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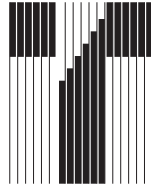
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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Tern Properties Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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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)****PROPOSALS FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO BUY BACK SHARES  
AND TO ISSUE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Tern Properties Company Limited to be held at the conference room of United Conference Centre Limited, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 21 August 2024 at 12:00 noon is set out on pages 14 to 18 of this circular to be despatched to shareholders together with this circular.

If you do not intend or are unable to be present at the annual general meeting and wish to appoint a proxy/proxies to attend, speak and vote on your behalf, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or adjourned meeting should you so wish.

19 July 2024

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## DEFINITIONS

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*In this circular (other than in the notice of AGM), unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at the conference room of United Conference Centre Limited, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 21 August 2024 at 12:00 noon
“Articles of Association”	the articles of association of the Company, as originally adopted, or as from time to time altered in accordance with the Companies Ordinance
“Board”	the board of Directors
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong
“Company”	Tern Properties Company Limited 太興置業有限公司, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	12 July 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Securities and Futures Ordinance”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)

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## DEFINITIONS

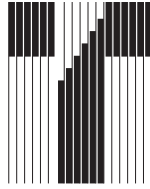
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“Sow Pin Trust”	a discretionary trust of which the trustee is Credit Suisse Trust Limited, a substantial shareholder of the Company, and the beneficiaries are the family members of Mr. Chan Hoi Sow
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers

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## LETTER FROM THE CHAIRMAN

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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)**

*Directors:*

Mr. Chan Hoi Sow (*Chairman and Managing Director*)  
Mr. Chan Yan Tin, Andrew  
Ms. Chan Yan Wai, Emily (*Vice Chairman*)  
Mr. Chan Yan Lam, Alan  
Mr. Chan Kwok Wai\*\*  
Ms. Cheung Chong Wai, Janet\*\*  
Mr. Tse Lai Han, Henry\*\*

*Registered office:*

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

\*\* *Independent Non-Executive Director*

19 July 2024

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO BUY BACK SHARES  
AND TO ISSUE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to (i) the re-election of Directors; (ii) the granting to the Directors of general mandates for the issue of Shares and the buy-back of Shares up to 20% and 10% respectively of the Company's issued Shares as at the date of the resolutions and to seek your approval at the AGM in connection with such matters.

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## LETTER FROM THE CHAIRMAN

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### RE-ELECTION OF DIRECTORS

The Board currently consists of seven Directors, namely Mr. Chan Hoi Sow, Mr. Chan Yan Tin, Andrew, Ms. Chan Yan Wai, Emily, Mr. Chan Yan Lam, Alan, Mr. Chan Kwok Wai, Ms. Cheung Chong Wai, Janet and Mr. Tse Lai Han, Henry.

Pursuant to Article 103 of the Articles of Association, Mr. Chan Yan Lam, Alan, Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet shall retire by rotation at the AGM and, being eligible, offer themselves for re-election.

Mr. Chan Kwok Wai has served as an Independent Non-Executive Directors more than 9 years and the re-election of him will be subject to separate resolution to be approved by the Shareholders. As Independent Non-Executive Director with in-depth understanding of the Company's operations and business, Mr. Chan Kwok Wai has expressed objective views and given independent guidance to the Company over the years, and they continue demonstrating a firm commitment to their role. The Board considers that the long service of Mr. Chan Kwok Wai would not affect his exercise of independent judgement and are satisfied that Mr. Chan Kwok Wai has the required characters, integrities and experiences to continue fulfilling the role of Independent Non-Executive Director. The Board also considers that the re-election of Mr. Chan Kwok Wai as Director is in the best interests of the Company and Shareholders as a whole.

The nomination committee of the Company ("the Nomination Committee") and the Board have reviewed the annual written confirmation of independence of Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet and assessed their independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules. They do not have any other relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. The Nomination Committee and the Board are also not aware of any circumstance that might influence Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet in exercising independent judgment. On this basis, Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet are considered independent. The Nomination Committee nominated Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet to the Board for it to propose to the Shareholders for re-election at the AGM. Accordingly, the Board proposed that Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet stand for re-election as Independent Non-Executive Directors at the AGM.

In view of the above, the Board considers that the re-election of Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet as Independent Non-Executive Directors are beneficial to the Board, the Company and the Shareholders as a whole. Separate resolution will be proposed at the Annual General Meeting to approve the re-election of Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet as Independent Non-Executive Directors.

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## LETTER FROM THE CHAIRMAN

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Having regard to the experience, skills and expertise of the retiring Directors as well as the overall board diversity of the Company, the Nomination Committee recommended re-election of the aforesaid retiring Directors to the Board. Accordingly, the Board has proposed that each of the above retiring Directors, namely Mr. Chan Yan Lam, Alan, Mr. Chan Kwok Wai and Ms. Cheung Chong Wai, Janet stands for re-election as Directors by way of separate resolution at the Annual General Meeting.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular.

### **GENERAL MANDATE TO BUY BACK SHARES**

At the annual general meeting of the Company held on 23 August 2023, a general mandate was given by the Company to the Directors to exercise the powers of the Company to buy back Shares. This general mandate will lapse at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to give a general and unconditional mandate to the Directors to exercise the powers of the Company to buy back at any time until the next annual general meeting of the Company following the passing of the ordinary resolution or such earlier period as stated in the ordinary resolution Shares up to a maximum of 10% of the total number of Shares in issue at the date of the passing of the ordinary resolution (i.e. not exceeding 27,723,288 Shares based on 277,232,883 Shares in issue as at the Latest Practicable Date and assuming that the number of issued Shares remain the same at the date of the passing of the resolution) (the “Buy-Back Mandate”).

An explanatory statement providing the requisite information as required under the Listing Rules is set out in Appendix II to this circular.

### **GENERAL MANDATE TO ISSUE SHARES**

At the annual general meeting of the Company held on 23 August 2023, a general mandate was given by the Company to the Directors to exercise the powers of the Company to issue Shares. This general mandate will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate to issue during the period up to the next annual general meeting of the Company following the passing of the ordinary resolution or such earlier period as stated in the ordinary resolution Shares representing up to 20% of the total number of Shares in issue at the date of the passing of the resolution (i.e. not exceeding 55,446,576 Shares based on 277,232,883 Shares in issue as at the Latest Practicable Date and assuming that the number of issued Shares remain the same at the date of the passing of the resolution) (the “Issue Mandate”). In addition, an ordinary resolution will be proposed to authorise extension of the Issue Mandate which would increase the limit of the Issue Mandate by adding to it the total number of Shares bought back under the Buy-Back Mandate.

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## LETTER FROM THE CHAIRMAN

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### ANNUAL GENERAL MEETING

At the AGM, resolutions will be proposed to the Shareholders to consider the ordinary business to be considered at the AGM, including the re-election of retiring Directors and the special business to be considered at the AGM, being the grant of the Buy-Back Mandate, the Issue Mandate and the extension of the Issue Mandate. The notice of AGM is set out on pages 14 to 18 of this circular expected to be despatched to Shareholders together with this circular.

A form of proxy for use at the AGM is enclosed with this circular. If you do not intend or are unable to be present at the AGM and wish to appoint a proxy/proxies to attend, speak and vote on your behalf, you are requested to complete the accompanying form of proxy and return it to the registered office of the Company in accordance with the instructions printed thereon not later than 48 hours before the time fixed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting if you so desire.

### VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the AGM will be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATION

The Directors consider that the re-election of the retiring Directors, the granting of the Buy-Back Mandate, the Issue Mandate and the extension of the Issue Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the AGM to give effect to them.

Yours faithfully,  
**Chan Hoi Sow**  
*Chairman*



The biographical details of three Directors proposed to be re-elected at the AGM are set out as follows:–

**Chan Yan Lam, Alan**

Mr. Chan, aged 54, has been appointed as an Executive Director on 24 November 2021. He has been a part of our Group since 2010, bringing with him over 30 years of work experience in North America and across Asia. Throughout his career, Mr. Chan has gained extensive knowledge in various fields such as corporate finance, project finance, treasury management, corporate planning, investment management, project development, construction and engineering. He holds a Bachelor degree in Engineering from the Faculty of Applied Science, at The University of British Columbia, Canada, and graduated as a Sloan Fellow with a Master's degree from the Graduate School of Business, at Stanford University, United States of America. In addition to his role as an Executive Director, he also serves as a director for various members of the Group. Save as disclosed above, Mr. Chan did not hold any directorship in other listed public companies in the past three years or any other positions with the Company or other members of the Group.

Mr. Chan is a son of Mr. Chan Hoi Sow who is the Chairman and Managing Director of the Group as well as brother of Ms. Chan Yan Wai, Emily and Mr. Chan Yan Tin, Andrew, who are the Vice Chairman and Executive Director of the Company respectively. He is a discretionary beneficiary of the Sow Pin Trust. As at the Latest Practicable Date, Mr. Chan has beneficial interest in 172,440,896 shares within the meaning of Part XV of the Securities and Futures Ordinance, representing approximately 62.20% of the total number of Shares in issue. Save as disclosed above, he does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

The Company has entered into an appointment letter with Mr. Chan. The term of his appointment letter is three years from 24 November 2021 to 23 November 2024 and is subject to retirement and re-election at the AGM after his appointment and thereafter subject to retirement by rotation and re-election at annual general meeting and vacation of office in accordance with the provisions of the Articles of Association. His emoluments are to be determined by the Board based on the recommendation of the remuneration committee of the Company and with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities with the Company and his contribution to the Company. Pursuant to the appointment letter, his salary is HK\$138,110 per month plus one month bonus.

Save as disclosed above, Mr. Chan has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

**Chan Kwok Wai**

Mr. Chan, aged 65, has been an Independent Non-Executive Director since September 2004. He is also the Chairman of the Audit Committee, the Chairman of the Remuneration Committee and the Chairman of the Nomination Committee. He holds a Bachelor Degree of Business Administration from Monash University, Australia. He is also a member of CPA Australia and a member of the Hong Kong Securities and Investment Institute. He has over 37 years of experience in finance and accounting industry. Mr. Chan is currently a director of High Progress Consultants Limited. He is also an Independent Non-Executive Director of Chinese Estates Holdings Limited, Hing Yip Holdings Limited (previously known as China Investments Holdings Ltd.) and National Electronics Holdings Limited currently and has been an Independent Non-Executive Director of Far East Consortium International Limited prior to August 2022, all of which are listed public companies in Hong Kong. Save as disclosed above, he has not held any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

As at the Latest Practicable Date, Mr. Chan did not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Chan does not have any relationship with any Directors, senior management or substantial shareholders or controlling shareholders of the Company.

The Company has entered into an appointment letter with Mr. Chan for a term of three years from 1 April 2023 to 31 March 2026 and is subject to retirement by rotation and re-election at the AGM and vacation of office in accordance with the provisions of the Articles of Association. His emoluments comprise a director's fee to be determined by the Board with authorisation from time to time given by the Shareholders in general meeting. His director's fee is to be determined by the Board based on the recommendation of the remuneration committee of the Company and with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. For the year ended 31 March 2024, he received a director's fee of HK\$132,000.

Save as disclosed above, Mr. Chan has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to any of the requirements of Rules 13.51(2) of the Listing Rules.

**Cheung Chong Wai, Janet**

Ms. Cheung, aged 57, has been appointed as an independent non-executive director on 31 March 2018. She is also a member of the Audit Committee. She holds a Bachelor of Commerce – Accounting & Management Information Systems degree from the University of British Columbia in Canada and a Master of Business Administration degree from the University of Michigan in U.S.A. She has been working as an airline executive with over 25 years' experience in leading complex procurement and financing projects. She has not held any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group.

As at the Latest Practicable Date, Ms. Cheung did not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Ms. Cheung does not have any relationship with any Directors, senior management or substantial shareholders or controlling shareholders of the Company.

The Company has entered into an appointment letter with Ms. Cheung for a term of three years from 1 April 2024 to 31 March 2027 and is subject to retirement at the AGM after her appointment and thereafter subject to retirement by rotation and re-election at annual general meeting and vacation of office in accordance with the provisions of the Articles of Association. Her emoluments comprise a director's fee to be determined by the Board with authorisation from time to time given by the Shareholders in general meeting. Her director's fee is to be determined with reference to the prevailing market practice, the Company's remuneration policy, her duties and responsibilities with the Group and her contribution to the Group. For the year ending 31 March 2024, she received a director's fee of HK\$132,000.

Save as disclosed above, Ms. Cheung has confirmed that there are no other matters relating to her re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to any of the requirements of Rules 13.51(2) of the Listing Rules.

This appendix serves as an explanatory statement, as required by Rule 10.06(b) of the Listing Rules, to provide requisite information to shareholders for their consideration of the Buy-Back Mandate and also constitutes the memorandum as required under Section 239(2) of the Companies Ordinance.

## **1. LISTING RULES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to buy back their shares on the Stock Exchange or on any other stock exchange on which the shares of the companies may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose subject to certain restrictions, the most important of which are summarized below:

- (a) The shares proposed to be purchased by the company are fully-paid up.
- (b) The company has previously sent to its shareholders an explanatory statement complying with the Listing Rules.
- (c) The shareholders of the company have given a specific approval or a general mandate to the directors of the company to make such purchase, by way of an ordinary resolution which complies with the Listing Rules and which has been passed at a general meeting of the company duly convened and held.

The company must report the outcome of the general meeting called to consider the proposed purchases to the Stock Exchange immediately following the meeting.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, the share capital of the Company comprised 277,232,883 Shares in issue, all of which are fully paid up.

Subject to the passing of the proposed ordinary resolution and on the basis that no further Shares are issued or bought back prior to the AGM, the Company would be allowed under the Buy-Back Mandate to buy back a maximum of 27,723,288 Shares which are fully paid up, representing 10% of the total number of Shares in issue as at the Latest Practicable Date and date of the passing of the proposed ordinary resolution.

## **3. REASONS FOR BUY BACKS**

The Directors believe that it is in the best interests of the Company and its shareholders to have a general authority from shareholders to enable the Directors to buy back Shares in the market. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and its shareholders.

#### 4. FUNDING OF BUY-BACKS

It is proposed that buy-back of Shares under the Buy-Back Mandate in these circumstances would be financed from available cash flow or working capital facilities of the Company and its subsidiaries.

In buy back Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association and the Companies Ordinance. The Companies Ordinance provides that the amount of capital repaid in connection with a share buy-back may only be paid from the distributable profits of the company or from the proceeds of a new issue of shares made for the purpose.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 March 2024) in the event that the proposed buy-back of Shares were to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-Back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 5. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	<b>Highest Price HK\$</b>	<b>Lowest Price HK\$</b>
<b>2023</b>		
July	_*	_*
August	2.800	2.800
September	_*	_*
October	_*	_*
November	_*	_*
December	_*	_*
<b>2024</b>		
January	_*	_*
February	2.360	2.360
March	2.200	1.980
April	_*	_*
May	_*	_*
June	_*	_*
July (up to the Latest Practicable Date)	_*	_*

\* There was no trading of shares during the month.

## 6. GENERAL

The Directors will exercise the Buy-Back Mandate in accordance with the Listing Rules, the memorandum of association of the Company, the Articles of the Association and all applicable laws of Hong Kong from time to time.

The Directors have confirmed that the explanatory statement set out in this circular relating to the Buy-Back Mandate contains the information required under Rule 10.06(1)(b) of the Listing Rules and that neither the explanatory statement nor the proposed share buy-back has unusual features.

The Company will cancel any repurchased Shares following settlement of such repurchase.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company under the Buy-Back Mandate if such Buy-Back Mandate is approved by the Shareholders.

No other core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Buy-Back Mandate is approved by the Shareholders.

If as a result of a share buy-back, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert, depending on the level of increase of the shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Chan Hoi Sow, Mr. Chan Yan Tin, Andrew, Ms. Chan Yan Wai, Emily and Mr. Chan Yan Lam, Alan together with their respective close associates (as defined in the Listing Rules) (the "said Persons") were beneficially interested in 205,794,534 Shares, representing approximately 74.23% of the total number of Shares in issue. In the event that the Directors exercised the Buy-Back Mandate in full, then (if the present shareholdings otherwise remained the same) the interests of the said Persons in the Company would be increased to approximately 82.48% of the total number of Shares in issue and the said Persons would not be required to make a mandatory offer under Rules 26 and 32 of the Takeovers Code by reason of such increase. The Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any buy-backs made under the Buy-Back Mandate. The Directors have no present intention to exercise the Buy-Back Mandate to the extent that the number of Shares held by the public would be reduced to less than 25% of the total number of Shares in issue.

**7. SHARE BUY-BACK MADE BY THE COMPANY**

The Company had not bought back any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

**8. RESPONSIBILITY STATEMENT**

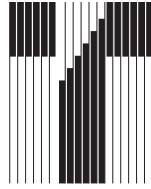
This circular includes particulars given in compliance with the Listing Rules for the purpose of providing information with regard to the Company.

The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular the omission of which would make any statement contained herein misleading.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Tern Properties Company Limited (the “Company”) will be held at the conference room of United Conference Centre Limited, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 21 August 2024 at 12:00 noon for the following purposes:–

#### ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated Financial Statements, the Report of the Directors and the Independent Auditor’s Report for the year ended 31 March 2024.
2. To declare a final dividend of HK1.4 cents per share for the year ended 31 March 2024.
3. Each as a separate resolution, to consider and, if thought fit, approve the following resolutions:
  - (a) To re-elect Mr. Chan Yan Lam, Alan as an Executive Director;
  - (b) To re-elect Mr. Chan Kwok Wai as an Independent Non-Executive Director;
  - (c) To re-elect Ms. Cheung Chong Wai, Janet as an Independent Non-Executive Director;
  - (d) To authorise the Board of Directors to fix the Directors’ remuneration.
4. To re-appoint HLM CPA Limited as Auditor and authorise the Board of Directors to fix their remuneration.



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## NOTICE OF ANNUAL GENERAL MEETING

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

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 buy back shares of the Company in issue 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 total number of shares of the Company to be bought back by the Company pursuant to the approval in paragraph (i) of this Resolution shall not exceed 10% of the total number of shares of the Company in issue as at the date of the passing of this Resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the shares of the Company into larger or smaller number of shares after the passing of this resolution) and the said approval shall be limited accordingly, and the authority pursuant to paragraph (i) of this Resolution 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 of the Company 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 of the Company and to make and grant offers, agreements and options (including warrants, 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;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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 warrants, 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 total number of shares of the Company 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 Pro-rata Issue (as hereinafter defined); or (ii) the exercise of any rights of subscription or conversion under any existing warrants, 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 Articles of Association of the Company; or (v) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20% of the total number of shares of the Company in issue as at the date of the passing of this Resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the shares of the Company into larger or smaller number of shares after the passing of this resolution) and the said approval shall be limited accordingly, and the approval in paragraph (i) of this Resolution 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 of the Company in general meeting; and

“Pro-rata 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

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## NOTICE OF ANNUAL GENERAL MEETING

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(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 of the Company pursuant to Ordinary Resolution No. 6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of a number representing the total number of the shares of the Company bought back 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 number shall not exceed 10% of the total number of shares of the Company in issue at the date of the passing of this Resolution (such total number to be subject to adjustment in the case of any conversion of all or any of the shares of the Company into larger or smaller number of shares after the passing of this resolution).”

By order of the Board  
**Lee Ka Man**  
*Company Secretary*

Hong Kong, 19 July 2024

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

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. The annual general meeting will be held in a form of physical meeting. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend, speak and 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. To ascertain the entitlement of the shareholders to attend and vote at the meeting, the Register of Members of the Company will be closed from Friday, 16 August 2024 to Wednesday, 21 August 2024, both days inclusive, during which period no transfer of shares will be registered by the Company. In order to be eligible to attend and vote at the meeting, all duly completed transfer forms 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, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, 15 August 2024.

Subject to the approval of the shareholders at the meeting, the proposed final dividend will be payable to the shareholders whose names appear on the Register of Members of the Company on 3 September 2024. To ascertain the entitlement of the shareholders to the proposed final dividend, the Register of Members of the Company will be closed from Friday, 30 August 2024 to Tuesday, 3 September 2024, 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, all duly completed transfer forms 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, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, 29 August 2024.

4. Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the shareholders at the meeting will be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.
5. 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 buy back shares and to issue shares will be despatched to the shareholders together with the 2024 Annual Report of the Company on 19 July 2024.
6. This notice is also available for viewing on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and on the website of the Company at [www.tern.com.hk](http://www.tern.com.hk).
7. As at the date of this notice, the Board of Directors of the Company comprises seven Directors, of which four are Executive Directors, namely Mr. Chan Hoi Sow, Mr. Chan Yan Tin, Andrew, Ms. Chan Yan Wai, Emily and Mr. Chan Yan Lam, Alan and three are Independent Non-Executive Directors, namely Mr. Chan Kwok Wai, Mr. Tse Lai Han, Henry and Ms. Cheung Chong Wai, Janet.
8. In case the Annual General Meeting (or any adjournment thereof) is anticipated to be affected by black rainstorms or tropical cyclone with warning signal no. 8 or above, Shareholders are suggested to visit the Company's website for arrangements of the Annual General Meeting (or any adjournment thereof).