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KERRY PROPERTIES LIMITED

(Incorporated in Bermuda with limited liability)

嘉里建設有限公司*

website: www.kerryprops.com

(Stock Code: 00683)

PROPOSED SPIN-OFF AND SEPARATE LISTING OF KERRY LOGISTICS NETWORK LIMITED ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

GLOBAL OFFERING OF KERRY LOGISTICS NETWORK LIMITED; FINAL OFFER PRICE AND SUBSCRIPTION PRICE OF THE KERRY LOGISTICS PRE-IPO SHARE OPTION SCHEME

Reference is made to (a) the Company's announcement dated 24 September 2013 regarding the Proposed Spin-off; (b) the Company's announcement dated 15 November 2013 regarding the proposed Record Date with respect to the proposed declaration of the Conditional Dividend; (c) the Company's announcement dated 22 November 2013 regarding the WPIP; (d) the Company's announcement dated 25 November 2013 regarding the declaration of Conditional Dividend; the proposed discloseable transaction and profit forecast of Kerry Logistics; (e) the Company's

announcement dated 2 December 2013 regarding the preliminary indicative offer price range for the Kerry Logistics Shares under the Global Offering; (f) the Company's announcement dated 2 December 2013 regarding the Conditional Dividend and the Global Offering; (g) the Company's announcement dated 6 December 2013 regarding the publication of the prospectus; and (h) the Company's circular dated 16 October 2013 regarding the proposed adoption of share option schemes of Kerry Logistics and proposed amendment of Bye-Laws of the Company.

The Global Offering of Kerry Logistics will comprise the Hong Kong Public Offering and the International Placing. An aggregate of 216,071,500 Offer Shares (representing approximately 15% of the issued share capital of Kerry Logistics immediately before the Global Offering) will initially be made available under the Global Offering, of which 194,464,000 Offer Shares will be initially offered for subscription or purchase under the International Placing and 21,607,500 Offer Shares will initially be offered for subscription under the Hong Kong Public Offering.

Kerry Logistics has granted to the underwriters of the International Placing an option, exercisable by the joint global coordinators to the Global Offering on behalf of the such underwriters, to issue up to an aggregate of 32,410,500 Kerry Logistics Shares, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Placing to, among others, cover over-allocations in the International Placing, if any.

The final Offer Price in respect of the Offer Shares to be issued under the Global Offering is HK\$10.20 per Offer Share, exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee.

The subscription price in respect of the pre-IPO share options granted pursuant to the Kerry Logistics Pre-IPO Share Option Scheme is HK\$10.20 per Kerry Logistics Share.

As the applicable percentage ratios in respect of the Proposed Spin-off are greater than 5% but less than 25%, the Proposed Spin-off constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under the Listing Rules.

INTRODUCTION

Reference is made to (a) the Company's announcement dated 24 September 2013 regarding the Proposed Spin-off; (b) the Company's announcement dated 15 November 2013 regarding the proposed Record Date with respect to the proposed declaration of the Conditional Dividend; (c) the Company's announcement dated 22 November 2013 regarding the WPIP; (d) the Company's announcement dated 25 November 2013 regarding the declaration of Conditional Dividend; the proposed discloseable transaction and profit forecast of Kerry Logistics; (e) the Company's announcement dated 2 December 2013 regarding the preliminary indicative offer price range for the Kerry Logistics Shares under the Global Offering; (f) the Company's announcement dated 2 December 2013 regarding the Conditional Dividend and the Global Offering; (g) the Company's announcement dated 6 December 2013 regarding the publication of the prospectus; and (h) the Company's

circular dated 16 October 2013 regarding the proposed adoption of share option schemes of Kerry Logistics and proposed amendment of Bye-Laws of the Company.

GLOBAL OFFERING AND OVER-ALLOTMENT OPTION

The Global Offering of Kerry Logistics will comprise the Hong Kong Public Offering and the International Placing. An aggregate of 216,071,500 Offer Shares (representing approximately 15% of the issued share capital of Kerry Logistics immediately before the Global Offering) will initially be made available under the Global Offering, of which 194,464,000 Offer Shares, representing 90% of the total number of Offer Shares initially being offered under the Global Offering, will be initially offered for subscription or purchase under the International Placing. The remaining 21,607,500 Offer Shares, representing 10% of the total number of Offer Shares initially being offered under the Global Offering, will initially be offered for subscription under the Hong Kong Public Offering.

Kerry Logistics has granted to the underwriters of the International Placing an option, exercisable by the joint global coordinators to the Global Offering on behalf of the such underwriters, to issue up to an aggregate of 32,410,500 Kerry Logistics Shares, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Placing to, among others, cover over-allocations in the International Placing, if any.

DETERMINATION OF FINAL OFFER PRICE

The final Offer Price in respect of the Offer Shares to be issued under the Global Offering is HK\$10.20 per Offer Share, exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee.

If the Global Offering proceeds at the final Offer Price of HK\$10.20 per Offer Share, the market capitalisation of all the Kerry Logistics Shares in issue immediately following the completion of the Global Offering will be approximately HK\$16,905 million, based on the 1,657,364,112 Kerry Logistics Shares expected to be in issue immediately upon completion of the Proposed Spin-off and issuance of Kerry Logistics Shares pursuant to the RSU Scheme, assuming that the Over-allotment Option is not exercised and without taking into account any Kerry Logistics Shares to be issued upon the exercise of share options granted pursuant to the Kerry Logistics Pre-IPO Share Option Scheme or Kerry Logistics Post-IPO Share Option Scheme.

INTERNATIONAL UNDERWRITING AGREEMENT

On 12 December 2013, the international underwriting agreement relating to the International Offering was entered into between Kerry Logistics, the joint global coordinators and the international underwriters pursuant to the Global Offering.

DETERMINATION OF SUBSCRIPTION PRICE OF SHARE OPTIONS UNDER THE KERRY LOGISTICS PRE-IPO SHARE OPTION SCHEME

The subscription price in respect of the pre-IPO share options granted pursuant to the Kerry Logistics Pre-IPO Share Option Scheme is HK\$10.20 per Kerry Logistics Share.

LISTING DATE

Assuming completion of the Global Offering occurs in accordance with the timetable as disclosed in the Prospectus, the Kerry Logistics Shares are expected to commence dealing on the Main Board of the Stock Exchange on Thursday, 19 December 2013.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios in respect of the Proposed Spin-off are greater than 5% but less than 25%, the Proposed Spin-off constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under the Listing Rules.

GENERAL

The Global Offering remains subject, among other things, to the underwriters' respective obligations under the underwriting agreements relating to the Global Offering becoming unconditional and not being terminated in accordance with their terms. Accordingly, Shareholders and potential investors in the Company should be aware that there is no assurance as to whether the Proposed Spin-off and the Global Offering will proceed. Shareholders and potential investors in the Company should therefore exercise caution when dealing in or investing in the securities of the Company. If in any doubt, Shareholders and other persons contemplating dealing in securities of the Company are recommended to consult their professional advisers.

Further announcement(s) will be made by the Company in relation to the Proposed Spin-off and the Global Offering if and when appropriate.

DEFINITIONS

“Board”	the board of directors of the Company
“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
“Conditional Dividend”	the proposed conditional dividend in the form of a distribution in specie of Kerry Logistics Shares to qualifying Shareholders if the Proposed Spin-off proceeds
“Global Offering”	the Hong Kong Public Offering and the International Placing
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Hong Kong Public Offering”	the proposed offer of Kerry Logistics Shares for subscription by the public in Hong Kong

“International Placing”	the proposed offer of Kerry Logistics Shares outside the United States in accordance with Regulation S under the U.S. Securities Act and in the United States to qualified institutional buyers only in reliance on Rule 144A of the U.S. Securities Act or any other available exemption from registration under the U.S. Securities Act
“Kerry Logistics”	Kerry Logistics Network Limited, a direct wholly-owned subsidiary of the Company, which was incorporated in the British Virgin Islands on 9 July 1991 and continued into Bermuda as a Bermuda exempted company with limited liability on 20 April 2000
“Kerry Logistics Group”	Kerry Logistics and its subsidiaries
“Kerry Logistics Post-IPO Share Option Scheme”	the Post-IPO Share Option Scheme of Kerry Logistics approved by the Company at the Special General Meeting and approved and adopted by Kerry Logistics on 25 November 2013
“Kerry Logistics Pre-IPO Share Option Scheme”	the Pre-IPO Share Option Scheme of Kerry Logistics approved by the Company at the Special General Meeting and approved and adopted by Kerry Logistics on 25 November 2013
“Kerry Logistics Shares”	ordinary shares of HK\$0.50 each in the share capital of Kerry Logistics
“Kerry Properties Shares”	shares of HK\$1.00 each in the share capital of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Offer Price”	HK\$10.20, being the final offer price per Offer Share (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee)

“Offer Shares”	the Kerry Logistics Shares proposed to be offered under the Hong Kong Public Offering (including the Kerry Logistics Shares which are proposed to be offered under the employee preferential offering to certain eligible employees of the Kerry Logistics Group) and the Kerry Logistics Shares proposed to be offered under the International Placing together with, where relevant, any additional Kerry Logistics Shares which may be sold by the Company pursuant to any exercise of the Over-allotment Option
“Over-allotment Option”	the option proposed to be granted by Kerry Logistics to the underwriters of the International Placing, exercisable by the joint global coordinators of the Global Offering (on behalf of the underwriters of the International Placing), pursuant to which Kerry Logistics may be required to issue up to a certain number of Kerry Logistics Shares to, among other things, cover over-allocations in the International Placing, details of which are set out in the Prospectus
“Proposed Spin-off”	the proposed disposal of part of the Company’s interest in Kerry Logistics by way of a separate listing of Kerry Logistics Shares on the Main Board of the Stock Exchange
“Prospectus”	the prospectus issued by Kerry Logistics on 6 December 2013 in connection with the Hong Kong Public Offering
“Qualifying Shareholders”	the registered holders of Kerry Properties Shares whose names appear on one or both of the registers of members of the Company on the Record Date
“Record Date”	Monday, 2 December 2013, being the record date for determining the Conditional Dividend to Qualifying Shareholders
“RSU Scheme”	the restricted share units scheme of Kerry Logistics approved and adopted by Kerry Logistics on 25 November 2013

“SFC”	Securities and Futures Commission
“Shareholders”	the shareholders of the Company
“Special General Meeting”	the special general meeting of the Company held on 1 November 2013 to approve, among others, the Kerry Logistics Pre-IPO Share Option Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States”	the United States of America
“WPIP”	the web proof information pack of Kerry Logistics submitted to the Stock Exchange on 22 November 2013

By Order of the Board
Kerry Properties Limited
Li Siu Ching, Liz
Company Secretary

Hong Kong, 12 December 2013

As at the date of this announcement, the Directors of the Company are:

Executive Directors:

Messrs. Wong Siu Kong, Ho Shut Kan, Qian Shaohua, Chan Wai Ming, William and Bryan Pallop Gaw.

Independent Non-executive Directors:

Mr. Lau Ling Fai, Herald, Mr. Ku Moon Lun, Ms. Wong Yu Pok, Marina, JP and Mr. Chang Tso Tung, Stephen.

** For identification purpose only*