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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 RENEWAL OF TENANCY OF KERRY CENTRE

RENEWAL OF TENANCY

On 17 November 2025, KPLHK (a wholly-owned subsidiary of the Company) as tenant, accepted the Offer made by Ubagan as landlord, to renew the existing tenancy in respect of the Premises in Kerry Centre for a term of two years commencing on 19 November 2025 and expiring on 18 November 2027 (both days inclusive).

LISTING RULES IMPLICATIONS

Ubagan is indirectly owned by KHL and the Company as to 60% and 40% respectively, and KHL is the controlling shareholder of the Company. Ubagan is an associate of KHL and is therefore a connected person of the Company. As such, the Renewal constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the aggregate value of the right-of-use assets recognised based on the rent under the Renewal are more than 0.1% but all of the applicable percentage ratios are less than 5%, the Renewal is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Apart from the rent, the Group would also need to pay the Variable Payments to Ubagan, which constitute continuing connected transactions of the Company under the Listing Rules. As all of the applicable percentage ratios based on the annual amount of the Variable Payments are less than 0.1%, the Variable Payments constitute de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and are fully exempt from the reporting, announcement, circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

** For identification purpose only*

INTRODUCTION

On 17 November 2025, KPLHK (a wholly-owned subsidiary of the Company) as tenant, accepted the Offer made by Ubagan as landlord, to renew the existing tenancy in respect of the Premises in Kerry Centre for a term of two years commencing on 19 November 2025 and expiring on 18 November 2027 (both days inclusive).

THE OFFER

Date of acceptance:	17 November 2025
Landlord:	Ubagan
Tenant:	KPLHK
Leased premises:	Premises
Lease term:	Two years commencing on 19 November 2025 and expiring on 18 November 2027 (both days inclusive).
Rent:	Approximately HK\$2,322,000 per month.
Variable Payments:	Approximately HK\$588,000 per month, subject to revision from time to time by the building manager of Kerry Centre.
Signing of Tenancy Agreement:	Ubagan and KPLHK shall enter into the relevant formal Tenancy Agreement in respect of the Renewal, which shall contain substantially the same terms and conditions as the relevant Existing Tenancy Agreement with such variations as shall be necessary to reflect the Renewal and the terms and conditions as set out in the Offer.

In accordance with HKFRS 16 “Leases”, the aggregate rental payment under the Tenancy Agreement will be recognised as right-of-use assets of the Group on 19 November 2025 for an amount of approximately HK\$53 million.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE RENEWAL

The Group has been using the Premises as its corporate offices in Hong Kong. The Group has decided to renew the tenancy in respect of the Premises for the same use. The Board considers that it is in the interest of the Group to enter into the Renewal.

The terms of the Offer (including the rent) have been arrived at after arm’s length negotiation between KPLHK and Ubagan with reference to the prevailing market rental levels of office premises in the vicinity of Kerry Centre.

The Directors (including the independent non-executive Directors) are of the view that the Renewal is entered into in the ordinary and usual course of business of the Group and believe that the terms of the Offer are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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 and therefore, Mr. Kuok has abstained from voting on the relevant resolutions of the Board approving the Renewal.

LISTING RULES IMPLICATIONS

Ubagan is indirectly owned by KHL and the Company as to 60% and 40% respectively, and KHL is the controlling shareholder of the Company. Ubagan is an associate of KHL and is therefore a connected person of the Company.

In accordance with HKFRS 16 “Leases”, the Group is expected to recognise the aggregate value of the right-of-use assets on its balance sheet in connection with the aggregate rental payment under the Tenancy Agreement. Accordingly, the Renewal will be regarded as an acquisition of asset by the Group and constitutes a one-off connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the aggregate value of the right-of-use assets recognised based on the rent under the Renewal are more than 0.1% but all of the applicable percentage ratios are less than 5%, the Renewal is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Apart from the rent, the Group would also need to pay the Variable Payments to Ubagan, which constitute continuing connected transactions of the Company under the Listing Rules. As all of the applicable percentage ratios based on the annual amount of the Variable Payments are less than 0.1%, the Variable Payments constitute de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and are fully exempt from the reporting, announcement, circular (including independent financial advice) and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

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

KPLHK is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company. The principal activities of KPLHK are investment holding and provision of administrative support services.

Ubagan is a company incorporated in Hong Kong with limited liability which is indirectly owned by KHL and the Company as to 60% and 40% respectively and is an associate of KHL. The principal activity of Ubagan is property investment.

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

DEFINITIONS

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

“associate(s)”, “connected person”, “connected transaction”, “continuing connected transaction(s)”, “controlling shareholder”, “percentage ratios” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules;
“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;
“Director(s)”	the director(s) of the Company;
“Existing Tenancy Agreement”	the tenancy agreement entered into between Ubagan as landlord and KPLHK as tenant dated 13 December 2022 in respect of the leasing of the Premises;
“Group”	the Company and its subsidiaries;
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants from time to time;
“Kerry Centre”	the building situated at No. 683, King’s Road, Quarry Bay, Hong Kong, being wholly-owned by Ubagan;
“KHL”	Kerry Holdings Limited, a company incorporated in Hong Kong with limited liability, which as at the date of this announcement is the controlling shareholder of the Company;
“KPLHK”	Kerry Properties (H.K.) Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“month”	calendar month;
“Offer”	the letter of offer issued on 4 November 2025 by the leasing agent of Ubagan to KPLHK for the Renewal in accordance with the terms and conditions set out therein;
“Premises”	Unit 2 on Level 3, Level 5, Level 22, Level 25 and Level 26 of Kerry Centre;
“Renewal”	the renewal of the Existing Tenancy Agreement under the Offer;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tenancy Agreement”	the formal tenancy agreement to be entered into between Ubagan as landlord and KPLHK as tenant in respect of the leasing of the Premises, incorporating the principal terms of the Offer;
“Ubagan”	Ubagan Limited, a company incorporated in Hong Kong with limited liability in which KHL and the Company have an indirect interest of 60% and 40% respectively;
“Variable Payments”	the management fee, air-conditioning charge and others; and
“%”	per cent.

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

Hong Kong, 17 November 2025

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*