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嘉里控股有限公司
KERRY HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)



KERRY PROPERTIES LIMITED
(Incorporated in Bermuda with limited liability)
嘉里建設有限公司

JOINT ANNOUNCEMENT

PROPOSED PRIVATISATION OF KERRY PROPERTIES LIMITED

BY

**KERRY HOLDINGS LIMITED BY WAY OF A SCHEME OF ARRANGEMENT
(Under Section 99 of the Companies Act 1981 of Bermuda (as amended))**

INCREASE IN CANCELLATION PRICE FROM HK\$8.50 TO HK\$9.50

Financial Adviser to Kerry Holdings Limited

HSBC 

The Hongkong and Shanghai Banking Corporation Limited

INCREASE IN CANCELLATION PRICE

KHL has notified KPL that, to make the Cancellation Price more attractive to the Scheme Shareholders, the Cancellation Price under the Proposal is to be increased from HK\$8.50 to HK\$9.50 per Scheme Share, representing an increase of approximately 11.76%. The Proposal will be adjusted accordingly. No other changes to the Proposal are currently being made.

SUSPENSION AND RESUMPTION OF TRADING

At the request of KPL, trading in the Shares on the Stock Exchange was suspended from 2:30 p.m. on 30 April 2003 pending the issue of this announcement. Application has been made by KPL to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 2 May 2003.

Reference is made to the joint announcement dated 23 April 2003 (the “Announcement”) by KHL and KPL in which it was announced that the Proposal would be put forward to the Scheme Shareholders regarding a proposed privatisation of KPL by way of a scheme of arrangement under Section 99 of the Companies Act involving the cancellation of all the Scheme Shares. Terms defined in the Announcement have the same meanings when used in this announcement unless otherwise defined herein.

KHL has notified KPL that, to make the Cancellation Price more attractive to the Scheme Shareholders, the Cancellation Price under the Proposal is to be increased from HK\$8.50 to HK\$9.50 per Scheme Share (the “Revised Cancellation Price”), representing an increase of approximately 11.76%. The Revised Cancellation Price of HK\$9.50 per Scheme Share represents:

- a premium of approximately 58.33% over the closing price of HK\$6.00 per Share as quoted on the Stock Exchange on 11 April 2003 (being the last traded price prior to the suspension of trading in the Shares pending the issue of the Announcement);
- a premium of approximately 54.98% over the average closing price of approximately HK\$6.13 per Share based on the daily closing prices as quoted on the Stock Exchange over the 5 trading days up to and including 11 April 2003;
- a premium of approximately 49.37% over the average closing price of approximately HK\$6.36 per Share based on the daily closing prices as quoted on the Stock Exchange over the 1-month period up to and including 11 April 2003;
- a premium of approximately 46.83% over the average closing price of approximately HK\$6.47 per Share based on the daily closing prices as quoted on the Stock Exchange over the 3-month period up to and including 11 April 2003;
- a premium of approximately 38.69% over the average closing price of approximately HK\$6.85 per Share based on the daily closing prices as quoted on the Stock Exchange over the 12-month period up to and including 11 April 2003; and
- a discount of approximately 47.05% to the NAV per Share of approximately HK\$17.94 as at 31 December 2002.

The Proposal will be adjusted accordingly. No other changes to the Proposal are currently being made.

The amount of cash required for the Proposal will be increased from HK\$3,207.57 million (which was calculated based on the assumptions stated below but assumed the value of the scrip alternative was HK\$6.00 per Share) to HK\$3,566.40 million assuming that all outstanding options are exercised in full by all holders of options except for Mr. Kuok Khoon Loong, Edward, who is part of NSKG and holds 5,730,100 options (which can be exercised into 5,730,100 new Shares and represents approximately 0.49% of the issued share capital of KPL as at the Announcement Date), the 2002 Final Scrip Dividend Scheme becomes unconditional, all Scheme Shareholders elect for the scrip alternative in relation to the final dividend in respect of the year ended 31 December 2002 and the value of the scrip alternative is HK\$8.37 per Share as stated in the announcement of KPL in relation to the aforesaid final dividend of the same date as the date of this announcement. HSBC has confirmed that sufficient financial resources are available to KHL to satisfy its payment obligations on implementation of the Proposal (as revised).

A scheme document of KPL containing details of the Proposal (as revised) and other relevant information will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, which is on or before 14 May 2003 (or such later date as may be agreed by the Executive).

SUSPENSION AND RESUMPTION OF TRADING

At the request of KPL, trading in the Shares on the Stock Exchange was suspended from 2:30 p.m. on 30 April 2003 pending the issue of this announcement. Application has been made by KPL to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 2 May 2003.

Shareholders and potential investors should be aware that implementation of the Proposal (as revised) is subject to the satisfaction or waiver of the same conditions as applicable to the original Proposal and therefore may or may not become effective. Details of the conditions are set out in the Announcement. Shareholders and potential investors are advised to exercise extreme caution when dealing in the Shares.

On behalf of the board of
Kerry Holdings Limited
Olivia Fan
Company Secretary

On behalf of the board of
Kerry Properties Limited
Chow Yin Ping, Anita
Company Secretary

Hong Kong, 30 April 2003

The KHL Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the KPL Group and the KPL Directors) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The KPL Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Kuok Group but including information relating to the KPL Group and the KPL Directors) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

"Please also refer to the published version of this announcement in the South China Morning Post"