



# TERN PROPERTIES COMPANY LIMITED

## 太興置業有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock code : 277)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Tern Properties Company Limited (the “Company”) will be held in the conference room of Woo, Kwan, Lee & Lo, 25th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong on Friday, 8 August 2008 at 12:00 noon for the following purposes:

1. To receive and consider the audited Financial Statements, the Directors’ Report and the Independent Auditors’ Report for the year ended 31 March 2008.
2. To declare a final dividend.
3. To re-elect Directors and to fix the Directors’ fees.
4. To re-appoint Auditors and authorise the Directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without amendments the following resolutions as Ordinary Resolutions of the Company:

#### ORDINARY RESOLUTIONS

5. **“THAT:**
  - (i) subject to paragraph (ii) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
  - (ii) the aggregate nominal amount of the shares in the capital of the Company to be repurchased by the Company pursuant to the approval in paragraph (i) of this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly; and

- (iii) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
  - (a) the conclusion of the next Annual General Meeting of the Company;
  - (b) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
  - (c) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”

6. **“THAT:**

- (i) subject to paragraph (iii) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make and grant offers, agreements and options (including bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make and grant offers, agreements and options (including bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares to be allotted after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (i) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of any rights of subscription or conversion under any existing bonds, debentures, notes and other securities of the Company; or (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; or (iv) any scrip dividend scheme or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Memorandum and Articles of Association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly;
- (iv) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
  - (a) the conclusion of the next Annual General Meeting of the Company;
  - (b) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
  - (c) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the Directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities), (subject in all cases to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

7. “**THAT** conditional upon the passing of Ordinary Resolutions Nos. 5 and 6 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to Ordinary Resolution No. 6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 5 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution.”

By order of the Board  
**Lee Yip Wah, Peter**  
*Secretary*

Hong Kong, 7 July 2008

*Registered Office:*

26th Floor  
Tern Centre, Tower I  
237 Queen’s Road Central  
Hong Kong

*Notes:*

1. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the registered office of the Company at 26th Floor, Tern Centre, Tower I, 237 Queen’s Road Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
3. The Register of Members of the Company will be closed from Friday, 1 August 2008 to Friday, 8 August 2008, both days inclusive, during which period no transfer of shares will be registered by the Company. In order to qualify for the proposed final dividend and to determine the identity of the shareholders entitled to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Share Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 31 July 2008.
4. With regard to items 3 and 5 to 7 of this notice, a circular giving details of the proposals for re-election of Directors, general mandates to repurchase shares and to issue shares will be despatched to the shareholders together with the 2008 Annual Report of the Company on 7 July 2008.

5. This notice is also available for viewing on the designated website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and on the website of the Company at [www.tern.hk](http://www.tern.hk) from 7 July 2008.
6. As at the date of this notice, the Board of Directors of the Company comprises six Directors, of which three are Executive Directors, namely Mr. Chan Hoi Sow, Mr. Chan Yan Tin, Andrew and Mr. Chan Siu Keung, Leonard and three are Independent Non-Executive Directors, namely Mr. Chan Kwok Wai, Mr. Tse Lai Han, Henry and Mr. Leung Kui King, Donald.