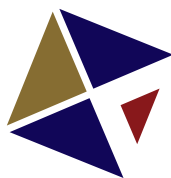

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, 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 China Properties Investment Holdings Limited, you should at once hand this circular to the purchaser or the transferee or to the bank manager, 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.

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)****MAJOR AND CONNECTED TRANSACTION
DISPOSAL OF SUBSIDIARY
AND
NOTICE OF SPECIAL GENERAL MEETING**

Capitalised terms used in this cover shall have the same meanings as defined in this circular.

A notice convening the SGM to be held at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 29 September 2016 at 10:00 a.m. is set out on pages 21 to 22 of this circular. A form of proxy for use at the SGM is enclosed with this circular. 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 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the SGM 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.

13 September 2016

* for identification purposes only

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DEFINITIONS

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

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which commercial banks are generally open for business in Hong Kong
“Company”	China Properties Investment Holdings Limited (中國置業投資控股有限公司*), a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange
“Completion”	the completion of the Disposal
“Completion Date”	the third Business Day upon the fulfillment of the conditions as set out in the SPA or such other date as the Company and the Purchaser may agree
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration of HK\$100 million payable by the Purchaser to the Company for the Disposal under the SPA
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Share by the Company to the Purchaser pursuant to the terms and conditions of the SPA
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Shareholders”	Shareholders other than those who have material interest in the SPA and the transactions contemplated thereunder and are required to abstain from voting at the SGM
“Latest Practicable Date”	8 September 2016, being the latest practicable date for ascertaining certain information referred to in this circular prior to printing of this circular

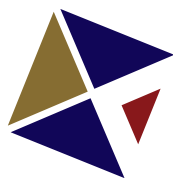
DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	4 months from the date of the SPA or such other date as the Company and the Purchaser may agree in writing
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, Macau Special Administration Region of the PRC and Taiwan
“Previous Agreement”	the conditional sale and purchase agreement dated 16 October 2014 and entered into by the Company, the Previous Agreement Guarantors and the Purchaser in respect of the acquisition of entire issued share capital of the Target Company
“Previous Agreement Guarantors”	collectively Mr. Chu Hong Chuen Raymond, Mr. Chim Man Tung and Mr. Kam Wing Sau, being the guarantors to the Previous Agreement
“Promissory Notes”	the outstanding promissory notes of a principal amount of HK\$60 million issued by the Company to the Purchaser pursuant to an instrument in respect of a series of notes in the aggregate principal amount of up to HK\$70 million under the Previous Agreement
“Purchaser”	Wan Cheng Investments Limited, a company incorporated in Samoa with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	one issued and fully-paid ordinary share with a par value of US\$1 in the share capital of the Target Company, representing the entire issued share capital of the Target Company
“SFC”	Securities and Futures Commissions of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting to be convened by the Company for the Shareholders to consider and, if thought fit, approve the SPA and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company as at the Latest Practicable Date
“Shareholder(s)”	holder(s) of Share(s)

DEFINITIONS

“SPA”	the conditional sale and purchase agreement dated 22 August 2016 entered into by the Company and the Purchaser in relation to the Disposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholders”	has the meaning ascribed to it under the Listing Rules
“Target Company”	Liqun Investments Limited, a company incorporated in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of the Company
“Target Group”	The Target Company and the Target Subsidiary
“Target Subsidiary”	Kotech Educational Limited, a company incorporated in Hong Kong with limited liability, which is owned 90% by the Target Company
“US\$”	United States dollars, the lawful currency of the United States
“%”	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:

Miss 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 4303, 43/F

China Resources Building

No. 26 Harbour Road

Wanchai, Hong Kong

13 September 2016

To the Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION DISPOSAL OF SUBSIDIARY AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 22 August 2016 in relation to the Disposal. On 22 August 2016 (after trading hours), the Company, as vendor, entered into the SPA with the Purchaser, pursuant to which the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Sale Share, representing the entire share capital of the Target Company, at the Consideration of HK\$100 million payable by the Purchaser in accordance with the terms and conditions of the SPA.

The purpose of this circular is to provide you with, among other things, the details of the Disposal, the notice of the SGM, and any other information as required by the Listing Rules.

* for identification purposes only

LETTER FROM THE BOARD

THE SPA

Date

22 August 2016 (after trading hours)

Parties

- (i) Vendor : the Company; and
- (ii) Purchaser : Wan Cheng Investments Limited

As at the Latest Practicable Date, Mr. Chu Hong Chuen Raymond and Mr. Kam Wing Sau, being the directors of the Target Company and the Target Subsidiary, hold an aggregate of 75% of the total issued share capital of the Purchaser, and therefore the Purchaser is an associate of Mr. Chu Hong Chuen Raymond and Mr. Kam Wing Sau. As a result, the Purchaser is a connected person of the Company under the Listing Rules.

Assets to be disposed

Pursuant to the SPA, the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Sale Share, representing the entire issued share capital of the Target Company.

Consideration

The Consideration is HK\$100 million, which shall be satisfied in the following manner upon Completion:

- (i) as to HK\$40 million shall be paid in cash; and
- (ii) as to HK\$60 million shall be paid and settled by setting off the Promissory Notes due to the Purchaser from the Company.

Pursuant to the SPA, the Purchaser agreed to waive all interest payable by the Company under the Promissory Notes and the Company agreed to waive its right to claim against the Purchaser and the Previous Agreement Guarantors for the profit guarantee given by them under the Previous Agreement upon Completion.

The Consideration was determined after arm's length negotiation between the Company and the Purchaser with reference to, among others, the total consideration of HK\$100 million paid by the Company to the Purchaser under the Previous Agreement.

The Directors (including the independent non-executive Directors) consider that the Consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Conditions precedent

Completion is conditional upon satisfaction of the following conditions precedent:

- (i) the Company having obtained the approval by the Shareholders (or Independent Shareholders, if required) for the sale of the Sale Share and all other transactions contemplated under the SPA, if required, in compliance with the requirements of the Listing Rules; and
- (ii) the Company having complied with all applicable laws, regulations and rules in Hong Kong or elsewhere including but not limited to those under the Listing Rules and the requirements, instructions and indications, etc. of the Stock Exchange in relation to the SPA and the transactions contemplated under the SPA.

None of the above conditions can be waived. If all the conditions have not been satisfied on or before the Long Stop Date, through no fault of the Company or the Purchaser, the SPA shall automatically terminate forthwith and all liabilities of the parties pursuant to the SPA shall cease and neither party shall have any claim against the other but without prejudice to accrued right of either party against the other party for antecedent breach prior thereto.

Completion

Completion shall take place on the Completion Date.

Upon Completion, the Company shall cease to hold any interest in the Target Company and the Target Group will cease to be subsidiaries of the Company.

INFORMATION ON THE TARGET GROUP

The Target Company, a wholly-owned subsidiary of the Company, is a company incorporated in British Virgin Islands with limited liability and has an authorised share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1 each, of which one ordinary share has been issued and fully paid-up. The principal activity of the Target Company is investment holding.

The Target Subsidiary is a company incorporated in Hong Kong with limited liability which has issued 10 ordinary shares with total amount of paid up capital of HK\$10 as at the Latest Practicable Date. The Target Subsidiary is owned as to 90% by the Target Company.

Reference is made to the announcements of the Company dated 16 October 2014 (the “**Previous Announcement**”) and 21 November 2014. The Company completed the acquisition of the entire issued share capital of the Target Company in accordance with the Previous Agreement (the “**Previous Acquisition**”) on 21 November 2014 and is effectively interested in 90% of the issued share capital of the Target Subsidiary. The consideration paid by the Company for the Previous Acquisition was HK\$100 million which was satisfied by cash and the issue of the Promissory Notes.

LETTER FROM THE BOARD

In addition, for the six months ended 30 September 2015, the net profit after tax of the Target Subsidiary was approximately HK\$2.30 million and exceeded the guaranteed profit of HK\$1.50 million for such period as stipulated under the Previous Agreement. As such, the Company redeemed part of the Promissory Notes in the principal amount of HK\$10 million pursuant to the terms and conditions of the Previous Agreement.

The Target Group comprises the Target Company which in turn holds 90% equity interest in the Target Subsidiary.

Set out below is the consolidated financial information of the Target Group as extracted from its financial statements for the two financial years ended 31 March 2015 and 2016:

	For the year ended 31 March	
	2015	2016
	<i>(approximate RMB'million)</i>	<i>(approximate RMB'million)</i>
Net profit/(loss) before taxation	(2.82)	2.95
Net profit/(loss) after taxation	(2.88)	2.94

The net assets of the Target Group as at 31 March 2016 according to its audited financial statement was approximately RMB18,500.

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

For illustration purposes, based on the carrying value of the Target Group as at 31 March 2016, it is estimated that the Group will record a gain of approximately RMB20.49 million (before tax) from the Disposal after deducting the expenses, attributable to the Disposal of approximately RMB0.77 million. Shareholders should note that the actual amount of the gain on the Disposal to be recognized in the consolidated financial statements of the Company depends on the carrying value of the Target Group as at the Completion Date and therefore may be different from the amount mentioned above.

Upon Completion, the Company will cease to hold any equity interest of the Target Company and the financial results of the Target Group will no longer be consolidated into the consolidated financial statements of the Group.

The Board intends to apply the net proceeds from the Disposal for development of the money lending business and/or development of an elderly home project, if materialized.

REASONS AND BENEFITS OF THE DISPOSAL

Reference is made to the Previous Announcement relating to the Previous Acquisition. As stated in the Previous Announcement, the Directors were of the view that, by leveraging on the support from Quality Education Fund and the extensive experiences of the Target Group's management team in the education

LETTER FROM THE BOARD

sector, the Previous Acquisition provided a prime opportunity for the Group to enter into the educational support services sector at the material time and diversify the revenue stream of the Group which was expected to increase the Shareholders' value and benefit the Company and the Shareholders as a whole.

The Group has relied on the management of the Target Subsidiary to maintain its operation. However, during the process of merging the operation of the Target Group into the Group, there were disagreements between the Company and the management of the Target Subsidiary, on the business model of the Target Subsidiary for the shift of focus from provision of educational support services to the local schools in application of the Quality Education Fund in Hong Kong to the sales of education course materials and provision of educational support services in the PRC, and non-cooperation of the management of the Target Subsidiary in carrying out the Group's policies (the "**Disputes**"). During the said process, the Company and the Target Subsidiary had held several rounds of negotiation to try to resolve the Disputes but failed to reach any consensus. Despite the Target Subsidiary was profit-making for the year ended 31 March 2016, having taken into account (i) the Disputes and the inability of the Company and the management of the Target Subsidiary to resolve the Disputes despite the Company's efforts; and (ii) the potential operational risk imposed on the Company resulting from the non-cooperation of the management of the Target Subsidiary should the Target Subsidiary remain as a subsidiary of the Company, the Directors consider that the Disposal represents a good opportunity for the Group to exit its investment from a dispute situation at the same price. As such the Company and the Purchaser resolved to reverse the Previous Acquisition by entering into the SPA.

In April 2016, the Group has completed the acquisition of a company which is principally engaged in the business of securities brokerage and is a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the SFO. In addition, the Company also entered into a sale and purchase agreement with an independent third party in May 2016 to purchase the entire issued share capital of a company which is principally engaged in the business of assets management and is licensed under the SFO to carry on Type 9 (asset management) regulated activity and the said acquisition has not completed and is subject to the approval of the SFC as at the Latest Practicable Date. These acquisitions enable the Group to enter into securities brokerage and assets management business.

Please refer to the section headed "5. Financial and Trading Prospects" as set out in Appendix I of this circular for further discussions on the principal businesses of the remaining Group following completion of the Disposal.

The Directors also consider that the Disposal will enable the Group to focus its resources in pursuing development opportunities on, including but not limited to, the newly developed and developing business segments of the Group, including the money lending, securities brokerage and assets management business.

Having considered the reasons for and benefits of the Disposal as mentioned above, the Directors (including the independent non-executive Directors) are of the view that the terms of the SPA are fair and reasonable and the Disposal is in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP

The Company is an investment holding company and the principal activities of the Group are property investment, provision of educational support services, securities brokerage and money lending.

LETTER FROM THE BOARD

THE LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal are more than 25% but all are less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, announcement and Shareholders' approval requirements.

As at the Latest Practicable Date, Mr. Chu Hong Chuen Raymond and Mr. Kam Wing Sau, being the directors of the Target Company and the Target Subsidiary, hold an aggregate of 75% of the total issued share capital of the Purchaser, and therefore the Purchaser is an associate of Mr. Chu Hong Chuen Raymond and Mr. Kam Wing Sau. As a result, the Purchaser is a connected person of the Company under the Listing Rules.

The Disposal is however only a connected transaction between the Company and a connected person at the subsidiary level on normal commercial terms, therefore such connected transaction is exempted from the circular, independent financial advice and Independent Shareholders' approval requirements under rule 14A.101 of the Listing Rules given that (i) the Directors have approved the Disposal; and (ii) the independent non-executive Directors have confirmed that the terms of the Disposal are fair and reasonable, the Disposal in normal commercial terms and in the interests of the Company and its Shareholders as a whole.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of its close associates has any material interest in the SPA and the transactions contemplated thereunder, and no Shareholder is required to abstain from voting on the resolution(s) in respect of the SPA and the transactions contemplated thereunder at the SGM.

GENERAL

A notice convening the SGM of the Company to be held at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 29 September 2016 at 10:00 a.m. is set out on pages 21 to 22 of this circular. A form of proxy for use in connection with the SGM is enclosed herewith. 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 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the SGM 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. Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the SGM will be taken by poll.

Completion is conditional upon the satisfaction of the conditions set out in the section headed "Conditions Precedent" under the SPA. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

LETTER FROM THE BOARD

RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the transactions contemplated under the SPA are on normal commercial terms and the terms of the SPA are fair and reasonable and are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board (including the independent non-executive Directors) recommends the Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the SPA and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices of this circular.

Yours faithfully

By order of the Board

China Properties Investment Holdings Limited

Xu Dong

Chairman

1. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE THREE FINANCIAL YEARS ENDED 31 MARCH 2016

Financial information of the Group for each of the three years ended 31 March 2014, 2015 and 2016 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.736.com.hk) respectively:

- Annual Report 2016 (pages 30 to 150):
<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0728/LTN20160728497.pdf>
- Annual Report 2015 (pages 31 to 142):
<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0724/LTN20150724561.pdf>
- Annual Report 2014 (pages 31 to 126):
<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0715/LTN20140715281.pdf>

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 July 2016, being the latest practicable date for the purpose of this indebtedness statement prior to the publication of this circular, the Group had total borrowing of approximately RMB86,496,000, comprising (i) bank loans of RMB18,000,000 secured by the Group's investment properties of approximately RMB159,450,000 as at the valuation dated 31 March 2016; (ii) unsecured promissory note of HK\$60,000,000 (equivalent to RMB51,372,000) which bear an interest of 8% per annum; and (iii) unsecured unconvertible bonds of HK\$20,000,000 (equivalent to RMB17,124,000) which bear an interest of 5% per annum.

Save for the aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 July 2016, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, mortgages, charges, finance leases or hire purchase commitments, guarantees or other materials contingent liabilities.

For the purpose of this indebtedness statement, foreign currency amounts have been translated into Renminbi at the approximately rates of exchange prevailing as at 31 July 2016.

The Directors are not aware of any material adverse changes in the Group's indebtedness position and contingent liabilities since 31 July 2016.

3. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, in the absence of unforeseeable circumstances and after taking into account the financial resources available to the Group (including internally generally fund and the available banking facilities), the Group will have sufficient working capital for its present requirements for a period of 12 months from the date of this Circular.

4. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 March 2016, being the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS

The principal activities of the Group are property investment, provision of educational support services, securities brokerage and money lending. Whilst the Group remains focused on developing its existing businesses, the Directors consider that it is beneficial for the group to seek suitable investment opportunities from time to time to develop its existing business portfolio and engage in new lines of business with growth potential and broaden its source of income.

I. Property investment

As at the Latest Practicable Date, the aggregate gross floor area of the investment properties in Shanghai being held by the Group was approximately 7,004 square meters, all of which was leased to third parties under operating leases with lease terms ranging up to twelve years.

During 2015, the Company acquired a land (the “**Land**”) located in Port Moody of Vancouver through China Properties Investment North America Inc., a wholly-owned subsidiary of the Company, at a total consideration of approximately CAD2.9 million (equivalent to approximately HK\$17.3 million). The Land has an approximate land area of 5.49 acre with the intention to develop as a residential site (the “**Canada Project**”). According to a preliminary development plan prepared by the said subsidiary, the Canada Project will be divided into two phases, of which phase one will be focused on site servicing while phase two will be focused on the construction of a total of 7 luxury residential houses, representing a total gross floor area of approximately 21,900 square meters. The total investment and construction cost for the Canada Project is estimated to be approximately CAD10.5 million. The phase one development will be commenced once after the development permits are granted from the local authority of Port Moody, which is expected to be in the fourth quarter of 2016.

Reference is made to the announcement of the Company dated 4 February 2016. On 4 February 2016, the Company entered into a non-legally binding memorandum of understanding with an independent third party, pursuant to which the Company will purchase and the vendor will sell 60% of the equity interest in a target company, which owns 100% interest in a piece of land (the “**2nd Land**”), intended for the development of an elderly home project (the “**Project**”). The 2nd Land is located in Fengxian District, Shanghai City, with a planning area of approximately 100 mu, an ancillary area of approximately 200 mu, an overall area of approximately 200,000 square meters and a construction area of over 130,000 square meters. After the construction is completed, the Project will become one of the largest nursing institution for senior citizens in the PRC, providing over 4,000 nursing beds. As at the Latest Practicable Date, the Company is conducting the due diligence review and in negotiations with the vendor for the terms and conditions of the Project and expect to enter into a formal agreement in the fourth quarter of 2016.

The financial information of such business segment is as follows:

	For the year ended
	31 March 2016
	<i>RMB'000</i>
	<i>(approximately)</i>
Revenue	8,854
Net loss	11,435

	As at
	31 March 2016
	<i>RMB'000</i>
	<i>(approximately)</i>
Total assets	208,650
Net assets	77,057

II. Securities brokerage

Reference is made to the announcement of the Company dated 20 November 2015 and 11 April 2016. As disclosed in the said announcements, Bigfair International Limited (“**Bigfair**”), a wholly-owned subsidiary of the Company, acquired the entire issued share capital of J.A.F Brokerage Limited, which is a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the SFO and is principally engaged in the business of securities brokerage, and such acquisition was completed on 11 April 2016. The financial information of such business which will be consolidated into the Group’s financial statement subsequent to the said acquisition is as follows:

	From 11 April 2016
	to 31 July 2016
	<i>RMB'000</i>
	<i>(approximately)</i>
Revenue	272
Net loss	1,166

	As at
	31 July 2016
	<i>RMB'000</i>
	<i>(approximately)</i>
Total assets	6,677
Net assets	5,445

Reference is also made to the announcement of the Company dated 24 May 2016. As disclosed in the said announcement, Bigfair entered into a sale and purchase agreement with an independent third party of the Company, pursuant to which the vendor agreed to sell and the Bigfair agreed to purchase the entire issued share capital of a target company, which is incorporated in Hong Kong and is licensed under the SFO to carry on Type 9 (asset management) regulated activity. The completion of such acquisition is subject to, among others, the approval of the Securities and Futures Commission and it is expected to complete in September 2016.

The above acquisitions enable the Group to enter into securities brokerage business and assets management business. The Group is expected to be benefited from the synergy arising from these new business segments. The Company intends to invest approximately HK\$200 million to develop the financial services business, including the provision of securities trading, margin financing, underwriting and assets management which will help diversifying the businesses of the Group for maximizing returns to the Shareholders. The Company also expects that the margin financing business and the money lending business of the Group will be able to complement each other and realise synergic effect to enhance efficiency and performance to these businesses.

III. Money lending

In addition, the Group has been proactively expanding the money lending business in Hong Kong. As at the Latest Practicable Date, the Group had an existing loan portfolio amounted to HK\$330 million with the terms ranging from 7 months to 15 months (the “**Existing Loan Portfolio**”) with the average interest rate of 18%. It is expected that the Existing Loan Portfolio will generate a total interest income of approximately HK\$36 million for the financial year ending 31 March 2017. For the sake of the recoverability and the quality of the money lending portfolio, the Company has adopted prudence approach that all the loans must be secured by proper collaterals.

In view of the substantial demand for money lending in Hong Kong, the Company believes that there is growth potential in the Group’s money-lending business and is able to provide steady interest income in the future.

In addition, the Company also holds investment funds with the fair value of approximately RMB314 million as at 31 March 2016. The Board is of the view that the remaining Group will carry out a sufficient level of operations and have significant assets, in compliance with Rule 13.24 of the Listing Rules, to maintain its listing status following completion of the Disposal and the Disposal would not diminish the intrinsic value of the Company.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Directors and Chief Executive

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) required, pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein; or (c) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) to be notified to the Company and the Stock Exchange.

Interests in the Company

Name	Capacity and nature of interest	Number of Shares/ Underlying Shares held	Approximate percentage of the Company's issued share capital (%)
Mr. Xu Dong (<i>Chairman</i>)	Beneficial owner	2,000,000	0.04
Ms. Yu Wai Fong (<i>Non-executive Director</i>)	Beneficial owner	423,774	0.01

(b) Substantial Shareholders

As at the Latest Practicable Date and so far as is known to the Directors or chief executive of the Company, there is no person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group or any associated company of the Company (excluding contracts expiring or determinable within one year without payment of compensation, other than statutory compensation).

4. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

5. LITIGATION

In 1998, the Company brought up legal proceedings against ASG Capital Limited and ASG Brokerage Limited (the “**Defendants**”) for breach of the placing and underwriting agreement dated 9 December 1997 in that the Defendants failed to fulfill their underwriting obligations thereunder and for the recovery of RMB40 million being the economic loss suffered by the company together with interest and legal cost. The proceedings are now in pre-trial stage of discovery of documents of the parties and the date of the trial has not been fixed. The last action of the parties to the proceedings took place in middle of 2005 when solicitors acting for the Company in the legal proceedings served a notice to inspect documents to those acting for the Defendants.

As at the Latest Practicable Date, save as disclosed above, no member of the Group was engaged in any litigation or claim of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

6. MATERIAL CONTRACTS

The following material contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years preceding the date of this circular and up to the Latest Practicable Date and are or may be material:

1. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 8 September 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$20,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
2. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 26 August 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$20,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;

3. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 24 August 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$20,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
4. the SPA;
5. two loan agreements entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and two independent third parties as borrowers respectively, all dated 10 August 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to each of the borrowers a term loan in the principal amount of HK\$30 million respectively at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
6. three loan agreements entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and three independent third parties as borrowers respectively, all dated 8 August 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrowers a term loan in the principal amount of HK\$31 million, HK\$28 million and HK\$26 million respectively at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
7. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 29 June 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$27,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
8. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 24 June 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$25,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
9. a sale and purchase agreement entered into between the Company as vendor and an independent third party as purchaser dated 27 May 2016 in relation to the disposal of 32.39% equity interest in Edknowledge Group Limited at the consideration of HK\$9,500,000;
10. the underwriting agreement dated 24 May 2016 entered into among the Company and Black Marble Securities Limited as the underwriter in relation to the underwriting arrangement in respect of the proposed issue by way of rights issue to the qualifying shareholders on the basis of four (4) rights shares for every one (1) existing share held on the record date at the subscription price of HK\$0.141 per rights share;

11. a sale and purchase agreement entered into between an independent third party as vendor and Bigfair International Limited, a wholly-owned subsidiary of the Company, as purchaser dated 24 May 2016 in relation to the acquisition of a company incorporated in Hong Kong, at an initial total consideration of HK\$6,717,417 subject to adjustment under the sale and purchase agreement;
12. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 1 April 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$18,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
13. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 14 March 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$20,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
14. a sale and purchase agreement entered into between the Company as vendor and an independent third party as purchaser dated 17 February 2016 in relation to the disposal of the entire issued share interest in Main Pacific Group Limited and Universe Prosper Limited at the consideration of HK\$64,800,000;
15. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 3 February 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$15,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
16. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 22 January 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$15,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
17. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 14 January 2016 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$25,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
18. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 17 December 2015 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$27,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;

19. a loan agreement entered into between Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, as lender and an independent third party as borrower, dated 10 December 2015 pursuant to which Triple Glory Holdings Limited has agreed to lend to the borrower a term loan in the principal amount of HK\$18,000,000 at the interest rate of 18% per annum repayable under the terms and conditions of the agreement;
20. a sale and purchase agreement entered into between Bigfair International Limited, a wholly-owned subsidiary of the Company as purchaser, and three independent third parties as vendors dated 20 November 2015 in relation to the acquisition of the entire issued share capital of J.A.F. Brokerage Limited at the consideration of the sum of HK\$7,800,000 being the initial consideration and HK\$5,277,000 being the net asset value of J.A.F. Brokerage Limited, subject to adjustment under the sale and purchase agreement;
21. a placing agreement entered into between the Company as issuer and Gransing Securities Co., Limited as placing agent dated 27 October 2015 in relation to the placing of up to 809,000,000 new shares of the Company at the placing price of HK\$0.19 per placing share;
22. a subscription agreement entered into by the Company as subscriber with Tiger Super Fund SPC dated 31 July 2015 pursuant to which the Company agreed to subscribe for an aggregate amount of HK\$150 million of non-voting participating redeemable preference shares of US\$0.01 par value each of Tiger High Yield Fund Segregated Portfolio, a segregated portfolio of Tiger Super Fund SPC;
23. a subscription agreement entered into by the Company as subscriber with Avant Capital SPC dated 8 July 2015 pursuant to which the Company agreed to subscribe for an aggregate amount of HK\$200 million of participating segregated portfolio redeemable shares of US\$0.01 par value each of Avant Capital Dragon Fund SP;
24. a subscription agreement entered into between the Company as issuer and CSR (Hong Kong) Co. Limited as subscriber dated 4 June 2015 in relation to the issuance and allotment of up to 6,500,000,000 new shares of the Company at the placing price of HK\$0.1 per subscription share;
25. a placing agreement entered into between the Company as issuer and Tanrich Securities Company Limited as placing agent dated 10 March 2015 in relation to the placing of up to 2,500,000,000 new shares of the Company at the placing price of HK\$0.1 per placing share; and
26. the Previous Agreement.

7. GENERAL

- (a) None of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, disposed of by or leased to any member of the Group since 31 March 2016, being the date to which the latest published audited accounts of the Company were made up, and up to the Latest Practicable Date.
- (b) Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, which was subsisting and was significant in relation to the business of the Group.
- (c) The company secretary of the Company is Mr. Yip Yuk Sing, who is a member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.
- (d) The registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.
- (e) The principal place of business of the Company in Hong Kong is at Room 4303, 43/F China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.
- (f) The branch share registrar of the Company in Hong Kong is Tricor Secretaries Limited.
- (g) The principal share registrar of the Company is Codan Services Limited.
- (h) The English text of this circular shall prevail over their respective Chinese text for the purpose of interpretation.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's principal place of business in Hong Kong at Room 4303, 43/F China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong during normal business hours on any weekdays, except public holidays, from the date of this circular up to and including the date of the SGM:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for each of the three years ended 31 March 2016;
- (c) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix; and
- (d) this circular.

NOTICE OF THE SPECIAL GENERAL MEETING



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 OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of China Properties Investment Holdings Limited (the “Company”) will be held at 10:00 a.m. on Thursday, 29 September 2016 at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong to consider and, if thought fit, approve, with or without modifications, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) the conditional sale and purchase agreement dated 22 August 2016 (the “SPA”) and entered into by the Company as vendor and Wan Cheng Investments Limited (the “Purchaser”) in respect of, among other things, the disposal by the Company to the Purchaser of the entire equity interest of Liquan Investments Limited, being a wholly-owned subsidiary of the Company, for a total consideration of HK\$100 million (a copy of the SPA has been tabled at the meeting and marked “A” and signed by the Chairman of the meeting for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) the directors of the Company be and are hereby authorized to take such actions and execute such documents as they may consider appropriate and expedient to carry out or give effect to or otherwise in connection with or in relation to the SPA and the transactions contemplated thereunder.”

Yours faithfully

By order of the Board

China Properties Investment Holdings Limited

Xu Dong

Chairman

Hong Kong, 13 September 2016

* for identification purposes only

NOTICE OF THE SPECIAL GENERAL MEETING

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 Level 22, Hopewell Centre, 183 Queen's Road East, 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.

As at the date of this notice, the executive directors are Mr. Xu Dong and Mr. Au Tat On, the non-executive Director is Miss Yu Wai Fong and the independent non-executive Directors are Mr. Lai Wai Yin, Wilson, Ms. Cao Jie Min and Mr. Tse Kwong Wah.