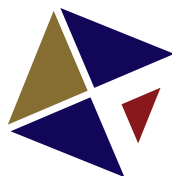

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank, 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 and the accompanying form of proxy to the purchaser or transferee or the bank, licensed securities dealer 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 SHARE CONSOLIDATION,
CHANGE IN BOARD LOT SIZE,
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening a special general meeting of China Properties Investment Holdings Limited to be held at Room 2001, 20/F., Lippo Centre, Tower Two, 89 Queensway, Hong Kong at 10:30 a.m. on 9 July 2010 is set out on pages 9 and 10 of this circular. Whether or not you propose to attend the meeting, you are advised to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event no later than 48 hours before the time appointed for holding such meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

22 June 2010

* *For identification purpose only*

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DEFINITIONS

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

“2012 Convertible Bonds”	the convertible bonds with outstanding principal amount of HK\$72 million issued by the Company to Gold Trinity International Limited as set out in the Company’s circular dated 30 June 2009
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“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
“Consolidated Shares”	ordinary share(s) of HK\$0.05 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	18 June 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SGM”	the special general meeting of the Company to be held on 9 July 2010 at 10:30 a.m. at Room 2001, 20/F., Lippo Centre, Tower Two, 89 Queensway, Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Consolidation”	the proposed consolidation of every 5 Shares into one Consolidated Share

DEFINITIONS

“Share Option Scheme”	the share option scheme adopted by the Company pursuant to the resolution of the Company on 4 October 2002
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	the lawful currency for the time being of Hong Kong
“%”	per cent.

EXPECTED TIMETABLE

Set out below is an indicative timetable for the implementation of the Share Consolidation. The timetable is subject to the results of the SGM and other changes. The Company will notify the Shareholders of any significant changes to the expected timetable by way of announcement(s) as and when appropriate.

Despatch of circular with notice of SGM	Tuesday, 22 June 2010
Date of SGM	10:30 a.m. on Friday, 9 July 2010
Effective date for the Share Consolidation	Monday, 12 July 2010
First day for free exchange of existing share certificates for new share certificates	Monday, 12 July 2010
Original counter for trading in Shares in board lots of 5,000 Shares temporarily closes.	9:30 a.m. Monday, 12 July 2010
Temporary counter for trading in Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) opens.	9:30 a.m. Monday, 12 July 2010
Original counter for trading in Consolidated Shares in new board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens	9:30 a.m. Monday, 26 July 2010
Parallel trading in Consolidated Shares in the form of new share certificates and existing share certificates commences.	9:30 a.m. Monday, 26 July 2010
Designated broker starts to stand in the market to provide matching services for odd lots of Consolidated Shares	Monday, 26 July 2010
Temporary counter for trading in Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m. Friday, 13 August 2010
Parallel trading in Consolidated Shares in the form of new share certificates and existing share certificates closes.	Friday, 13 August 2010
Designated broker ceases to stand in the market to provide matching services for odd lots of Consolidated Shares	Friday, 13 August 2010
Last day for free exchange of existing share certificates for new share certificates	Tuesday, 17 August 2010

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. Xu Dong
Mr. Au Tat On

Registered office:

Clarendon House
Church Street
Hamilton HM11
Bermuda

Independent non-executive Directors:

Mr. Lam Man Yui
Mr. Lai Wai Yin, Wilson
Mr. Cao Jie Min

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

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

22 June 2010

To the Shareholders,

Dear Sir/Madam,

**PROPOSED SHARE CONSOLIDATION,
CHANGE IN BOARD LOT SIZE,
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

The Company has announced on 8 June 2010 regarding the proposed Share Consolidation and change in board lot size. The purpose of this circular is to provide you with information regarding the Share Consolidation and change in board lot size and the notice of SGM for the purpose of considering and, if thought fit, approving the resolution relating to the Share Consolidation.

* *For identification purpose only*

LETTER FROM THE BOARD

SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

The Board proposes to implement the Share Consolidation on the basis that every 5 issued and unissued Shares of HK\$0.01 each will be consolidated into one Consolidated Share of HK\$0.05 each. Fractional Consolidated Shares will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$300,000,000 divided into 30,000,000,000 Shares of HK\$0.01 each, of which 5,652,909,761 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, on the basis that the Company does not allot and issue any further Shares prior thereto, the authorised share capital of the Company shall become HK\$300,000,000 divided into 6,000,000,000 Consolidated Shares of HK\$0.05 each, of which 1,130,581,952 Consolidated Shares will be in issue.

The Consolidated Shares will rank *pari passu* in all respects with each other in accordance with the Company's memorandum of association and bye-laws. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may be entitled.

Listing Application

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or, under contingent situation, such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

LETTER FROM THE BOARD

Conditions of the Share Consolidation

The Share Consolidation is conditional on:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the SGM; and
- (ii) the Stock Exchange granting listing of, and the permission to deal in, the Consolidated Shares in issue.

Change of board lot size

The Board also proposes to change the board lot size for trading in the shares of the Company from 5,000 Shares to 10,000 Consolidated Shares after the Share Consolidation becoming effective.

Reasons for the Share Consolidation and change in board lot size

It is expected that the Share Consolidation would bring about a corresponding increase in the trading price of the Consolidated Shares. It is also expected that the change in board lot size would increase the trading amount for each board lot. As a result, the Share Consolidation and change in board lot size would enable the Company to comply with the trading requirements of the Listing Rules. Accordingly, the Board is of the view that the Share Consolidation and change in board lot size are in the interest of the Company and the Shareholders as a whole.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots of the Consolidated Shares, the Company has appointed Cheong Lee Securities Limited, as an agent to provide matching service, on a best effort basis, for the sale and purchase of odd lots of Consolidated Shares arising from the Share Consolidation. Shareholders who wish to take advantage of this facility should contact Mr Ali Lau of Cheong Lee Securities Limited at Room 1106, 11/F, Mass Mutual Tower, 38 Gloucester Road, Wanchai, Hong Kong at telephone number 3426 6324 during office hours. Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Please refer to the section headed "EXPECTED TIMETABLE" on page 3 of this circular for the period during which the Company will provide matching service for the sale and purchase of odd lots of the Consolidated Shares.

Exchange of share certificates

The new share certificates will be in the colour of yellow in order to distinguish them from the existing share certificates which are blue in colour. Subject to the Share Consolidation becoming effective, which is expected to be on 12 July 2010, Shareholders may, on or after 12 July 2010 until 17 August 2010 (both days inclusive), submit share certificates for existing Shares to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, to exchange, at the expense of the Company, for certificates

LETTER FROM THE BOARD

of the Consolidated Shares (on the basis of 5 existing Shares for one Consolidated Share). Thereafter, certificates of Shares will remain effective as documents of title but will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) per certificate issued or cancelled, whichever is higher, payable by Shareholders. It is expected that new certificates for the Consolidated Shares will be available for collection within a period of 10 business days from the date of submission of the certificates for existing Shares to the Company's branch share registrar in Hong Kong for exchange. Certificates for existing Shares will cease to be marketable and will not be acceptable for trading and dealing purpose(s) after 13 August 2010.

Convertible Bonds and share options

As at the Latest Practicable Date, there are (i) outstanding principal amount of HK\$72,000,000.00 under the 2012 Convertible Bonds and (ii) outstanding options granted under the Share Option Scheme to subscribe for 70,540,000 new Shares. The auditor of the Company and an independent merchant bank will be engaged by the Company in accordance with the terms of the Share Option Scheme and the 2012 Convertible Bonds instrument respectively to certify in writing as to the adjustments (if any) required to be made in respect of the outstanding options and outstanding 2012 Convertible Bonds as a result of the Share Consolidation. The Company will make a further announcement about the adjustments in due course.

Save as aforesaid, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

Expected timetable

The expected timetable for the implementation of the Share Consolidation and change in board lot size was set out on page 3 of this circular.

SGM

Notice of the SGM is set out on pages 9 and 10 of this circular. All resolutions to be proposed at the SGM will be voted on by poll.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you intend to attend and vote at such meeting, you are advised to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event no later than 48 hours before the time appointed for holding such meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

No Shareholder has any material interest in the Share Consolidation. Therefore no Shareholder is required to abstain from voting at the SGM in respect of the resolution to approve the same.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors are of the opinion that the proposed Share Consolidation are in the interest of the Company and the Shareholders as a whole and so recommend you to vote in favour of the resolutions to be proposed at the SGM.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (i.e. from 9:30 a.m. to 5:00 p.m. on Monday to Friday) at the principal place of business of the Company in Hong Kong at Room 2001, 20/F., Lippo Centre, Tower Two, 89 Queensway, Hong Kong from 22 June 2010, the date of this circular up to and including 9 July 2010:

1. the memorandum of association and bye-laws of the Company;
2. the annual report of the Company for the year ended 31 March 2009;
3. the annual report of the Company for the year ended 31 March 2008;
4. the circular dated 30 June 2009 relating to a very substantial acquisition and connected transaction;
5. the circular dated 14 July 2009 relating to a major transaction for disposal of interests in real property.

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 Company. 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, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully

By order of the Board

CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

Yu Wai Fong

Chairman

NOTICE OF 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 IS HEREBY GIVEN that a special general meeting of China Properties Investment Holdings Limited (“**Company**”) will be held at Room 2001, 20/F., Lippo Centre, Tower Two, 89 Queensway, Hong Kong on 9 July 2010 at 10:30 a.m. to consider and, if thought fit, to pass with or without amendments, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** conditional upon The Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue, every five (5) issued and unissued ordinary shares of HK\$0.01 each (each an “**Existing Share**”) in the share capital of the Company be consolidated into one (1) share of HK\$0.05 each (each a “**Consolidated Share**”), and such Consolidated Share(s) shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the bye-laws of the Company and the Directors be and are hereby authorised to do all such acts, deeds and things and to effect all necessary actions as they may consider necessary or desirable in order to effect, implement and complete any and all of the aforesaid matters.”

By order of the Board

CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

Yu Wai Fong

Chairman

Date: 22 June 2010

Registered office:

Clarendon House
Church Street
Hamilton HM11
Bermuda

Head Office and principal

place of business:
Room 2001, 20/F.
Lippo Centre, Tower Two
89 Queensway
Hong Kong

* *For identification purpose only*

NOTICE OF SPECIAL GENERAL MEETING

Notes:

- (1) Any shareholder of the Company (the “**Shareholder(s)**”) entitled to attend and vote at the SGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a Shareholder.
- (2) The form of proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.
- (3) Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the SGM and in such event, the form of proxy shall be deemed to be revoked.
- (4) Where there are joint Shareholders any one of such joint Shareholder may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint Shareholders be present at the SGM the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholders, and for this purpose seniority shall be determined by the order in which the names stand in the register of shareholders of the Company in respect of the joint holding.
- (5) The form of proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company’s share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof at which the person named in the form of proxy proposes to vote or, in the case of a poll taken subsequently to the date of the SGM or any adjournment thereof, not less than 24 hours before the time appointed for the taking of the poll and in default the form of proxy shall not be treated as valid.