

The information set forth in this appendix does not form part of the Accountant's Report from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, our reporting accountant, included in Appendix I to this prospectus and is included in this appendix for information only. The following unaudited pro forma financial information should be read in conjunction with our consolidated financial statements included in "Appendix I — Accountant's Report", together with the accompanying notes, and the section headed "Financial Information".

A. UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma data relating to our consolidated net tangible assets attributable to the Company's shareholder prepared in accordance with Rule 4.29 of the Listing Rules is for illustrative purposes only and is set forth below to illustrate the effect of the Global Offering on our consolidated net tangible assets attributable to the Company's shareholder as at 30 June 2013 as if the Global Offering had taken place on that date. Because of its hypothetical nature, the following unaudited pro forma data may not give a true picture of our consolidated net tangible assets attributable to the Company's shareholder as at 30 June 2013 or as at any subsequent date.

	Audited consolidated net tangible assets attributable to the Company's shareholder as at 30 June 2013 ⁽¹⁾	Estimated net proceeds from the Global Offering ⁽²⁾	Unaudited pro forma adjusted consolidated net tangible assets attributable to the Company's shareholder	Unaudited pro forma adjusted net tangible assets per Share ⁽³⁾⁽⁴⁾
	HK\$'000	HK\$'000	HK\$'000	HK\$
Based on an Offer Price of HK\$8.80 per Offer Share . . .	7,179,924	1,760,032	8,939,956	5.39
Based on an Offer Price of HK\$10.20 per Offer Share . .	7,179,924	2,055,725	9,235,649	5.57

Notes:

- (1) Our audited consolidated net tangible assets attributable to the Company's shareholder as at 30 June 2013 are based on our audited consolidated net assets attributable to the Company's shareholder in the amount of HK\$9,102.4 million, as extracted from our consolidated financial statements included in "Appendix I — Accountant's Report", less intangible assets in the amount of HK\$1,922.4 million.
- (2) The estimated net proceeds from the Global Offering are based on the indicative Offer Prices of HK\$8.80 and HK\$10.20 per Offer Share, respectively, after deduction of underwriting commissions and fees and other related expenses payable by the Company and without taking into account any Shares which may be issued upon the exercise of the Over-allotment Option.
- (3) No adjustment has been made to our audited consolidated net tangible assets attributable to the Company's shareholder as at 30 June 2013 to reflect any of our trading results or other transactions entered into subsequent to 30 June 2013. In particular, the unaudited pro forma adjusted net tangible assets have not been adjusted for the effect of capitalisation of a portion of the outstanding loans from a fellow subsidiary controlled by KPL in the amount of HK\$1,381.6 million. Had the capitalisation of loans from the fellow subsidiary been taken into account, the unaudited pro forma adjusted net tangible assets per Share would be HK\$6.23 (based on an Offer Price of HK\$8.80 per Offer Share) and HK\$6.41 (based on an Offer Price of HK\$10.20 per Offer Share).
- (4) Our unaudited pro forma adjusted net tangible assets per Share is arrived at after the adjustment referred to in note (2) above and on the basis that 1,657,364,112 Shares were in issue assuming that the Spin-off had been completed and the Shares pursuant to the RSU Scheme had been issued on 30 June 2013 and the Over-allotment Option was not exercised, without taking into account any Shares to be issued upon the exercise of the Pre-IPO Share Options or the Post-IPO Share Options.

B. UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE

The following unaudited pro forma forecast earnings per share has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Global Offering as if it had taken place on 1 January 2013. This unaudited pro forma forecast earnings per share has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of our financial results for the year ending 31 December 2013 or any future period.

Forecast profit attributable to the Company's shareholders excluding (1) the after-tax effect of change in fair value of investment properties and (2) gain on disposal of Kerry D.G. Warehouse (Kowloon Bay) ⁽¹⁾⁽²⁾	not less than HK\$880 million
Forecast profit attributable to the Company's shareholders ⁽¹⁾⁽²⁾	not less than HK\$1,829 million
Unaudited pro forma forecast earnings per Share excluding (1) the after-tax effect of change in fair value of investment properties and (2) gain on disposal of Kerry D.G. Warehouse (Kowloon Bay) ⁽³⁾	not less than HK\$0.53 per Share
Unaudited pro forma forecast earnings per Share ⁽³⁾	not less than HK\$1.10 per Share

Notes:

- (1) Our forecast profit attributable to the Company's shareholders for the year ending 31 December 2013 is extracted from the section headed "Financial Information — Profit Forecast for the Year Ending 31 December 2013". The bases and assumptions on which the above profit forecast has been prepared are set out in "Appendix III — Profit Forecast". The Directors have prepared the above profit forecast based on our audited consolidated results for the six months ended 30 June 2013, our unaudited management accounts for the three months ended 30 September 2013 and a forecast of our consolidated results for the remaining three months ending 31 December 2013. The forecast has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by us as set out in note 2 to our consolidated financial statements included in "Appendix I — Accountant's Report".
- (2) We will transfer Kerry D.G. Warehouse (Kowloon Bay) to the KPL Group upon the Listing for a consideration of HK\$400.0 million pursuant to a sale and purchase agreement dated 29 November 2013. See the section headed "History and Corporate Structure — No Reorganisation".
- (3) The unaudited pro forma forecast earnings per Share is based on our forecast profit attributable to the Company's shareholders for the year ending 31 December 2013 and assumes that a total of 1,657,364,112 Shares were in issue during the entire year as if the Spin-off had been completed and the Shares pursuant to the RSU Scheme had been issued on 1 January 2013 and the Over-allotment Option was not exercised, without taking into account any Shares to be issued upon the exercise of the Pre-IPO Share Options or the Post-IPO Share Options.

C. REPORT FROM THE REPORTING ACCOUNTANT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.



羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS**TO THE DIRECTORS OF KERRY LOGISTICS NETWORK LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Kerry Logistics Network Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible assets of the Group as at 30 June 2013, the unaudited pro forma forecast earnings per share of the Group for the year ending 31 December 2013 and related notes (the "Unaudited Pro Forma Financial Information") as set out on pages II-1 to II-2 of the Company's prospectus dated 6 December 2013 (the "Prospectus"), in connection with the proposed initial public offering of the shares of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed initial public offering on the Group's financial position as at 30 June 2013 and the Group's forecast earnings per share for the year ending 31 December 2013 as if the proposed initial public offering had taken place at 30 June 2013 and 1 January 2013, respectively. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's financial information as at 30 June 2013, on which an accountant's report has been published; and the information about the Group's forecast profit for the year ending 31 December 2013 has been extracted by the directors from the profit forecast as set out in the section headed "Financial Information — Profit Forecast for the Year Ending 31 December 2013" in the Prospectus, on which a letter on profit forecast has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

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We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the HKICPA. This standard requires that the reporting accountant complies with ethical requirements and plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed initial public offering at 30 June 2013 or 1 January 2013 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 6 December 2013