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嘉里建設有限公司*

KERRY PROPERTIES LIMITED

(Incorporated in Bermuda with limited liability)

website: www.kerryprops.com

(Stock Code: 683)

CONNECTED TRANSACTION
CASH ADVANCE TO A JOINT VENTURE IN TIANJIN, THE PRC

CASH ADVANCE AGREEMENT

On 16 May 2025, KSRE (the lender), a non-wholly owned subsidiary of the Company, and TKRE (the borrower), a joint venture established for the Tianjin Project, entered into the Cash Advance Agreement, pursuant to which KSRE agreed to provide a Loan in the principal amount of up to RMB250,000,000 (approximately HK\$271,000,000) to TKRE for a term of two years.

LISTING RULES IMPLICATIONS

KSRE is held indirectly as to 60%, 25% and 15% by the Company, SA and Allgreen respectively, and TKRE is held indirectly as to 49%, 20% and 31% by the Company, SA and Allgreen respectively. KHL is the controlling shareholder of the Company and SA and Allgreen are associates of KHL. Accordingly, SA and Allgreen are connected persons of the Company, and as a result, KSRE is a connected subsidiary and TKRE is a commonly held entity of the Company. Therefore, the entering into of the Cash Advance Agreement constitutes a connected transaction of the Company under the Listing Rules.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Loan exceed 0.1% but are less than 5%, the entering into of the Cash Advance Agreement is subject to announcement and reporting requirements but is exempt from the circular (including independent financial advice) and the shareholders' approval requirements under Chapter 14A of the Listing Rules.

** For identification purpose only*

INTRODUCTION

On 16 May 2025, KSRE (the lender), a non-wholly owned subsidiary of the Company, and TKRE (the borrower), a joint venture established for the Tianjin Project, entered into the Cash Advance Agreement, pursuant to which KSRE agreed to provide a Loan in the principal amount of up to RMB250,000,000 (approximately HK\$271,000,000) to TKRE for a term of two years.

CASH ADVANCE AGREEMENT

The principal terms of the Cash Advance Agreement are as follows:

Date of Agreement:	16 May 2025
Lender:	Kerry (Shenyang) Real Estate Development Co., Ltd.*
Borrower:	Tianjin Kerry Real Estate Development Co., Ltd.*
Principal Amount:	Up to RMB250,000,000 (approximately HK\$271,000,000)
Interest:	The annual interest rate applicable to an advance under the Loan will be 3.35% per annum, calculated from the drawdown date on the basis of a year of 360 days.
Purposes of the Loan:	The funds drawn under the Cash Advance Agreement will be used for the payment of the development construction costs and daily operating expenses for the Tianjin Project.
Term:	For two (2) years from the date of the Cash Advance Agreement.
Repayment Terms:	The outstanding principal amount of the Loan together with all accrued interests shall be repaid in one lump sum at the end of the term. TKRE may, at any time during the term of the Cash Advance Agreement, repay the outstanding cash advance in part or in full together with the corresponding outstanding interest at no additional charge. TKRE is not entitled to redraw the repaid portion of the cash advance.
Guarantee or Security:	No guarantee or security will be provided by TKRE or by the Company.

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INFORMATION OF THE GROUP AND THE PARTIES

The principal activity of the Company is investment holding, and the principal activities of the Company's subsidiaries, associates and joint ventures comprise property development, investment and management in Hong Kong, the Mainland and the Asia Pacific region; and hotel ownership in Hong Kong, and hotel ownership and operations in the Mainland.

KSRE is a company indirectly owned by the Company, SA and Allgreen as to 60%, 25% and 15% respectively. The principal activities of KSRE are property investment, trading and development in the PRC.

TKRE is a company indirectly owned by the Company, SA and Allgreen as to 49%, 20% and 31% respectively. The principal activities of TKRE are property development, construction, operation and management.

KHL is incorporated in Hong Kong and is the controlling shareholder of the Company. The principal activity of KHL is investment holding.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE CASH ADVANCE AGREEMENT

The source of funds for the Loan is the surplus cash held by KSRE. The Board believes that providing the Loan to TKRE will optimise the Group's resource utilisation, as it not only addresses TKRE's capital needs but also yields interest income for KSRE. This strategy supports the Company's liquidity management objectives by deploying idle funds to maximise returns and reduce external financing costs and reliance.

The terms of the Cash Advance Agreement were determined between the parties after arm's length negotiations and taking into account of prevailing market interest rates. The interest rate under the Cash Advance Agreement was determined with reference to the interest rates offered by financial institutions.

The Directors (including the independent non-executive Directors) are of the view that the entering into of the Cash Advance Agreement is in the ordinary and usual course of business of the Group and that the terms of the Cash Advance Agreement are on normal commercial terms or better, being fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

KSRE is held indirectly as to 60%, 25% and 15% by the Company, SA and Allgreen respectively, and TKRE is held indirectly as to 49%, 20% and 31% by the Company, SA and Allgreen respectively. KHL is the controlling shareholder of the Company and SA and Allgreen are associates of KHL. Accordingly, SA and Allgreen are connected persons of the Company, and as a result, KSRE is a connected subsidiary and TKRE is a commonly held entity of the Company. Therefore, the entering into of the Cash Advance Agreement constitutes a connected transaction of the Company under the Listing Rules.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Loan exceed 0.1% but are less than 5%, the entering into of the Cash Advance Agreement is subject to announcement and reporting requirements but is exempt from the circular (including independent financial advice) and the shareholders' approval requirements under Chapter 14A of the Listing Rules.

Mr. Kuok Khoon Hua, the Chairman and Chief Executive Officer of the Company, has declared that he, together with his associates, is directly or indirectly interested in 5% or more of the issued shares of each of SA and Allgreen, and therefore Mr. Kuok has abstained from voting on the relevant resolutions of the Board approving the Cash Advance Agreement.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Allgreen”	Allgreen Properties Limited, a company incorporated in Singapore with limited liability;
“associate(s)”, “commonly held entity”, “connected person(s)”, “connected subsidiary”, “connected transaction”, “controlling shareholder”, “percentage ratios” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Cash Advance Agreement”	the cash advance agreement dated 16 May 2025 entered into between KSRE (as lender) and TKRE (as borrower) in respect of the provision of the Loan;

“Company”	Kerry Properties Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC;
“KHL”	Kerry Holdings Limited, a limited liability company incorporated in Hong Kong, which as at the date of this announcement is the controlling shareholder of the Company;
“KSRE”	Kerry (Shenyang) Real Estate Development Co., Ltd.* 嘉里（瀋陽）房地產開發有限公司, a company established in the PRC and indirectly owned by the Company, SA and Allgreen as to 60%, 25% and 15% respectively;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	the loan in the principal amount of up to RMB250,000,000 (approximately HK\$271,000,000) for a term of two (2) years granted by KSRE to TKRE pursuant to the Cash Advance Agreement;
“PRC” or “Mainland”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“SA”	Shangri-La Asia Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are primarily listed on the Main Board of the Stock Exchange with secondary listing on the Singapore Exchange Securities Trading Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

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“Tianjin Project”	The development, construction, operation and management of a mixed-use project at No. 238, Liuwei Road, Hedong District, Tianjin, the PRC;
“TKRE”	Tianjin Kerry Real Estate Development Co., Ltd.* 天津嘉里房地產開發有限公司, a company established in the PRC and indirectly owned by the Company, SA and Allgreen as to 49%, 20% and 31% respectively; and
“%”	per cent.

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Amounts denominated in RMB in this announcement have been converted into HK\$ at the rate of RMB1=HK\$1.084 for illustration purpose.

By order of the Board
Kerry Properties Limited
Cheng Wai Sin
Company Secretary

Hong Kong, 16 May 2025

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

Executive Director:	<i>Mr. Kuok Khoon Hua</i>
Independent Non-executive Directors:	<i>Mr. Hui Chun Yue, David, Mr. Chum Kwan Lock, Grant and Dr. Li Rui</i>
Non-executive Director:	<i>Ms. Tong Shao Ming</i>