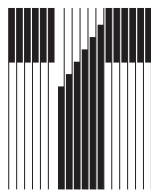


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TERN PROPERTIES COMPANY LIMITED

太興置業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 277)

POSITIVE PROFIT ALERT

This announcement is made by Tern Properties Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the information currently available to the Board and the preliminary review of the unaudited consolidated management accounts of the Group, the Group expects a turnaround of its result by recording a profit for the year ended 31 March 2018, as compared to a loss for the year ended 31 March 2017. The turnaround of the Group’s results was primarily attributable to no significant decrease in the fair value of investment properties of the Group during the year as compared to last year.

However, the Company has yet to finalise the unaudited annual results of the Group for the year ended 31 March 2018. As such, the information contained in this announcement is only based on the preliminary assessment by the management of the Company with reference to the information currently available including the unaudited consolidated management accounts of the Group, which have not been reviewed by the Company’s auditors or the audit committee of the Company and which are therefore subject to adjustments. The actual annual results of the Group for the year ended 31 March 2018 may therefore be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 March 2018, which is expected to be published by the end of June 2018.

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

By Order of the Board
Lee Ka Man
Secretary

Hong Kong, 24 May 2018

As at the date of this announcement, the Board comprises seven Directors, of which three are Executive Directors, namely Mr. Chan Hoi Sow, Mr. Chan Yan Tin, Andrew and Ms. Chan Yan Wai, Emily, 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 Ms. Cheung Chong Wai, Janet.