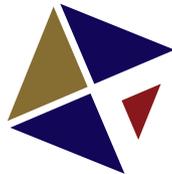

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in China Properties Investment Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

**CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED****中國置業投資控股有限公司****(Incorporated in Bermuda with limited liability)*

(Stock Code: 736)

**PROPOSED TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME OF THE COMPANY
AND
NOTICE OF SPECIAL GENERAL MEETING OF THE COMPANY**

A notice convening a special general meeting of China Properties Investment Holdings Limited to be held at Falcon Room II, Basement, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Friday, 16 December 2011 at 9:00 a.m. is set out on pages 17 to 18 of this circular. A form of proxy for use at the special general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.736.com.hk).

Whether or not you are able to attend the special general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

30 November 2011

* *For identification purposes only*

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RESPONSIBILITY STATEMENT

This document, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“associate(s)”	has the meaning as ascribed thereto in the Listing Rules;
“Board”	the board of Directors;
“Business Day(s)”	day(s) (other than Saturday and day on which a tropical cyclone warning No.8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business;
“Company”	China Properties Investment Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the meaning as ascribed thereto in the Listing Rules;
“court”	has the meaning as ascribed thereto in the Companies Ordinance, Chapter 32 of the Laws of Hong Kong;
“Director(s)”	the director(s) of the Company;
“Eligible Employee”	employee (whether full time or part time employee, including any executive director but not any non-executive director) of the Company, its Subsidiaries or any Invested Entity;
“Existing Scheme”	the existing share option scheme adopted by the Company on 4 October 2002;
“Grantee(s)”	Participant(s) who accepted the Offer in accordance with the terms of the New Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee;
“Group”	the Company and its Subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Invested Entity”	any entity in which the Group holds any equity interest;

DEFINITIONS

“Latest Practicable Date”	28 November 2011, 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;
“New Scheme”	the new share option scheme proposed to be adopted by the Company at the SGM, a summary of principal terms of which is set out in the Appendix to this circular;
“Offer”	the offer of the grant of an Option made in accordance with the New Scheme;
“Offer Date”	the date on which the Board makes an Offer to any Participant;
“Option(s)”	option(s) to subscribe for Shares granted pursuant to the New Scheme;
“Participant(s)”	any person belonging to any of the following classes of persons: (a) any Eligible Employee; (b) any non-executive director (including any independent non-executive director) of the Company, any of its Subsidiaries or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; and (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;

and, for the purposes of the New Scheme, the Option(s) may be granted to any company wholly owned by one or more persons belonging to any of the above classes of participants;

DEFINITIONS

“SGM”	a special general meeting of the Company to be held at Falcon Room II, Basement, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Friday, 16 December 2011 at 9:00 a.m., to consider and, if appropriate, to approve the resolution contained in the notice of the meeting which is set out on pages 17 to 18 of this circular, or any adjournment thereof;
“Share(s)”	ordinary share(s) of HK\$0.03 each in the capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in the provisions of the New Scheme, subject to adjustment in accordance with the New Scheme;
“Subsidiary(ies)”	company(ies) which is/are for the time being subsidiary(ies) (within the meaning of Section 2 of the Companies Ordinance, Chapter 32 of the Laws of Hong Kong) of the Company, whether incorporated in Hong Kong or elsewhere;
“Trading Day(s)”	day(s) on which the Stock Exchange is open for the trading of Shares;
“%”	per cent.

LETTER FROM THE BOARD



CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

中國置業投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 736)

Executive Directors:

Mr. Xu Dong (*Chairman*)

Mr. Au Tat On

Non-executive Director:

Ms. Yu Wai Fong

Independent Non-executive Directors:

Mr. Lai Wai Yin, Wilson

Ms. Cao Jie Min

Mr. Tse Kwong Wah

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Place of Business:

Room 2001, 20/F

Lippo Centre, Tower Two

89 Queensway

Hong Kong

30 November 2011

To the shareholders

Dear Sir/Madam,

**PROPOSED TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME OF THE COMPANY
AND
NOTICE OF SPECIAL GENERAL MEETING OF THE COMPANY**

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information in respect of the resolution to be proposed at the SGM relating to the termination of the Existing Scheme and the adoption of the New Scheme, and to give notice of the SGM.

* *For identification purposes only*

LETTER FROM THE BOARD

2. PROPOSED TERMINATION OF THE EXISTING SCHEME AND ADOPTION OF THE NEW SCHEME

The Existing Scheme allowing the Company to grant share options to Participants for the purpose of, among others, providing incentives or rewards to the Participants for their contribution to the Group, is valid and effective for a period of 10 years commencing on 4 October 2002. Accordingly, the Existing Scheme shall expire at the close of business on 3 October 2012. The Directors therefore consider adopting the New Scheme to replace the Existing Scheme at the SGM so as to ensure the Company's continuity of providing incentives and/or rewards to the Participants by way of granting options. This will also provide the Company with more flexibility in long term planning of the future grant of share options under the New Scheme to eligible Participants.

Pursuant to the Existing Scheme, the Company may by ordinary resolution in general meeting at any time terminate the operation of the Existing Scheme (such that no further options will be offered thereunder but the provisions of the Existing Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options, to the extent not already exercised, granted prior to the termination of the Existing Scheme). As at the Latest Practicable Date, there were 48,296 outstanding options under the Existing Scheme.

Accordingly, an ordinary resolution will be proposed at the SGM to approve the termination of the Existing Scheme and the adoption of the New Scheme.

Save for a few changes that have been made in the New Scheme to conform with the market practices, terms of the New Scheme and the Existing Scheme are broadly similar. The terms of the New Scheme provide that in granting Options under the New Scheme, the Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance criteria to be satisfied before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion. The Board will also have the discretion in determining the Subscription Price in respect of any Option, provided that the relevant requirements in the Listing Rules are complied with. The Directors are of the view that the flexibility given to the Directors to impose the minimum period for which the Options have to be held and performance targets and other conditions that have to be achieved before the Options can be exercised, will place the Group in a better position to attract human resources that are valuable to the growth and development of the Group as a whole. There will not be any trustees of the New Scheme.

A summary of the terms of the New Scheme is set out in the Appendix to this circular. A copy of the rules of the New Scheme is available for inspection at the Company's principal place of business in Hong Kong at Room 2001, 20/F, Lippo Centre, Tower Two, 89 Queensway, Hong Kong during normal business hours from the date hereof up to and including the date of the SGM, and at the SGM.

LETTER FROM THE BOARD

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Scheme as if they had been granted at the Latest Practicable Date as a number of variables which are crucial for the calculation of the value of the Options have not been determined. Such variables include the exercise price, exercise period, any lock up period and other conditions, if any, that an Option is subject to. Accordingly, the Directors believe that any calculation of value of the Options as at the Latest Practicable Date based on a large number of speculative assumptions would not be meaningful and may be misleading to the Shareholders.

The New Scheme constitutes a share option scheme governed by Chapter 17 of the Listing Rules. The adoption of the New Scheme is conditional upon:

- (i) the passing of an ordinary resolution at the SGM approving the termination of the Existing Scheme and the adoption of the New Scheme and the allotment and issuance of the Shares, which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Options; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any new Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Options that may be granted under the New Scheme, being 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution.

Subject to the passing of the ordinary resolution set out in the notice of the SGM in respect of the adoption of the New Scheme and assuming that the issued share capital of the Company remains at 245,610,329 Shares as at the date of SGM, the Company can grant Options under the New Scheme to the Participants to subscribe for up to 24,561,032 Shares, representing 10% of the issued share capital of the Company as at the date of SGM. To the best knowledge of the Directors having made all reasonable enquiries, none of the Shareholders has a material interest in the proposed adoption of the New Scheme and, therefore, no Shareholder is required to abstain from voting on the said resolution.

An application will be made to the Stock Exchange for approval of the listing of, and permission to deal in, the Shares which may be issued and allotted pursuant to the New Scheme.

3. SGM AND PROXY ARRANGEMENT

The notice of the SGM is set out on pages 17 to 18 of this circular. At the SGM, a resolution will be proposed to approve the termination of the Existing Scheme and the adoption of the New Scheme.

Pursuant to the Listing Rules, any vote of shareholders at a listed issuer's general meeting must be taken by poll. Accordingly, the proposed resolution will be put to vote by way of poll at the SGM.

LETTER FROM THE BOARD

An announcement on the poll vote results will be made by the Company after the SGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the SGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.736.com.hk). Whether or not you are able to attend the SGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Branch Share Registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the SGM if you so wish and in such event, your proxy form shall be deemed to be revoked.

4. RECOMMENDATION

The Directors consider that the termination of the Existing Scheme and the adoption of the New Scheme are in the best interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolution to be proposed at the SGM.

5. GENERAL INFORMATION

Your attention is drawn to the Appendix to this circular, which gives a summary of the principal terms of the New Scheme.

Yours faithfully,
By order of the Board
Xu Dong
Chairman

The following is a summary of the principal terms of the New Scheme proposed to be adopted at the SGM.

1. PURPOSE OF THE NEW SCHEME

The purpose of the New Scheme is to provide incentives or rewards to the Participants thereunder for their contribution to the Group.

2. PARTICIPANTS

The Directors may, at their absolute discretion, invite any person belonging to any of the following classes of Participants, to take up Options to subscribe for Shares:

- (a) any Eligible Employee;
- (b) any non-executive director (including any independent non-executive director) of the Company, any of its Subsidiaries or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; and
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;

and, for the purposes of the New Scheme, the Options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of participants.

The basis of eligibility of any of the above classes of Participants to the grant of any Options shall be determined by the Directors from time to time on the basis of their contribution to the development and growth of the Group and the Invested Entity.

3. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (3.1) The maximum number of Shares to be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the issued share capital of the Company from time to time.

- (3.2) The total number of Shares which may be issued upon exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the New Scheme and any other share option schemes of the Company) to be granted under the New Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the Shares in issue as at the date of approval of the New Scheme (the “**General Scheme Limit**”).
- (3.3) Subject to sub-paragraph (3.1) above and without prejudice to sub-paragraph (3.4) below, the Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all Options to be granted under the New Scheme and any other share option schemes of the Company under the limit as “refreshed” must not exceed 10% of the Shares in issue as at the date of approval of such refreshed limit and for the purpose of calculating the limit as “refreshed”, Options (including those outstanding, cancelled, lapsed or exercised in accordance with the terms of New Scheme and any other share option schemes of the Company) previously granted under the New Scheme and any other share option schemes of the Company will not be counted.
- (3.4) Subject to sub-paragraph (3.1) above and without prejudice to sub-paragraph (3.3) above, the Company may seek separate Shareholders’ approval in general meeting to grant Options beyond the General Scheme Limit or, if applicable, the limit referred to in sub-paragraph (3.3) above to Participants specifically identified by the Company before such approval is sought.

4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of Shares issued and which may fall to be issued upon exercise of the Options granted under the New Scheme and any other share option schemes of the Company (including both exercised and outstanding Options) to each Participant in any 12-month period must not exceed 1% of the issued share capital of the Company for the time being (the “**Individual Limit**”). Any further grant of Options to a Participant in excess of the Individual Limit (including exercised, cancelled and outstanding Options) in any 12-month period up to and including the date of such further grant must be subject to Shareholders’ approval in general meeting of the Company with such Participant and his associates abstaining from voting. The number and terms (including the Subscription Price) of the Options to be granted to such Participant must be fixed before Shareholders’ approval and the date of the meeting of the Board for proposing such further grant of Options should be taken as the date of Offer for the purpose of calculating the Subscription Price.

5. GRANT OF OPTIONS TO CONNECTED PERSONS

- (5.1) Any grant of Options under the New Scheme to a Director, chief executive (other than a proposed Director or a proposed chief executive of the Company) or substantial Shareholder of the Company, or any of their respective associates, must be approved by independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Options).

(5.2) Where any grant of Options to a substantial Shareholder or an independent non-executive Director of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (a) representing in aggregate over 0.1% of the Shares in issue; and
- (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000,

such further grant of Options must be approved by the Shareholders in a general meeting. All connected persons of the Company must abstain from voting at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the relevant circular.

For the purpose of seeking Shareholders' approval in general meeting under subparagraphs (3.3) and (3.4), paragraph 4 and sub-paragraph (5.2) above, the Company must send a circular to the Shareholders containing the information required under the Listing Rules.

6. TIME OF ACCEPTANCE AND EXERCISE OF AN OPTION

An Offer is open for acceptance by a Participant for the period specified in the letter of Offer provided that the Offer shall not be open for acceptance after the expiry of the New Scheme set out in paragraph 9 or after the New Scheme has been terminated in accordance with the provisions hereof. A consideration of HK\$1 is payable on acceptance of the Offer. An Option may be exercised in accordance with the terms of the New Scheme at any time during a period to be determined and notified by the Directors to each Grantee, which period may commence on the day on which the Offer is made but shall end in any event not later than 10 years from the Offer Date subject to the provisions for early termination thereof (the "**Option Period**").

Unless the Directors otherwise determined and stated in the Offer to a Participant, there is no minimum period for which an Option granted under the New Scheme must be held before it can be exercised.

7. PERFORMANCE TARGETS

Unless the Directors otherwise determined and stated in the Offer to a Participant, a Participant is not required to achieve any performance targets before any Options granted under the New Scheme can be exercised.

8. SUBSCRIPTION PRICE FOR SHARES

The Subscription Price in respect of any particular Option shall be such price as determined by the Board in its absolute discretion at the time of the making of the Offer (which shall be stated in the letter containing the Offer) but in any case the Subscription Price shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Trading Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Trading Days immediately preceding the Offer Date; and (iii) the nominal value of a Share. Without prejudice to the generality of the foregoing, the Board may grant Options in respect of which the Subscription Price is fixed at different prices for different periods during the Option Period provided that the Subscription Price for each of the different periods shall not be less than the Subscription Price determined in the manner set out herein.

9. LIFE OF THE NEW SCHEME

Subject to paragraph 16, the New Scheme will remain in force for a period of 10 years commencing on the date on which the New Scheme is conditionally adopted by the Company at a general meeting of the Shareholders.

10. RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the bye-laws of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue as from the day when the name of the Grantee is registered on the register of members of the Company and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date when the name of the Grantee is registered on the register of members of the Company other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date when the name of the Grantee is registered on the register of members of the Company, provided always that when the date of exercise of the Option falls on a day upon which the register of members of the Company is closed then the exercise of the Option shall become effective on the first Business Day on which the register of members of the Company is re-opened. A Share allotted upon the exercise of an Option shall not carry voting rights until the completion of the registration of the Grantee as the holder thereof.

11. TRANSFERABILITY OF OPTIONS

An Option is personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee.

12. RIGHTS ATTACHING TO OPTIONS**(12.1) Rights on ceasing employment**

If the Grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death or retirement referred to in sub-paragraph (12.2) below or termination of employment on one or more grounds referred to in sub-paragraph (12.4) below before exercising his or her Option in full, the Option (to the extent not already exercised) will lapse on the date of cessation and will not be exercisable unless the Directors otherwise determine in which event the Grantee may exercise the Option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation, which will be taken to be the last day on which the Grantee was at work with the Group or the Invested Entity whether salary is paid in lieu of notice or not.

(12.2) Rights on retirement

If the Grantee of an Option ceases to be a Participant by reason of retirement, in accordance with his or her contract of employment or upon expiration of his or her term of directorship (retirement by rotation pursuant to the bye-laws of the Company or applicable laws excepted), before exercising the Option in full, the Grantee shall be entitled within a period of 12 months from the date of retirement to exercise the Option (to the extent which has become exercisable and not already exercised).

(12.3) Rights on death

If the Grantee of an Option ceases to be a Participant by reason of death before exercising the Option in full (provided that none of the events which would be a ground for termination of his or her employment under sub-paragraph (12.4) below arises prior to his or her death), the legal personal representative(s) of this Grantee shall be entitled within a period of 12 months from the date of death (or such longer period as the Board may determine) to exercise the Option (to the extent which has become exercisable and not already exercised).

(12.4) Rights on dismissal

If the Grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason of the termination of his or her employment on any one or more of the grounds that he or she has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the Eligible Employee's service contract with the Company or the relevant Subsidiary or the relevant Invested Entity, his or her Option will lapse automatically on the date the Grantee ceases to be an Eligible Employee.

(12.5) Rights on breach of contract

If the Directors at their absolute discretion determine that the Grantee (other than an Eligible Employee) or his or her associate has committed any breach of any contract entered into between the Grantee or his or her associate on the one part and the Group or any Invested Entity on the other part or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his or her creditors generally, the Directors shall determine that the outstanding Options granted to the Grantee shall lapse. In such event, his or her Options will lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

(12.6) Rights on a general offer

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders of the Company. If such offer becomes or is declared unconditional, a Grantee shall be entitled to exercise his or her Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in exercise of his or her Option at any time before the close of such offer (or any revised offer). Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes.

(12.7) Rights on winding up

In the event of an effective resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee (or where permitted under sub-paragraph (12.3), his or her legal personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time no later than two Business Days prior to the date on which such resolution is to be passed, exercise his or her Option (to the extent which has become exercisable and not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the New Scheme and shall accordingly be entitled, in respect of the Shares falling to be allotted and issued upon the exercise of his or her Option, to participate in the distribution of the assets of the Company available in liquidation pari passu with the Shares in issue on the date prior to the date of the passing of the resolution to wind-up the Company. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date of the commencement of the winding-up of the Company.

(12.8) Rights on compromise or arrangement between the Company and its creditors

In the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its Shareholders (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its Shareholders or creditors to consider such a scheme or arrangement, and thereupon any Grantee (or his or her legal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date falling 2 calendar months thereafter and the date on which such compromise or arrangement is sanctioned by the court be entitled to exercise his or her Option (to the extent which has become exercisable and not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective. The Company may thereafter require such Grantee to transfer or otherwise deal with the Shares issued as a result of such exercise of his or her Option so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date when the proposed compromise or arrangement becomes effective.

13. LAPSE OF OPTION

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (a) the expiry of the periods or dates referred to in paragraphs 6 and 12; and
- (b) the date on which a breach of the provision of restriction on transfer and assignment of an Option referred to in paragraph 11 is committed.

14. REORGANIZATION OF CAPITAL STRUCTURE

In the event of a capitalization issue of profits or reserves, rights issue, consolidation, subdivision or reduction of capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such corresponding adjustments (if any) shall be made in:

- (a) the number of Shares subject to the Options so far as unexercised; and/or
- (b) the Subscription Price; and/or
- (c) the maximum number of Shares referred to in paragraphs 3 and 4,

as an independent financial adviser or the auditors of the Company shall certify in writing to the Board to be in their opinion fair and reasonable, provided that any adjustments shall be made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such adjustments shall remain the same as that to which he was entitled before such adjustments and no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value and no such adjustments will be required in circumstances where there is an issue of Shares or other securities of the Group as consideration in a transaction. In addition, in respect of any such adjustments as provided in this paragraph 14, other than any made on a capitalization issue, the independent financial adviser or auditors of the Company must confirm in writing to the Directors that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

15. CANCELLATION OF OPTIONS

Any cancellation of Options granted but not exercised shall require approval of the Board. Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the New Scheme and the Listing Rules. Where the Company cancels Options and issues new ones to the same Grantee, the issue of such new Options may only be made under a scheme with available unissued Options (excluding the cancelled Options) within the limit approved by Shareholders as mentioned in paragraph 3. For the avoidance of doubt, Options which have been exercised shall not be included as cancelled Options.

16. TERMINATION OF THE NEW SCHEME

The Company may by resolution in general meeting at any time terminate the operation of the New Scheme and in such event no further Options will be offered but the provisions of the New Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Scheme.

17. ALTERATION OF THE NEW SCHEME

(17.1) The New Scheme may be altered in any respect by resolution of the Board except that:

- (a) the terms and conditions of the New Scheme relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of Grantees of the Options except with the prior approval of the Shareholders in general meeting;
- (b) any alterations to the terms and conditions of the New Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Scheme; and

- (c) any change to the authority of the Directors in relation to any alteration to the terms of the New Scheme must be approved by the Shareholders in general meeting.
- (17.2) The amended terms of the New Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.

NOTICE OF THE SGM



CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

中國置業投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 736)

NOTICE IS HEREBY GIVEN that a Special General Meeting of China Properties Investment Holdings Limited (the “**Company**”) will be held at Falcon Room II, Basement, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Friday, 16 December 2011 at 9:00 a.m. for the purposes of considering and, if thought fit, passing with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of and permission to deal in the shares to be issued pursuant to the exercise of any options granted under the new share option scheme of the Company (the “**New Scheme**”, a copy of which marked “A” is produced to the meeting and for the purposes of identification signed by the Chairman thereof), the New Scheme be and is hereby approved and adopted and with effect from the date of the New Scheme becoming unconditional and coming into effect, the Company’s existing share option scheme adopted on 4 October 2002 be terminated and the board of directors of the Company be and is hereby authorized to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Scheme, including but without limitation:

- (a) to administer the New Scheme under which options will be granted to participants eligible under the New Scheme to subscribe for shares of the Company;
- (b) to modify and/or amend the New Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Scheme relating to modification and/or amendment;
- (c) to issue and allot from time to time such number of shares in the capital of the Company which may fall to be issued and allotted pursuant to the exercise of the options granted under the New Scheme, provided always that the total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the issued share capital of the Company as at the date of passing of this resolution, but the Company may seek approval of its shareholders in general meeting for refreshing the 10% limit under the New Scheme, and provided also that the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time;

* *For identification purposes only*

NOTICE OF THE SGM

- (d) to make applications at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for listing of and permission to deal in any shares which may hereafter from time to time be issued and allotted pursuant to the exercise of the options under the New Scheme; and
- (e) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Scheme.”

By order of the Board

Xu Dong

Chairman

Hong Kong, 30 November 2011

Notes:

1. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order 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 certified copy of that power or authority, must be deposited at the Branch Share Registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.