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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)

**DISCLOSEABLE TRANSACTIONS:
FORMATION OF JOINT VENTURE FOR ACQUISITION,
HOLDING AND DEVELOPMENT OF LAND IN SHANGHAI**

On 30 July 2026, the Consortium formed by ShengYao (an indirect wholly-owned subsidiary of the Company) and HengJiu received the Confirmation Notice from Shanghai Bureau that the Tender Bid is successful, and the land use rights of the Project Land are granted to the Consortium at the consideration of RMB2,705,250,000 (excluding relating tax) (approximately HK\$3,138,090,000). Accordingly, the Parties will enter into the Shareholders' Agreement and establish the Project Company, which will be owned by ShengYao and HengJiu in the proportions of 95% and 5%, respectively, for the purposes of holding and developing the Project Land, and managing and operating the Developed Properties.

The Consortium will enter into the Land Grant Contracts with Shanghai Bureau for the acquisition of the land use rights of the Project Land. Following the establishment of the Project Company, the Project Company will enter into supplemental agreements with Shanghai Bureau pursuant to which the rights and obligations of the Consortium under the Land Grant Contracts will be assumed by the Project Company for the purposes of holding the Project Land and undertaking the subsequent development, management and operation of the Developed Properties. The Tender Deposit paid upon submission of the Tender Bid will be refunded to the Consortium in accordance with the applicable tender procedures. The Parties will provide shareholder funding to the Project Company in accordance with their respective shareholding proportions. On this basis, the Group's maximum investment commitment to the Project throughout the Project period is expected not to exceed approximately RMB5,035 million (approximately HK\$5,841 million, representing 95% of the Commitment Amount.)

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Parties' maximum investment commitment exceed 5% but are less than 25%, the Transactions constitute discloseable transactions of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

* For identification purpose only

INTRODUCTION

On 6 July 2026, ShengYao and HengJiu entered into the Framework Agreement pursuant to which the Parties agreed to form the Consortium to participate in the land tender process for the Project Land and, upon successful acquisition of the land use rights of the Project Land, to establish the Project Company to hold and develop the Project Land, and manage and operate the Developed Properties.

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The Consortium will enter into the Land Grant Contracts with Shanghai Bureau for the acquisition of the land use rights of the Project Land. Following the establishment of the Project Company, the Project Company will enter into supplemental agreements with Shanghai Bureau pursuant to which the rights and obligations of the Consortium under the Land Grant Contracts will be assumed by the Project Company for the purposes of holding the Project Land and undertaking the subsequent development, management and operation of the Developed Properties. The Tender Deposit paid upon submission of the Tender Bid will be refunded to the Consortium in accordance with the applicable tender procedures. Details of the funding arrangements are set out in the section headed "Financing of the Project and Funding Commitment of the Parties" below.

The Project Land has an aggregate site area of approximately 95,775 square metres. Subject to the relevant planning and construction approvals, the Project is intended to comprise a large-scale commercial and culture development in the Yangsi area of Pudong New District, Shanghai. Details of the Project Land are set out below. Pursuant to the Land Grant Contracts, the commercial properties, cultural properties (where applicable) and underground car parks forming part of the Project are generally required to be self-held throughout the applicable land use terms, subject to certain permitted exceptions. It is currently intended that such properties will be retained, managed and operated by the Project Company as long-term investment properties.

PROJECT LAND

The Project Land comprises:

Land Parcel 1

Location:	Yangsi Community Z000602 Unit 21Aa-04 Plot, Pudong New District, Shanghai, PRC
Site area:	Approximately 27,042 square metres
Permitted use:	Commercial and cultural use
Plot ratio:	2.8
GFA (plot ratio accountable):	Approximately 75,716 square metres (above-ground)
Land use term:	40 years (commercial) and 50 years (cultural)

Land Parcel 2

Location:	Yangsi Community Z000602 Unit 21Ab-01 Plot, together with the E and F above-ground parcels along Jingsan Road, Jingsan Road Underground Parcel C, 21Ca-01 underground parcel and Jingyi Road Underground Parcel D, Pudong New District, Shanghai, PRC
Site area:	Approximately 68,733 square metres (above-ground site area approximately 26,538 square metres)
Permitted use:	Commercial use
Plot ratio:	2.8
GFA (plot ratio accountable):	Approximately 74,306 square metres (above-ground)
Land use term:	40 years

PROPOSED MAJOR TERMS OF THE SHAREHOLDERS' AGREEMENT TO BE ENTERED INTO BY THE PARTIES

Parties:	ShengYao and HengJiu. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, HengJiu and its ultimate beneficial owners are third parties independent of the Company and its connected persons.
Shareholdings in the Project Company:	The shareholdings of ShengYao and HengJiu in the Project Company are in the proportions of 95% and 5%, respectively.
Scope of business of the Project Company:	Development, construction, holding, management, operation and maintenance of the Project.
Governance of the Project Company:	The board of directors of the Project Company shall consist of three directors, of whom two shall be appointed by ShengYao and one by HengJiu. The chairman and legal representative of the Project Company shall be appointed by ShengYao. Certain matters of the Project Company shall require approval at a shareholders' meeting.

FINANCING OF THE PROJECT AND FUNDING COMMITMENT OF THE PARTIES

The Parties will provide a total amount of shareholders' funding of not more than the Commitment Amount to the Project Company in accordance with their respective shareholding proportions in the Project Company. The terms of the Framework Agreement were entered into after arm's length negotiations between the Parties. The Commitment Amount is the aggregate of the Consideration, the estimated deed tax and stamp duty payable in connection with the acquisition of the land use rights of the Project Land, the agreed project start-up funding, and the estimated total development costs of the Project. It is also envisaged that the Project Company may procure financing from financial institutions for the development and operational requirements of the Project.

The Group's maximum investment commitment to the Project throughout the Project period is expected not to exceed approximately RMB5,035 million (approximately HK\$5,841 million, representing 95% of the Commitment Amount), which is expected to be funded from the Group's internal funding resources and/or external bank borrowings. The funding commitment is not expected to have any material adverse impact on the financial position of the Group.

The Directors (including the independent non-executive Directors) take the view that the investment commitment for the Project is fair and reasonable and in the interests of the Group and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTIONS

The Project Land is located in the Yangsi area of Pudong New District, Shanghai and has an aggregate site area of approximately 95,775 square metres. Subject to the relevant planning and construction approvals, the Project is intended to comprise a large-scale commercial and cultural development.

The Transactions are consistent with the Group's strategy of building and expanding its investment property portfolio in core cities in the Chinese Mainland. The Board believes that the Project will enhance the Group's investment property presence in Shanghai and provide a platform for the Group to generate long-term recurring income through the development, management and operation of commercial and cultural properties. In addition, the co-operation between the Parties enables the Project to benefit from their respective expertise in property development, investment and commercial management, which the Board believes will contribute to the successful implementation and long-term operation of the Project. Accordingly, the Board considers that the Transactions will enhance value for the Shareholders and support the sustainable growth of the Group.

The proposed major terms of the Shareholders' Agreement were determined after arm's length negotiations between the Parties. The Directors (including the independent non-executive Directors) take the view that the Transactions are on normal commercial terms, in the ordinary and usual course of business of the Group, and the proposed major terms of the Shareholders' Agreement are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

INFORMATION OF THE GROUP AND SHENGYAO

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.

ShengYao is an indirect wholly-owned subsidiary of the Company established in the PRC and is principally engaged in enterprise management consultancy.

INFORMATION OF HENGJIU

HengJiu is a company established in the PRC and is principally engaged in enterprise management consultancy and information technology consultancy services. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, HengJiu and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

IMPLICATIONS 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 Parties' maximum investment commitment exceed 5% but are less than 25%, the Transactions constitute discloseable transactions of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“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;
“Commitment Amount”	the total maximum investment commitment amount to be provided by the Parties for the acquisition of the land use rights of the Project Land and the development of the Project Land, being approximately RMB5,300 million (approximately HK\$6,148 million);
“Confirmation Notice”	the confirmation notice of successful tender (成交確認書) in relation to the Tender Bid dated 30 July 2026 issued by Shanghai Bureau to the Consortium confirming that the Tender Bid submitted by the Consortium is successful;
“connected person(s)”, “percentage ratios”, and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules;

“Consideration”	the total consideration for acquisition of the land use rights of the Project Land (excluding relating tax), being RMB2,705,250,000 (approximately HK\$3,138,090,000);
“Consortium”	ShengYao and HengJiu acting in collaboration on an integrated basis for the purposes of the Tender Bid;
“Developed Properties”	all buildings, structures, improvements, ancillary facilities and underground spaces to be developed on the Project Land by the Project Company;
“Directors”	the director(s) of the Company;
“Framework Agreement”	the Framework Agreement dated 6 July 2026 and entered into between ShengYao and HengJiu in respect of the acquisition of the land use rights of the Project Land and formation of the Project Company to hold the Project;
“GFA”	gross floor area;
“Group”	the Company and its subsidiaries;
“HengJiu”	Shanghai HengJiu Commercial Management Co., Ltd.* (上海衡九商業管理有限公司), a company established in the PRC with limited liability;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Land Grant Contracts”	the Shanghai Municipal State-owned Construction Land Use Right Grant Contracts (上海市國有建設用地使用權出讓合同) in respect of the Project Land;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Party(ies)”	ShengYao and HengJiu;
“PRC” or “Chinese Mainland”	the People’s Republic of China;
“Project”	the development, management and operation of properties of the Project Land;
“Project Company”	a joint venture company to be established in Shanghai, the PRC owned by ShengYao and HengJiu as to 95% and 5% respectively;

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“Project Land”	(i) the plot known as Yangsi Community Z000602 Unit 21Aa-04 Plot, Pudong New District, Shanghai, PRC (中國上海市浦東新區楊思社區Z000602單元21Aa-04地塊) with a site area of approximately 27,042 square metres, and (ii) the plot known as Yangsi Community Z000602 Unit 21Ab-01 Plot, together with the E and F above-ground parcels along Jingsan Road, Jingsan Road Underground Parcel C, 21Ca-01 underground parcel and Jingyi Road Underground Parcel D, Pudong New District, Shanghai, PRC (中國上海市浦東新區楊思社區Z000602單元21Ab-01地塊、經三路地上E、F地塊及地下空間C地塊、21Ca-01地塊地下空間及經一路地下空間D地塊) with a site area of approximately 68,733 square metres, having an aggregate site area of approximately 95,775 square metres;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shanghai Bureau”	Shanghai Pudong New District Planning and Natural Resources Bureau (上海市浦東新區規劃和自然資源局);
“Shanghai Land Authorities”	Shanghai Bureau, Shanghai Urban Planning and Natural Resources Bureau (上海市規劃和自然資源局) and other competent authorities involved in the Tender Bid;
“Shareholders”	shareholders of the Company;
“Shareholders’ Agreement”	the shareholders’ agreement to be entered into between ShengYao and HengJiu in respect of formation of the Project Company to hold the Project, subject to the terms as disclosed in paragraph headed “Proposed Major Terms of the Shareholders’ Agreement to be entered into by the Parties” above and the final form to be agreed between the Parties;
“ShengYao”	ShengYao (Shanghai) Consultancy Management Co., Ltd.* (盛肴(上海)諮詢管理有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tender Bid”	the bid, tender documents, application materials and other documents submitted by the Consortium to the Shanghai Land Authorities in connection with the acquisition of the land use rights of the Project Land pursuant to the relevant land tender process;
“Tender Deposit”	the deposit for the Tender Bid in the amount of RMB299,860,000 (approximately HK\$347,838,000) paid by ShengYao and HengJiu in connection with the Tender Bid in the proportions of 95% and 5%, respectively;

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“Transactions”

the acquisition of the land use rights of the Project Land, the formation of the Project Company and the entering into of the Shareholders’ Agreement, the assumption by the Project Company of the rights and obligations under the Land Grant Contracts pursuant to the supplemental agreement with Shanghai Bureau, and the transactions contemplated thereunder; and

“%”

per cent.

Amounts denominated in RMB in this announcement have been converted into HK\$ at the rate of RMB1=HK\$1.16 for illustration purposes.

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

Hong Kong, 30 July 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*