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## **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)

### **ANNOUNCEMENT COMPLETION OF THE ACQUISITION COMPLETION OF THE INCREASE IN AUTHORISED SHARE CAPITAL REDEMPTION OF CONVERTIBLE BONDS AND ADJUSTMENT TO THE CONVERSION PRICE**

Reference is made to the circular dated 30 June 2009 issued by China Properties Investment Holdings Limited (the “**Company**”) in relation to a very substantial acquisition and connected transaction for the Company (the “**Circular**”). Capitalised terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

#### **COMPLETION OF THE VERY SUBSTANTIAL ACQUISITION AND CONNECTED TRANSACTION**

The Board is pleased to announce that all the conditions precedent set out in the Sale and Purchase Agreement had been fulfilled on 24 July 2009 and the Sale and Purchase Agreement has taken effect simultaneously with completion of the Acquisition on even date.

#### **COMPLETION OF THE INCREASE IN AUTHORISED SHARE CAPITAL**

The Board is also pleased to announce that the Capital Increase was completed on 16 July 2009. As a result of the Capital Increase, the authorised share capital of the Company is enlarged from HK\$35,000,000 to HK\$300,000,000 by the creation of an additional 26,500,000,000 Shares. As at the date of this announcement, the authorised share capital of the Company becomes 30,000,000,000 Shares.

## **REDEMPTION OF CONVERTIBLE BONDS**

On 29 July 2009, the Company and the Vendor mutually agreed the Company to redeem part of the Convertible Bonds in a principal amount of HK\$36 million, which was satisfied by the internal resources of the Company. After completion of the said redemption, the principal amount of the Convertible Bonds was reduced from HK\$260 million to HK\$224 million.

## **ADJUSTMENT TO THE CONVERSION PRICE**

Pursuant to the terms of the Convertible Bonds, the conversion price of the Convertible Bonds can be reset (if necessary) 12 times (i.e. on the last Business Day of each month) in each calendar year (the “**Reset Date**”) before the date of its maturity in the event that the average closing price of the Shares as quoted on the Stock Exchange for the last three consecutive trading days up to and including the Reset Date (the “**Reset Price**”) is lower than the then conversion price of the Convertible Bonds. When such situation takes place, the then conversion price of the Convertible Bonds will be adjusted downwards to the Reset Price with effect from the next Business Day, and in any case the reset conversion price should not be less than the par value of the Share of HK\$0.01 each.

The closing prices of the Shares as quoted on the Stock Exchange for the last three consecutive trading days up to and including 31 July 2009 were HK\$0.115, HK\$0.124 and HK\$0.124 respectively and the average of those is equivalent to HK\$0.121 per Share. Since the Reset Price in July 2009 is lower than the initial Conversion Price of HK\$0.20, the conversion price of the Convertible Bonds will be reset to HK\$0.121 per Conversion Share (the “**New Conversion Price**”) with effect from 3 August 2009.

Based on the New Conversion Price of HK\$0.121 per Conversion Share and the principal amount of the Convertible Bonds of HK\$224 million, in the event that the Convertible Bonds are fully converted, a total number of new 1,851,239,669 Conversion Shares will be issued, representing approximately 73.28% of the existing issued share capital of the Company of 2,526,298,191 Shares as at the date of this announcement.

In addition, Shareholders should note that the conversion of the Convertible Bonds is subject to the conversion restrictions under the Sale and Purchase Agreement and the terms of the Convertible Bonds. Application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in the additional Conversion Shares.

By order of the Board  
**China Properties Investment Holdings Limited**  
**Yu Wai Fong**  
*Chairman*

Hong Kong, 3 August 2009

*As at the date of this announcement, the executive Directors are Ms. Yu Wai Fong and Mr. Au Tat On, and the independent non-executive Directors are Mr. Lam Man Yui, Mr. Lai Wai Yin, Wilson and Ms. Cao Jie Min.*

*This announcement will remain on the “Latest Company Announcements” page of the website of the Stock Exchange and the website of the Company for at least 7 days from the date of its posting.*

*\* For identification purpose only*