares.

## REASONS FOR THE ISSUE OF CONVERTIBLE SECURITIES AND USE OF PROCEEDS

If the Proposed Issue materializes, the Company intends to use the net proceeds from the Proposed Issue for the expansion of its international express delivery business in Southeast Asia, particularly to support KEX Thailand, replenishment of general working capital and repayment of existing debt. The subscription for the Convertible Securities by the Subscriber is also expected to enable the Subscriber to support the Company in expanding its international express delivery business in Southeast Asia, particularly to support KEX Thailand.

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Further announcement in respect of the Proposed Issue will be made by the Company should the parties enter into a subscription agreement in relation to the Convertible Securities.

## DEFINITIONS

Unless the context otherwise requires, terms used in this announcement have the meanings set out below:

“Board”	the board of Directors
“Company”	Kerry Logistics Network Limited, a company incorporated in the British Virgin Islands and continued into Bermuda to become an exempted company with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 636)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Convertible Securities”	the HK dollar denominated perpetual convertible securities in the aggregate principal amount of up to HK\$780,000,000 to be issued by the Company
“Conversion Shares”	the Shares to be allotted and issued by the Company upon conversion of the Convertible Securities
“Director(s)”	director(s) of the Company
“Hong Kong” or “HK”	Hong Kong Special Administrative Region of the PRC
“KEX Thailand”	Kerry Express (Thailand) Public Company Limited, a public company with limited liability registered in Thailand and listed on The Stock Exchange of Thailand (stock code: KEX), is a subsidiary of the Company
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Proposed Issue”	the proposed issue of Convertible Securities by the Company
“PRC”	the People’s Republic of China
“SF Holding”	S.F. Holding Co., Ltd., a joint stock company incorporated in the PRC with limited liability and the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002352.SZ)
“Share(s)”	share(s) of nominal value of HK\$0.50 each in the Company or, if there has been a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary share capital of the Company

“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	an indirect wholly-owned subsidiary of SF Holding
“%”	per cent

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

Hong Kong, 28 March 2023

*As at the date of this announcement, the Directors of the Company are:*

*Chairman, Non-executive Director:*  
 Mr WANG Wei

*Vice Chairman, Non-executive Director:*  
 Mr KUOK Khoon Hua

*Executive Directors:*  
 Mr MA Wing Kai William and Mr CHEUNG Ping Chuen Vicky

*Non-executive Directors:*  
 Mr CHAN Fei, Mr HO Chit and Ms CHEN Keren

*Independent Non-executive Directors:*  
 Dr CHEUNG Wai Man, Mr LAI Sau Cheong Simon, Mr TAN Chuen Yan Paul and Ms WONG Yu Pok Marina

*This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.kln.com](http://www.kln.com)).*