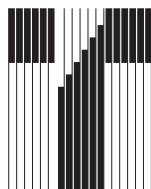


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the content of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance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

PROFIT ALERT

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

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 six months ended 30 September 2016, as compared to a loss for the six months ended 30 September 2015. The turnaround of the Group’s results was primarily attributable to no significant change in the fair value of investment properties of the Group during the period as compared to last comparable period.

However, the Company has yet to finalise the unaudited interim results of the Group for the six months ended 30 September 2016. 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 interim results of the Group for the six months ended 30 September 2016 may therefore be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for the six months ended 30 September 2016, which is expected to be published by the end of November of 2016.

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
Huen Po Wah
Secretary

Hong Kong, 2 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.