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If you have sold or transferred all your shares in China Properties Investment Holdings Limited (the “**Company**”), you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sales or transfer was effected for transmission to the purchaser or the transferee.

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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)

PROPOSED PLACING OF CONVERTIBLE BONDS

A notice convening the special general meeting of the Company to be held at Room 2001, 20/F., Lippo Centre, Tower Two, 89 Queensway, Hong Kong on Monday, 21 September 2009 at 10:30 a.m. or any adjournment is set out from pages 14 to 15 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy to the Company’s share registrar in Hong Kong, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the special general meeting of the Company. Completion and return of the form of proxy shall not preclude you from attending and voting at the special general meeting of the Company should you so wish.

This circular will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at <http://www.hkexnews.hk> and the website of the Company for at least 7 days from the date of its posting.

3 September 2009

* For identification purpose only

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DEFINITIONS

In this circular, the following terms shall have the meanings set out below unless the context requires otherwise:

“Announcement”	the announcement of the Company dated 18 August 2009 in relation to the placing of the Convertible Bonds
“Board”	the board of Directors
“Bondholder(s)”	the holder(s) of the Convertible Bonds
“Business Day(s)”	a day (excluding Saturday and Sunday) on which licensed banks are generally open for business in Hong Kong throughout their regular business hours
“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 and the issued shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules and the word “connected” shall be construed accordingly
“Conversion Price”	HK\$0.118 per Conversion Share
“Conversion Share(s)”	5,084,745,762 new Shares to be allotted and issued by the Company upon exercise of the conversion rights attached to all the Convertible Bonds in full at the Conversion Price
“Convertible Bonds”	the 2-year zero coupon convertible redeemable bonds in the maximum principal amount of HK\$600,000,000 to be issued by the Company to the Placees pursuant to the Placing Agreement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	third parties and their ultimate beneficial owner(s) which are independent of the Company and its connected persons
“Last Trading Day”	14 August 2009, being the last day on which the Shares were traded on the Stock Exchange prior to the suspension of trading in the Shares pending the publication of the Announcement

DEFINITIONS

“Latest Practicable Date”	31 August 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Committee”	the listing sub-committee of the board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placees”	the placees of the Convertible Bonds to be procured by the Placing Agent for and on behalf of the Company, which shall be Independent Third Parties
“Placing”	the placing of the Convertible Bonds by the Placing Agent pursuant to the terms of the Placing Agreement
“Placing Agent”	Cheong Lee Securities Limited
“Placing Agreement”	the conditional placing agreement dated 15 August 2009 entered into between the Company and the Placing Agent in relation to the placing of the Convertible Bonds by the Placing Agent for and on behalf of the Company
“PRC”	the People’s Republic of China
“SGM”	a special general meeting of the Company to be held on 21 September 2009, to consider and, if thought fit, approve the Placing Agreement and the transaction contemplated thereunder, including the placing of the Convertible Bonds and the issue of the Conversion Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“World Petroleum Inc.”	World Petroleum Inc., a company incorporated under the laws of the British Virgin Islands
“%”	per cent.

* *For identification purpose only*

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:

Ms. Yu Wai Fong

Mr. Au Tat On

Independent non-executive Directors:

Mr. Lam Man Yui

Mr. Lai Wai Yin, Wilson

Ms. Cao Jie Min

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place
of business in Hong Kong:*

Room 2001, 20/F.

Lippo Centre, Tower Two

89 Queensway

Hong Kong

3 September 2009

To the Shareholders

Dear Sir or Madam,

PROPOSED PLACING OF CONVERTIBLE BONDS

INTRODUCTION

Reference is made to the Announcement regarding the Placing Agreement and the transactions contemplated thereunder, including the placing of the Convertible Bonds and the issue of the Conversion Shares.

The purpose of this circular is to provide you with, among other things, further details of the Placing Agreement, the placing of the Convertible Bonds together with the notice of the SGM at which resolution(s) will be proposed to consider and, if thought fit, approve the Placing Agreement and the transactions contemplated thereunder, including the placing of the Convertible Bonds and the issue of the Conversion Shares.

* For identification purpose only

LETTER FROM THE BOARD

PLACING AGREEMENT DATED 15 AUGUST 2009

Parties:

Issuer: the Company

Placing agent: the Placing Agent

To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Pursuant to the Placing Agreement, the Placing Agent will receive a placing commission of 2.5% on the total subscription price of the Convertible Bonds being placed. The placing commission was determined after arm's length negotiations between the Company and the Placing Agent.

Principal terms of the Convertible Bonds

Pursuant to the Placing Agreement, the Company has conditionally agreed to issue and the Placing Agent has conditionally agreed to place, on a best effort basis, the 2-year zero coupon Convertible Bonds up to an aggregate principal amount of HK\$600,000,000. The Convertible Bonds will be placed to not less than six Placees, who are expected to be individuals, corporate, institutional investors or other investors procured by the Placing Agent. Further announcement will be made by the Company if the Placing Agent fails to identify at least six Placees.

The Directors are currently unable to determine whether any Placee will become a substantial shareholder (as defined in the Listing Rules) of the Company as a result of conversion of the Convertible Bonds. The Placing Agent will notify the Company in the event that a substantial shareholder of the Company is evolved as a result of the conversion of the Convertible Bonds.

Principal amount of the Convertible Bonds:

Up to an aggregate principal amount of HK\$600,000,000.

Minimum amount of the Convertible Bonds to be placed for each tranche:

The amount of the Convertible Bonds to be placed for each tranche shall not be less than HK\$10,000,000.

Conversion Price:

HK\$0.118 per Conversion Share, which is subject to adjustments for, subdivision or consolidation of shares, rights issues and other dilutive events which may have adverse effects on the rights of the Bondholders. Any adjustment to the Conversion Price shall be certified either (at the option of the Company) by the auditors of the Company or by an approved merchant bank. The Company will publish an announcement upon any adjustment to the Conversion Price as required under the Listing Rules.

LETTER FROM THE BOARD

According to the terms of the subscription agreement under the Placing Agreement the dilutive events giving rise to adjustments of the Conversion Price are as follows (in summary):

- (i) If and whenever the Shares by reason of any consolidation or reduction and sub-division or reclassification become of a different nominal amount.
- (ii) If and whenever the Company shall issue (other than in lieu of a cash dividend) any Shares credited as fully paid by way of capitalisation of profits or reserves.
- (iii) If and whenever the Company shall make any capital distribution (in cash or specie) to holders (in their capacity as such) of Shares or shall grant to such holders right to acquire for cash assets of the Company or any of its subsidiaries.
- (iv) If and whenever the Company shall offer to holders of Shares new Shares for subscription by way of rights, open offer or shall grant to holders of Shares any options or warrants to subscribe for new Shares, at a price which is less than the market price on the date of the announcement of the terms of the offer or grant.
- (v) (aa) If and whenever the Company shall issue wholly for cash any securities which by their terms are convertible into or exchangeable for or carry rights of subscription for new Shares, and the total effective consideration per Share initially receivable for such securities is less than 90 per cent. of the market price on the date of the announcement of the terms of issue of such securities.

(bb) If and whenever the rights of conversion or exchange or subscription attached to any such securities mentioned in (aa) above are modified so that the total effective consideration per Share initially receivable for such securities shall be less than 90 per cent. of the market price on the date of announcement of the proposal.
- (vi) If and whenever the Company shall issue wholly for cash any Shares at a price per Share which is less than 90 per cent. of the market price on the date of the announcement of the terms of such issue.
- (vii) If the Company shall issue Shares at a consideration (including both cash consideration and non-cash consideration) per Share which is less than the prevailing Conversion Price or if the Company shall issue securities convertible into new Shares, at a conversion price or subscription price which is less than the prevailing Conversion Price.

For avoidance of doubt, although the conversion of the convertible bonds issued by the Company to Gold Trinity International Limited for consideration of the acquisition of a mine located in Inner Mongolia, the PRC on 27 July 2009 (the “**July 2009 Convertible Bonds**”) into conversion shares and the conversion price reset may have a dilutive effect on the issued Shares, the conversion price reset of the July 2009 Convertible Bonds is not a dilutive event which entails a price adjustment for this issue of the Convertible Bonds. The exercise of conversion rights of securities shall only have an effect on the price adjustment when such securities shall be issued subsequent to this issue of the Convertible Bonds. As the July 2009 Convertible Bonds have already been issued and are already existing prior to this issue of the Convertible Bonds, the exercise of the conversion rights and the conversion price reset thereunder are not considered dilutive events for this issue of the Convertible Bonds.

LETTER FROM THE BOARD

Other dilutive event is the exercise of share options already granted to the director and employees under its share option scheme. The Conversion Price will not be adjusted according to such exercise of share options as the share options exist prior to this issue of the Convertible Bonds. In addition, any adjustment to the Conversion Price shall not apply to any issue of Shares or securities of the Company or its subsidiaries pursuant to any employee or executive share scheme.

The Conversion Price represents:

- (i) a discount of approximately 8.53% to the closing price of HK\$0.129 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 38.54% to the closing price of HK\$0.192 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 33.48% to the average closing price of approximately HK\$0.177 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 28.40% to the average closing price of approximately HK\$0.165 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

The Conversion Price was determined after arm's length negotiations between the Company and the Placing Agent, after considering, among other things, (i) the latest published net asset value per Share of approximately HK\$0.076 as at 31 March 2009; (ii) the reset price of HK\$0.121 of the convertible bonds of the Company as set out in the Company's announcement dated 3 August 2009; (iii) the 90-days average price of the Shares of approximately HK\$0.120 prior to the date of the Placing Agreement; and (iv) the size of the Convertible Bonds being approximately the total market capitalisation of the Company as at the Last Trading Day; and (v) the potential dilution effect of the Convertible Bonds.

Interest:

Nil.

Maturity date:

The Convertible Bonds will mature on the date falling on the second anniversary of the date of issue of the Convertible Bonds. Any unredeemed and unconverted Convertible Bond(s), shall be redeemed at 90% of its outstanding principal amount in cash.

Status:

The Convertible Bonds constitute general and unsecured obligations of the Company and shall rank equally among themselves at least pari passu with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable law.

LETTER FROM THE BOARD

The Company shall comply with the public float requirements under the Listing Rules at all times and take appropriate steps/measures to ensure sufficient public float of the Shares at all times.

Conversion Shares:

Based on the Conversion Price of HK\$0.118, a maximum number of 5,084,745,762 Conversion Shares will be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds in full, which represent:

- (iii) approximately 167.79% of the existing issued share capital of the Company; and
- (iv) approximately 62.66% of the issued share capital of the Company as enlarged by the issue of the Convertible Shares.

The Conversion Shares shall rank pari passu in all respects with the Shares in issue on the date of allotment and issue of such Conversion Shares.

Voting:

The Bondholders will not be entitled to attend or vote at any meetings of the Company by reason only of being the Bondholders.

Transferability:

The Convertible Bonds (and any part thereof) may not be transferred without the prior written consent of the Company. The Convertible Bonds may not be transferred by the Bondholders to any connected person (as defined in the Listing Rules) of the Company without consent of the Company and approval of the Stock Exchange. A Bondholder may transfer the Convertible Bonds, without the prior consent of the Company, by a transfer to proposed subsidiaries or the holding company (as the terms are defined in the Companies Ordinance (Cap. 32)) of the Bondholder.

The Company will comply with the Listing Rules to make necessary announcement(s), where appropriate, if and when the Bondholders make any transfer of the Convertible Bonds to other parties requiring disclosure.

Early redemption:

Subject to mutual agreement by the parties, the Convertible Bonds may be early redeemed at 100% of the outstanding principal amount of the Convertible Bonds (in whole or in part) at any time and from time to time at the option of either party prior to the maturity date of the Convertible Bonds with written notice.

LETTER FROM THE BOARD

Specific mandate:

The Convertible Shares will be issued under a specific mandate proposed to be sought from the Shareholders at the SGM. Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. The Convertible Bonds will not be listed on any stock exchange.

Conditions precedent:

Completion of the placing of the Convertible Bonds is conditional upon the satisfaction of the following conditions:

- (i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in, all of the Conversion Shares; and
- (ii) the passing by the Shareholders at the SGM of an ordinary resolution of the Company approving the Placing Agreement and the transactions contemplated thereunder.

As at the Latest Practicable Date, none of the conditions above had been fulfilled.

If any of the above conditions precedent is not fulfilled on or before the date falling 180 days after the date of the SGM (or such other time and date as the Placing Agent and the Company shall agree in writing), the Placing Agreement shall lapse and become null and void and both the Company and the Placing Agent will be released from all obligations under the Placing Agreement (save for liabilities for any antecedent breaches thereof).

Completion for each tranche of the Convertible Bonds of the Placing Agreement shall take place on the third Business Day (or such other time and date as the Placing Agent and the Company may agree in writing) upon the fulfillment of the above conditions precedent. Further announcement will be made by the Company upon completion of the Placing.

The Placing Agreement contains provisions entitling the Placing Agent to terminate the Placing Agreement on the occurrence of, inter alia, any occurrence of adverse change in market conditions which makes it inexpedient or inadvisable to proceed with the placing of the Convertible Bonds or any suspension in the trading of the Company's securities on the Stock Exchange for a period of more than 30 consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement, this circular or other documents in connection with the placing of the Convertible Bonds.

If the Placing Agreement is so terminated, the obligations of all parties under the Placing Agreement shall terminate forthwith and no party shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation under the Placing Agreement.

LETTER FROM THE BOARD

USE OF PROCEEDS FROM THE PLACING OF THE CONVERTIBLE BONDS

The net proceeds from the placing of the Convertible Bonds (after deducting related expenses) are estimated to be of approximately HK\$584.5 million. The Company intends to use the funds raised from the placing of the Convertible Bonds: (i) entirely/in majority for financing the possible acquisition of World Petroleum Inc. which was announced by the Company on 18 August 2009 (the “**Acquisition**”), including the possible deposits of approximately US\$15 million and/or cash consideration and the related professional fees (such as the fees to be paid to the technical expert, valuer, legal advisers (both local and international) and financial advisers); and (ii) the remaining for general working capital of the Group (if any).

The Board considers the due diligence work to be carried out by the aforesaid professionals on World Petroleum Inc. to be crucial as it would allow the Company to explore the potential opportunities of proceeding with the Acquisition. Thus the Board is devoted to deploy sufficient resources on those due diligence work.

Should the Acquisition proceeds, it will be a cross boarder international transaction which would possibly involve higher transaction costs and other administrative and miscellaneous expenses and reimbursements. In order to ensure sufficient resources for the Acquisition while unaffecting the Group’s existing businesses (i.e. the development of the copper and molybdenum in the mine located in Inner Mongolia, the PRC), the Board decides to conduct the Placing with a reasonable discount to the historical price of the Shares to attract the potential investors to subscribe for the Convertible Bonds and apply its net proceeds primarily for the Acquisition. Given also the fact that the Convertible Bonds do not have any coupon payment which would not create immediate financial burden to the Group and the Convertible Bonds could be redeemed at 90% of its then outstanding principal amount held by the Bondholders at maturity, together with other reasons and benefits of the Placing which are outlined in the following paragraph, the Board (including the independent non-executive Directors) is of the view that the terms of the Convertible Bonds are fair and reasonable and the placing of the Convertible Bonds is in the interests of the Company and the Shareholders as a whole.

Should the proceeds from the placing of the Convertible Bonds be inadequate for the Acquisition, the Company may consider other means of fund raising activities, including both equity and/or debt financing.

REASONS FOR THE PLACING OF THE CONVERTIBLE BONDS

The Group is principally engaged in (i) the properties investment business, comprising the rental of investment properties and the provision of the property management services; and (ii) the exploitation of copper and molybdenum in a mine located in Inner Mongolia, the PRC.

The Board is aware of that: (i) the placing of the Convertible Bonds will increase the long term debt of the Company; and (ii) the conversion of the rights attached to the Convertible Bonds will result in massive dilution of the shareholdings of the existing Shareholders. Nevertheless, as balanced by the fact that (iii) the overall public float of the Shares would not be immediately affected; (iv) other means of fund raising (such as rights issue) in the capital market or loans and other banking facilities

LETTER FROM THE BOARD

from banks and financial institutions may not be immediately readily available to the Company; (v) the placing of the Convertible Bonds would allow immediate cash inflows into the Group without any interest burden, the Directors consider that the placing of the Convertible Bonds provides the lowest cost of funding and certainty of repayment schedule under the prevailing market condition. Since the Convertible Bonds could also be redeemed by the Company at 90% of the then outstanding principal amount of the Convertible Bonds held by the Bondholders at maturity, the Board (including the independent non-executive Directors) is of the view that the terms of the Convertible Bonds are fair and reasonable and the placing of the Convertible Bonds is in the interests of the Company and the Shareholders as a whole.

Shareholders should be reminded that the potential dilution effect of the Convertible Bonds would be applied to all Shareholders. The Board is of the opinion that the Placing would be the most feasible option available to the Group under the current market condition and based on the Group's existing financial requirements.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

Date of announcement	Description	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
21 May 2009 & 22 May 2009	Top-up subscription of new shares	HK\$45.10 million	General working capital and/or finance possible acquisition of mine	Used as intended
6 July 2009	Top-up subscription of new shares	HK\$36.07 million	General working capital and to repay the debt liabilities of the Group.	Used as intended

Save for the above, the Company has not conducted any fund raising activity during the past twelve months prior to the date of the Announcement.

LETTER FROM THE BOARD

EFFECTS ON SHAREHOLDING STRUCTURE

For illustrative purpose only, set out below are (i) the shareholding structure of the Company as at the Latest Practicable Date; and (ii) the shareholding structure of the Company assuming the exercise in full of the conversion rights attached to the Convertible Bonds in the maximum aggregate principal amount of HK\$600,000,000:

Shareholders	As at the Latest Practicable Date		After the allotment and issue of the maximum number of Conversion Shares upon full conversion of the Convertible Bonds at the Conversion Price	
	No. of Shares	%	No. of Shares	%
Ms. Yu Wai Fong, the Director Gold Trinity International Limited (<i>Note</i>)	512,630,358	16.92	512,630,358	6.32
Public Shareholders				
– Bondholders	–	–	5,084,745,762	62.66
– Other public Shareholders	2,317,797,833	76.48	2,317,797,833	28.56
Total	<u>3,030,430,422</u>	<u>100.00</u>	<u>8,115,176,184</u>	<u>100.00</u>

Note: Gold Trinity International Limited is wholly-owned by Mr. Han Wei (韓衛), a director of a wholly-owned subsidiary of the Company. As at the Latest Practicable Date, Gold Trinity International Limited was the holder of the July 2009 Convertible Bonds in an outstanding principal amount of HK\$163 million at the conversion price of HK\$0.121 per conversion share.

SGM

A notice convening the SGM to be held at Room 2001, 20/F, Lippo Centre, Tower Two, 89 Queensway, Hong Kong on Monday, 21 September 2009 at 10:30 a.m. or any adjournment is set out from pages 14 to 15 of this circular.

A form of proxy for use at the SGM is enclosed. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy to the Company's share registrar in Hong Kong, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time for holding the SGM or adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the SGM should you so wish.

LETTER FROM THE BOARD

As far as the Directors are aware of, no Director or Shareholder has a material interest in the placing of the Convertible Bonds and no Shareholder is required to abstain from voting at the SGM.

The resolution proposed to be approved at the SGM will be taken by way of poll and an announcement will be made by the Company after the SGM regarding the results of the SGM.

As the completion of the Placing is subject to the fulfillment of a number of conditions precedent which are detailed in this circular, the Placing Agreement may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

RECOMMENDATION

The Board considers that the terms of the Placing Agreement are fair and reasonable and the placing of Convertible Bonds is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution(s) as set out in the notice of SGM.

By order of the Board
China Properties Investment Holdings Limited
Au Tat On
Executive Director

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

NOTICE OF 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 the special general meeting of China Properties Investment Holdings Limited (the “Company”) will be held at Room 2001, 20/F., Lippo Centre, Tower Two, 89 Queensway, Hong Kong on Monday, 21 September 2009 at 10:30 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution as an ordinary resolution(s) of the Company:

ORDINARY RESOLUTION

“THAT

1. (a) the Placing Agreement (as defined in the circular dated 3 September 2009 despatched to the shareholders of the Company (the “Circular”)), a copy of which has been produced to the SGM marked “A” and signed by the chairman of the SGM for the purpose of identification, dated 15 August 2009 and entered into between the Company and the Placing Agent (as defined in the Circular) pursuant to which the Placing Agent agreed to place, on a best effort basis, the two-year zero coupon Convertible Bonds (as defined in the Circular) in an aggregate principal amount of up to HK\$600,000,000, and all the transactions contemplated thereunder, be and is hereby approved, ratified and confirmed;
- (b) the issue of the Convertible Bonds by the Company in accordance with the terms and conditions of the Placing Agreement and the terms and conditions of the Convertible Bonds attached to the Placing Agreement and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (c) the issue and allotment of up to 5,084,745,762 new ordinary shares of the Company at HK\$0.118 each (subject to adjustment) which may fall to be issued upon the exercise of the conversion rights attached to the Convertible Bonds be and are hereby approved, ratified and confirmed; and

* *For identification purpose only*

NOTICE OF SGM

- (d) the directors of the Company be and is/are hereby authorised to sign, execute, perfect, deliver and do all such documents, deeds, acts, matters and things, as the case may be in their discretion consider necessary desirable or expedient to carry and implement the Placing Agreement and all the transactions contemplated thereunder into full effect.”

By order of the Board
China Properties Investment Holdings Limited
Au Tat On
Executive Director

Hong Kong, 3 September 2009

Head office and principal place of business in Hong Kong:

Room 2001, 20/F.
Lippo Centre, Tower Two
89 Queensway
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies (if the member is a holder of two or more shares) to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be duly lodged at the Company's branch registrar in Hong Kong, Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.
3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish, and in such event, the form of proxy shall be deemed to be revoked.