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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 QIANHAI, THE PRC

CASH ADVANCE AGREEMENT

On 31 March 2026, SHBP (as lender), a wholly-owned subsidiary of the Company, and MFSZ (as borrower), the joint venture established for the Qianhai Project Site, entered into the Cash Advance Agreement, pursuant to which SHBP agreed to advance cash in the principal amount of up to RMB550,000,000 (approximately HK\$623,700,000) to MFSZ for a term from the relevant drawdown date of each advance to 31 December 2028, being a period of not more than three years. The amounts advanced will be applied for the purposes specified below in connection with the Kerry Project.

LISTING RULES IMPLICATIONS

As MFSZ is held indirectly as to 50% by KHL and KHL is a controlling shareholder of the Company, MFSZ is therefore a connected person of the Company, and thus the transaction contemplated under the Cash Advance Agreement constitutes a connected transaction of the Company under Chapter 14A of 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 transaction contemplated under the Cash Advance Agreement are more than 0.1% but are less than 5%, the transaction contemplated under the Cash Advance Agreement is subject to announcement and reporting requirements but is exempt from the circular (including independent financial advice) and shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

** For identification purpose only*

INTRODUCTION

Reference is made to the 2016 Announcement. As disclosed in the 2016 Announcement, notwithstanding that the Qianhai Project Site is an asset of MFSZ (being the joint venture for the Qianhai Project Site), the Kerry Parties and BEA shall only develop, manage and operate the Kerry Project and the BEA Project respectively and only be entitled to participate in the profits and losses of the Kerry Project and the BEA Project respectively as if each project was a separate and stand-alone business. The funding needs of MFSZ in respect of the Kerry Project should therefore be met by the Kerry Parties.

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CASH ADVANCE AGREEMENT

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

Date of Agreement:	31 March 2026
Lender:	Shanghai Brilliant Prestige Real Estate Co., Ltd.*
Borrower:	Million Fortune Development (Shenzhen) Co., Ltd.*
Principal Amount:	MFSZ may, during the term of the Cash Advance Agreement, make one or more cash advance drawdowns up to an aggregate principal amount of RMB550,000,000 (approximately HK\$623,700,000).
Interest:	Interest on the cash advances accrues from the relevant drawdown date(s) on the amount actually advanced and is payable once per year during the term of the Cash Advance Agreement, with the principal repayable in full at maturity.

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Interest will be calculated based on the number of days for any tranche of advances that is outstanding in the calendar year, and at a daily rate calculated by dividing the applicable annual interest rate (being the prevailing five-year LPR minus 70 basis points as at the date of the Cash Advance Agreement, as adjusted on each subsequent 1 January of each year) by 360, in accordance with the following formula:

$$\text{Interest} = \text{outstanding principal} \times \text{number of days} \times \text{daily rate}.$$

Purposes of the Cash Advance: The funds drawn under the Cash Advance Agreement will be applied towards the payment of the construction and development costs, daily operating expenses, repayment of loans and interests, and as general working capital for the Kerry Project.

Term: Commence on the relevant drawdown date of each cash advance and expire on 31 December 2028, being a period of not more than three years.

Repayment Terms: The outstanding principal amount of the advances under the Cash Advance Agreement shall be repaid in one lump sum at maturity.

MFSZ may, at any time during the term of the Cash Advance Agreement, by giving not less than 5 business days prior written notice to SHBP, repay the outstanding cash advance in part or in full together with the corresponding outstanding interest at no additional charge. MFSZ is not entitled to redraw the repaid portion of the cash advance.

Guarantee or Security: No guarantee or security will be provided by MFSZ or the Company.

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 Chinese Mainland and the Asia Pacific region; and hotel ownership in Hong Kong, and hotel ownership and operations in the Chinese Mainland.

SHBP is wholly-owned by the Company. The principal activities of SHBP are property trading and development in the PRC.

MFSZ is held indirectly as to 25%, 50% and 25% by the Company, KHL and BEA respectively. The principal activities of MFSZ are the development, management and operation of the Kerry Project and the BEA Project as disclosed in the 2016 Announcement.

KHL is incorporated in Hong Kong and is a 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 cash advance is the surplus cash held by SHBP. The cash advance will be used to meet the funding needs of the Kerry Project, covering the payment of the construction and development costs, daily operating expenses, repayment of loans and interests, and as general working capital for the Kerry Project. The Board considers that deploying surplus cash for these purposes represents an efficient use of financial resources, as it allows idle funds within the Group to be utilised to support a valuable project and enables SHBP to earn interest income. The Directors believe that it is in the interest of the Company to provide the funding to MFSZ for the Kerry Project.

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 and exceeds the prevailing deposit interest rates available to SHBP from the banks in the Chinese Mainland.

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

LISTING RULES IMPLICATIONS

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As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the transaction contemplated under the Cash Advance Agreement are more than 0.1% but are less than 5%, the transaction contemplated under the Cash Advance Agreement is subject to announcement and reporting requirements but is exempt from the circular (including independent financial advice) and shareholders' approval requirements under Rule 14A.76(2) of the Listing Rules.

Mr. Kuok Khoon Hua, the Chairman, Chief Executive Officer and Executive Director 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 KHL. Therefore, Mr. Kuok has abstained from voting on the relevant resolutions of the Board approving the Cash Advance Agreement and the transaction contemplated thereunder.

DEFINITIONS

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

“2016 Announcement”	the Company’s announcement dated 7 December 2016 in relation to the establishment of a joint venture for the acquisition, holding and development of the Qianhai Project Site;
“associate(s)”, “connected person”, “connected transaction”, “controlling shareholder”, “percentage ratios” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules;
“BEA”	The Bank of East Asia, Limited, a limited liability company incorporated in Hong Kong, the shares of which are listed on the Main Board of the Stock Exchange;
“BEA Project”	the operation and management of a building for office and commercial use by the BEA and its subsidiaries at the Qianhai Project Site;
“Board”	the board of Directors;
“Cash Advance Agreement”	the cash advance agreement dated 31 March 2026 entered into between SHBP (as lender) and MFSZ (as borrower) in respect of cash advance(s) to be made from SHBP to MFSZ as detailed in this announcement;
“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;
“Kerry Parties”	the Company and KHL;
“Kerry Project”	the operation and management of a building for office and commercial use and a hotel by the Kerry Parties at the Qianhai Project Site;
“KHL”	Kerry Holdings Limited, a limited liability company incorporated in Hong Kong, which as at the date of this announcement is a controlling shareholder of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“LPR”	the Loan Prime Rate calculated and published by the National Interbank Funding Center of the PRC from time to time;
“MFSZ”	Million Fortune Development (Shenzhen) Co., Ltd.* 寰裕置業（深圳）有限公司, a company established in the PRC and indirectly owned by the Company, KHL and BEA as to 25%, 50% and 25% respectively;
“PRC” or “Chinese Mainland”	the People’s Republic of China;
“Qianhai Project Site”	known as Qianhai Kerry Centre (T102-0260), located at No. 399 Qianwan 1st Road, Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, Nanshan District, Shenzhen, the PRC, with gross floor area of approximately 119,570 square metres for commercial use;
“RMB”	Renminbi, the lawful currency of the PRC;
“SHBP”	Shanghai Brilliant Prestige Real Estate Co., Ltd.* 上海卓妙置業有限公司, a company established in the PRC and a wholly-owned subsidiary of the Company;

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“**Stock Exchange**” The Stock Exchange of Hong Kong Limited; and

“**%**” per cent.

Amounts denominated in RMB in this announcement have been converted into HK\$ at the rate of RMB1=HK\$1.134 for illustration purpose.

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

Hong Kong, 31 March 2026

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

Executive Director: *Mr. Kuok Khoon Hua*

***Independent Non-
executive Directors:*** *Mr. Hui Chun Yue, David, Mr. Chum Kwan Lock, Grant and Dr. Li Rui*

Non-executive Director: *Ms. Tong Shao Ming*