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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)**

### **DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN AND CHANGE IN USE OF PROCEEDS**

#### **DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN**

On 4 January 2013 (after trading hours), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend to the Borrower a term loan in the principal amount of HK\$8,000,000.00 repayable on 3 April 2013.

As the relevant percentage ratios in respect of the provision of the Loan exceed 5% but are under 25%, the entering into of the Loan Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules.

#### **CHANGE IN USE OF PROCEEDS**

Reference is made to the announcements of the Company dated 15 August 2011, 28 September 2011 and 6 January 2012 in relation to the placing of new Shares under general mandates. The Board announces that the Company has decided to change the use of the proceeds which are more particularly set out in this announcement.

\* *For identification purpose only*

## DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN

### The Loan Agreement

<b>Date:</b>	4 January 2013
<b>Lender:</b>	Triple Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company
<b>Borrower:</b>	To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower is an independent third party not connected with the Company and connected person of the Company.
<b>Principal Loan Amount:</b>	Hong Kong dollars eight million (HK\$8,000,000.00)
<b>Repayment Date:</b>	3 April 2013
<b>Interest:</b>	20% per annum
<b>Security for the Loan:</b>	The Borrower has agreed to execute the Mortgage by way of first legal mortgage in favour of the Lender over the Secured Securities upon the terms of the Mortgage.

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower. The Lender is a licensed money lender and its principal activity is money lending services. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender. The Loan will be funded by internal resources.

The Directors consider that the transactions contemplated by the Loan Agreement is on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole having considered the current market norm in relation to similar transactions.

### Information on the Company, the Group and the Lender

The principal activity of the Company is an investment holding company and the principal activities of the Group are investment holding, property investment and investing in mining activities.

The Lender is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company.

The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Cap. 163, Laws of Hong Kong) and is principally engaged in the business of money lending services.

## **Information on the Borrower**

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower is a merchant and an independent third party.

## **Reasons for the Loan**

The Lender is a licensed money lender and its principal activity is provision of money lending services. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender and will provide interest income to the Lender.

The Loan will be recorded as loan receivable of the Group.

## **Implications under the Listing Rules**

Pursuant to Rule 14.06(2) of the Listing Rules, the granting of the Loan constitutes a discloseable transaction of the Company on the basis that the relevant percentage ratio(s) exceed 5% but are under 25%.

## **CHANGE IN USE OF PROCEEDS**

### **Use of Proceeds**

Reference is made to the announcement of the Company dated 15 August 2011 in relation to the placing of 1,028,000,000 new Shares under the general mandate (the “First Placing”), the announcement of the Company dated 28 September 2011 in relation to the placing of 40,000,000 new Shares under the general mandate (the “Second Placing”) and the announcement of the Company dated 6 January 2012 in relation to the placing of 49,000,000 new Shares under the general mandate (the “Third Placing”).

It was stated in the Company’s announcement of the First Placing, the intended uses of the proceeds are for financing the Acquisition and the relevant required general working capital after the completion of the Acquisition (if materialize), or financing any other acquisition opportunities identified by the Company; and the possible redemption of the convertible bonds issued by the Company with outstanding principal amount of HK\$110 million.

According to the announcement of the Company in relation to the Second Placing, the intended uses of the proceeds are for financing the Acquisition and general working capital after the completion of the Acquisition (if materialize), or financing any other acquisition opportunities identified by the Company; and the possible redemption of the convertible bonds issued by the Company with outstanding principal amount of HK\$60 million.

As disclosed in the announcement of the Company in relation to the Third Placing, the net proceeds are intended to be used for financing the Acquisition and general working capital after the completion of the Acquisition (if materialize), or financing any other acquisition opportunities identified by the Company; and the possible redemption of the convertible bonds issued by the Company with outstanding principal amount of HK\$15 million.

### **Change in Use of Proceeds**

In addition to the abovementioned purposes, the Directors have decided that the proceeds raised from the First Placing, the Second Placing and the Third Placing will be used for money lending business and general working capital of the Group.

In view of the overall development of the Group, the Directors consider that the change in the use of the aforesaid proceeds is in the best interests of the Company and the Shareholders as a whole.

### **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:–

“Acquisition”	the proposed acquisition of the oilfield in Nevada;
“Board”	the board of Directors;
“Borrower”	the borrower under the Loan Agreement;
“Company”	China Properties Investment Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of PRC;
“Lender”	Triple Glory Holdings Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;

“Listing Rules”	the Rules Governing the Listing of Securities on Stock Exchange;
“Loan”	a term loan in the principal amount of HK\$8,000,000.00 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement;
“Loan Agreement”	a loan agreement dated 4 January 2013 entered into between the Lender and the Borrower relating to the provision of the Loan;
“Mortgage”	the mortgage agreed to be provided by the Borrower in favour of the Lender over the Secured Securities to secure the Borrower’s liability and obligations under the Loan Agreement;
“PRC”	the People’s Republic of China;
“Share(s)”	ordinary share(s) of HK\$0.03 each in the share capital of the Company;
“Secured Securities”	certain securities listed and traded on Stock Exchange and beneficially owned by the Borrower;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By Order of the Board  
**China Properties Investment Holdings Limited**  
**Xu Dong**  
*Chairman*

Hong Kong, 4 January 2013

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