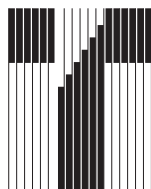


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



## TERN PROPERTIES COMPANY LIMITED

太興置業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 277)

### UPDATE ON STATUS OF PUBLIC FLOAT

#### UPDATE ON STATUS OF PUBLIC FLOAT

Reference is made to the announcement of Tern Properties Company Limited dated 30 September 2016 (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Company wishes to provide its shareholders and potential investors an update on the status of public float of the Company.

#### CURRENT SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the public float of the Company remains approximately 23.44%, which is below the Minimum Prescribed Percentage of 25.00% as required under Rule 8.08 of the Listing Rules.

To the best knowledge of the Directors based on the available information, the shareholding structure of the Company as at the date of this announcement, is as follows:

Shareholders of the Company	Number of shares of the Company held	Approximate percentage of the total issued shares of the Company (%)
Mr. CHAN Hoi Sow <sup>Note 1</sup>	173,772,896	56.46
Mr. CHAN Yan Tin, Andrew <sup>Note 2</sup>	792,000	0.26
Grand Fort Investments Limited <sup>Note 3</sup>	61,051,277	19.84
Public shareholders of the Company	72,142,349	23.44
		<hr/>
		100.00

Notes:

1. Please refer to page 24 of the 2016 annual report of the Company dated 16 June 2016 for details on the capacity in which 173,772,896 shares of the Company (the “**Shares**”) are held by Mr. CHAN Hoi Sow.
2. The 792,000 Shares are held by Mr. Chan Yan Tin, Andrew, a Director, in the capacity as beneficial owner.
3. As disclosed in the Disclosure of Interests forms in respect of the Company filed by Grand Fort Investments Limited (“**Grand Fort**”), Mr. Chim Pui Chung (“**Mr. Chim**”) and Mr. Law Fei Shing (“**Mr. Law**”) on 1 September 2016, such forms indicate that each of Mr. Chim and Mr. Law respectively hold 50% of the issued share capital of Grand Fort, which in turn holds 61,051,277 Shares and that such Shares are held beneficially by Grand Fort.

To the best knowledge, information and belief of the Directors and according to the latest information available to the Company, (i) the Company is of the view that the shortfall in the Minimum Prescribed Percentage of 25.00% arose solely from an acquisition of 61,051,277 Shares by Grand Fort, who is a core connected person (as defined in the Listing Rules) of the Company only because it is a substantial shareholder of the Company; (ii) Grand Fort is not the controlling shareholder or single largest shareholder of the Company; and (iii) Grand Fort is independent of the Company, the Directors and any other substantial shareholder(s) of the Company and it has no and never had a representative on the Board and is not and has never been involved in the management of the Company and/or its subsidiaries. Further, although the public float of the Company is below the Minimum Prescribed Percentage of 25.00%, the Shares held by the public represent a market capitalisation of approximately HK\$339,069,000 based on the closing price of HK\$4.7 per Share as at the date of this announcement. The Company is of the view that there remains an open market of the Shares.

## **PROPOSALS TO RESTORE PUBLIC FLOAT**

The Company is continuing to consider steps to restore the public float of the Company. As at the date of this announcement, no concrete proposals for the restoration of public float or timetable have been determined. The Company will make further announcement when the proposal to restore its public float has been finalised. The Company will continue to publish a monthly announcement to update its shareholders and potential investors on the status of the public float of the Company and measures that may be introduced by the Company to restore its public float.

If the public float of the Company’s Shares falls below 15%, the Company will request that the Shares be suspended from trading.

Shareholders of the Company and investors are advised to exercise caution when dealing in the Shares.

By order of the Board  
**Chan Hoi Sow**  
Chairman

Hong Kong, 7 November 2016

*As at the date of this announcement, the Board comprises six Directors, of which two are Executive Directors, namely Mr. Chan Hoi Sow and Mr. Chan Yan Tin, Andrew, one is Non-Executive Director, namely Ms. Chan Yan Mei, Mary-ellen and three are Independent Non-Executive Directors, namely Mr. Chan Kwok Wai, Mr. Tse Lai Han, Henry and Mr. Leung Kui King, Donald.*