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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 TENANCY OF KERRY CENTRE

TENANCY AGREEMENT

Reference is made to the announcement of the Company dated 17 November 2025 in relation to the renewal of the 2022 Tenancy Agreement in respect of the Existing Office Premises at Kerry Centre, which have been used as the Group's corporate offices in Hong Kong.

The Company has determined to relocate the Group's corporate offices in Hong Kong to the New Office Premises at Kerry Centre. As a result, on 1 April 2026, KPLHK (a wholly-owned subsidiary of the Company) as tenant, and Ubagan as landlord, entered into the Tenancy Agreement, pursuant to which KPLHK agreed to rent from Ubagan the New Office Premises (comprising Premises A and Premises B) for (i) a term of three years commencing from 1 April 2026 and expiring on 31 March 2029 (both days inclusive) in respect of Premises A; and (ii) a term of two years and ten months commencing from 1 June 2026 and expiring on 31 March 2029 (both days inclusive) in respect of Premises B, subject to the Deferred Commencement of Premises B.

Upon the Group completing its relocation to the New Office Premises, KPLHK intends to serve notice on Ubagan to terminate the Existing Tenancy Agreement.

LISTING RULES IMPLICATIONS

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

** For identification purpose only*

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 Transaction (when aggregated with the Existing Tenancy Agreement) exceed 0.1% but all are less than 5%, the Transaction 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 be required to pay the Variable Payments to Ubagan under the Tenancy Agreement, 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 aggregate Variable Payments under the Tenancy Agreement and the Existing Tenancy Agreement 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.

INTRODUCTION

Reference is made to the announcement of the Company dated 17 November 2025 in relation to the renewal of the 2022 Tenancy Agreement in respect of the Existing Office Premises at Kerry Centre, which have been used as the Group's corporate offices in Hong Kong.

The Company has determined to relocate the Group's corporate offices in Hong Kong to the New Office Premises at Kerry Centre. As a result, on 1 April 2026, KPLHK (a wholly-owned subsidiary of the Company) as tenant, and Ubagan as landlord, entered into the Tenancy Agreement, pursuant to which KPLHK agreed to rent from Ubagan the New Office Premises (comprising Premises A and Premises B) for (i) a term of three years commencing from 1 April 2026 and expiring on 31 March 2029 (both days inclusive) in respect of Premises A; and (ii) a term of two years and ten months commencing from 1 June 2026 and expiring on 31 March 2029 (both days inclusive) in respect of Premises B, subject to the Deferred Commencement of Premises B.

Upon the Group completing its relocation to the New Office Premises, KPLHK intends to serve notice on Ubagan to terminate the Existing Tenancy Agreement.

TENANCY AGREEMENT

Date:	1 April 2026
Landlord:	Ubagan
Tenant:	KPLHK
Leased premises:	New Office Premises

Lease term: (i) Premises A: three years commencing from 1 April 2026 and expiring on 31 March 2029 (both days inclusive); and
(ii) Premises B: two years and ten months commencing from 1 June 2026 and expiring on 31 March 2029 (both days inclusive), subject to the Deferred Commencement of Premises B.

Rent: Approximately HK\$2,086,000 per month in aggregate, comprising approximately HK\$1,744,000 per month for Premises A, and approximately HK\$342,000 per month for Premises B, payable monthly in advance.

Variable Payments: Approximately HK\$567,000 per month in aggregate, comprising approximately HK\$472,000 per month for Premises A, and approximately HK\$95,000 per month for Premises B. Such payments are payable monthly in advance, and subject to revision from time to time by the building manager of Kerry Centre.

In accordance with HKFRS 16 “Leases”, the aggregate rental payments under the Tenancy Agreement will be recognised as right-of-use assets of the Group on 1 April 2026 for an amount of approximately HK\$70 million.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE TENANCY AGREEMENT

The Board considers that the relocation of its corporate offices in Hong Kong to the New Office Premises will enable the Group to consolidate its office accommodation within Kerry Centre and support its operational needs in Hong Kong, and is therefore in the interests of the Group.

The terms of the Tenancy Agreement (including the rent and the Variable Payments) have been arrived at after arm’s length negotiations between KPLHK and Ubagan with reference to the prevailing market rental level of office premises in the vicinity of Kerry Centre.

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

LISTING RULES IMPLICATIONS

Ubagan is indirectly owned by KHL and the Company as to 60% and 40% respectively, and KHL is a 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 Transaction 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 Transaction (when aggregated with the Existing Tenancy Agreement) exceed 0.1% but all are less than 5%, the Transaction 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 be required to pay the Variable Payments to Ubagan under the Tenancy Agreement, 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 aggregate Variable Payments under the Tenancy Agreement and the Existing Tenancy Agreement 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.

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 Transaction.

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 a 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:

“2022 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 certain office premises of Kerry Centre;

<p>“associate(s)”, “connected person”, “connected transaction”, “continuing connected transaction(s)”, “controlling shareholder”, “de minimis transaction(s)” “percentage ratios” and “subsidiary(ies)”</p>	<p>each has the meaning ascribed to it under the Listing Rules;</p>
<p>“Board”</p>	<p>the board of Directors;</p>
<p>“Company”</p>	<p>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;</p>
<p>“Deferred Commencement of Premises B”</p>	<p>the possible deferral of the commencement of the lease of Premises B (currently occupied by an existing tenant) if vacant possession of Premises B is not available on 1 June 2026, provided that the expiry date of the lease of Premises B under the Tenancy Agreement shall remain unchanged;</p>
<p>“Director(s)”</p>	<p>the director(s) of the Company;</p>
<p>“Existing Office Premises”</p>	<p>Unit 2 on Level 3, Level 5, Level 22, Level 25 and Level 26 of Kerry Centre;</p>
<p>“Existing Tenancy Agreement”</p>	<p>the tenancy agreement entered into between Ubagan as landlord and KPLHK as tenant dated 22 December 2025 in respect of the leasing of the Existing Office Premises;</p>
<p>“Group”</p>	<p>the Company and its subsidiaries;</p>
<p>“HKFRS”</p>	<p>Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants from time to time;</p>
<p>“Kerry Centre”</p>	<p>the building situated at No. 683, King’s Road, Quarry Bay, Hong Kong, being wholly-owned by Ubagan;</p>
<p>“KHL”</p>	<p>Kerry Holdings Limited, a company incorporated in Hong Kong with limited liability, which as at the date of this announcement is a controlling shareholder of the Company;</p>
<p>“KPLHK”</p>	<p>Kerry Properties (H.K.) Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;</p>
<p>“Listing Rules”</p>	<p>the Rules Governing the Listing of Securities on the Stock Exchange;</p>

“month”	calendar month;
“New Office Premises”	Premises A and Premises B;
“Premises A”	the remaining area of Level 15 (excluding Premises B) and the whole of Level 16, Level 17 and Level 18 of Kerry Centre;
“Premises B”	the area on Level 15 of Kerry Centre currently occupied by an existing tenant;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tenancy Agreement”	the tenancy agreement dated 1 April 2026 entered into between Ubagan as landlord, and KPLHK as tenant, in respect of the leasing of the New Office Premises;
“Transaction”	the entering into of the Tenancy Agreement and the transactions contemplated thereunder;
“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, 1 April 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*