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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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

The board (the "board") of directors (the "directors") of China Properties Investment Holdings Limited (the "company") hereby announces the unaudited condensed consolidated interim results of the company and its subsidiaries (together the "group") for the six months ended 30 September 2013, together with the comparative figures of the corresponding period last year as follows:

* *For identification purposes only*

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

	Notes	Six months ended 30 September 2013 (Unaudited) RMB'000	2012 (Unaudited) RMB'000
Turnover	4	**3,272**	4,822
Cost of sales		**(1,091)**	(1,282)
		2,181	3,540
Valuation gain/(loss) on investment properties		**9,257**	(5,819)
Other revenue		**682**	578
Other net income		**1**	(16)
Administrative expenses		**(22,895)**	(20,743)
Exploration and development expenses of mine		**(241)**	(960)
Other operating expenses	5(d)	**(7,579)**	–
Loss from operations		**(18,594)**	(23,420)
Finance costs	5(a)	**(1,999)**	(1,986)
Loss before taxation	5	**(20,593)**	(25,406)
Income tax	6(a)	**(2,399)**	1,455
Loss for the period		**(22,992)**	(23,951)
Attributable to:			
Owners of the company		**(22,331)**	(23,677)
Non-controlling interests		**(661)**	(274)
Loss for the period		**(22,992)**	(23,951)
		RMB	*RMB*
Loss per share			
– Basic	7	**(0.05)**	(0.07)
– Diluted		**(0.05)**	(0.07)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

	Six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Loss for the period	**(22,992)**	(23,951)
Other comprehensive loss for the period		
Exchange differences on translation of financial statements of group entities outside the PRC	**(2,694)**	(576)
Total other comprehensive loss for the period, net of nil tax	**(2,694)**	(576)
Total comprehensive loss for the period	**(25,686)**	(24,527)
Attributable to:		
Owners of the company	**(25,025)**	(24,253)
Non-controlling interests	**(661)**	(274)
Total comprehensive loss for the period	**(25,686)**	(24,527)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2013

	Notes	**30/9/2013 (Unaudited) *RMB'000***	31/3/2013 (Audited) *RMB'000*
Non-current assets			
Plant and equipment		**7,711**	10,097
Investment properties		**188,878**	179,622
Intangible assets		**175,000**	180,000
Deposit for acquisition of subsidiaries		**117,271**	119,615
		488,860	489,334
Current assets			
Trade and other receivables	*8*	**11,718**	15,480
Trading securities		**147**	149
Cash and cash equivalents		**8,396**	21,308
		20,261	36,937
Current liabilities			
Other payables and accruals		**7,627**	10,872
Interest-bearing bank borrowings		**5,000**	4,500
Current taxation		**84**	–
		12,711	15,372
Net current assets		**7,550**	21,565
Total assets less current liabilities		**496,410**	510,899
Non-current liabilities			
Interest-bearing bank borrowings		**41,000**	43,500
Deferred tax liabilities		**8,777**	6,463
Unconvertible bonds		**7,913**	8,071
		57,690	58,034
NET ASSETS		**438,720**	452,865
EQUITY			
Equity attributable to owners of the company			
Share capital		**13,516**	10,941
Reserves		**409,261**	425,320
		422,777	436,261
Non-controlling interests		**15,943**	16,604
TOTAL EQUITY		**438,720**	452,865

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

	Share capital	Share premium	Special reserve	Employee share-based compensation reserve	Exchange fluctuation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 April 2012	7,333	971,524	(56,225)	16,632	22,531	(412,251)	549,544	24,212	573,756
Right issue	3,608	4,569	–	–	–	–	8,177	–	8,177
Share issues expenses	–	(245)	–	–	–	–	(245)	–	(245)
Total comprehensive loss for the period	–	–	–	–	(576)	(23,677)	(24,253)	(274)	(24,527)
At 30 September 2012 (Unaudited)	10,941	975,848	(56,225)	16,632	21,955	(435,928)	533,223	23,938	557,161
At 1 April 2013	**10,941**	**975,848**	**(56,225)**	**–**	**21,746**	**(516,049)**	**436,261**	**16,604**	**452,865**
Placing and subscription of new shares	**2,575**	**9,255**	**–**	**–**	**–**	**–**	**11,830**	**–**	**11,830**
Share issues expenses	**–**	**(289)**	**–**	**–**	**–**	**–**	**(289)**	**–**	**(289)**
Total comprehensive loss for the period	**–**	**–**	**–**	**–**	**(2,694)**	**(22,331)**	**(25,025)**	**(661)**	**(25,686)**
At 30 September 2013 (Unaudited)	**13,516**	**984,814**	**(56,225)**	**–**	**19,052**	**(538,380)**	**422,777**	**15,943**	**438,720**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

	Six months ended 30 September	
	2013	2012
	RMB'000	*RMB'000*
Net cash used in operating activities	**(20,726)**	(27,873)
Net cash generated from investing activities	**320**	312
Net cash generated from financing activities	**7,810**	3,947
Net decrease in cash and cash equivalents	**(12,596)**	(23,614)
Cash and cash equivalents at beginning of period	**21,308**	64,819
Effect of foreign exchange rate changes, net	**(316)**	–
Cash and cash equivalents at end of period	**8,396**	41,205

ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS

Cash and bank balances	**8,396**	41,205

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Basis of Preparation of Financial Information

The unaudited condensed consolidated financial statements for the six months ended 30 September 2013 have been prepared in accordance with the applicable disclosure provision of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The preparation of the unaudited condensed consolidated financial statements is in conformity with HKAS 34 requiring management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The unaudited condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 March 2013, except for the adoption of the new Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards as disclosed in note 2 below. The unaudited condensed consolidated financial statements do not include all the information and disclosures required for an annual financial statements, and should be read in conjunction with the financial statements of the group for the year ended 31 March 2013.

Items included in the condensed consolidated financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). These condensed consolidated financial statements are presented in Renminbi ("RMB"), rounded to the nearest thousand except where otherwise indicated.

The measurement basis used in the preparation of the financial statement is the historical cost basis except that the following assets are stated at their fair value:

- investment properties
- trading securities

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current interim period, the group has applied, for the first time, the following new and revised HKFRSs issued by the HKICPA:

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle
HKFRS 1	Government loans
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKAS 19 (Revised in 2011)	Employee Benefits
HKAS 27 (Revised in 2011)	Separate Financial Statements
HKAS 28 (Revised in 2011)	Investments in Associates and Joint Ventures
HK(IFRIC) – INT 20	Stripping Costs in the Production Phase of a Surface Mine

The application of the amendments to HKFRSs in the current interim period has had no material effect on the group's financial performance and positions for the current and prior periods and/or the disclosures set out in these condensed consolidated financial statements.

3. Segment Information

Operating segments are identified on the basis of internal reports which provides information about components of the group. These information are reported to and reviewed by the board of directors, chief operating decision maker ("CODM") for the purposes of resource allocation and performance assessment.

The CODM considers the business from both geographic and product perspectives. Geographically, management considers the performance of the segments in Hong Kong and mainland China. The group has presented the following two reportable segments. These segments are managed separately. The properties investment segment and the investing in mining activities segment offer very different products and services.

i) ***Properties investment***

The properties investment reportable operating segment derives its revenue primarily from leasing of investment properties.

ii) ***Investing in mining activities***

The investing in mining activities reportable segment derives its revenue from the cooperation of the exploitation of copper and molybdenum mines with a third party.

No reportable operating segment has been aggregated.

a) *Segment results, assets and liabilities*

For the purposes of assessing segment performance and allocating resources between segments, the group's CODM monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

The accounting policies of the reportable segments are the same as the group's accounting policies. Segment profit/(loss) represents the profit earned by/(loss) from each segment without allocation of central administration costs such as directors' salaries, investment income and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the income statement.

All assets are allocated to reportable segments other than trading securities and corporate assets. All liabilities are allocated to reportable segments other than current tax liabilities and corporate liabilities.

Information regarding the group's reportable segments as provided to the group's CODM for the purposes of resources allocation and assessment of segment performance for the period ended 30 September 2013 and 2012 is set out below.

	Six months ended 30 September 2013 (Unaudited)			Six months ended 30 September 2012 (Unaudited)		
	Properties investment *RMB'000*	**Investing in mining activities** *RMB'000*	**Total** *RMB'000*	Properties investment *RMB'000*	Investing in mining activities *RMB'000*	Total *RMB'000*
Revenue from external customers	**3,272**	**–**	**3,272**	4,822	–	4,822
Reportable segment revenue	**3,272**	**–**	**3,272**	4,822	–	4,822
Reportable segment profit/(loss) before taxation	**3,429**	**(7,944)**	**(4,515)**	(7,355)	(3,713)	(11,068)
Interest income on bank deposits	**1**	**–**	**1**	1	1	2
Depreciation	**(331)**	**(1,613)**	**(1,944)**	(342)	(1,614)	(1,956)
Income tax (expense)/credit	**(2,314)**	**–**	**(2,314)**	1,455	–	1,455
Finance costs	**(1,800)**	**–**	**(1,800)**	(1,986)	–	(1,986)
Exploration and development expenses of mine	**–**	**(241)**	**(241)**	–	(960)	(960)
Valuation gain/(loss) on investment properties	**9,257**	**–**	**9,257**	(5,819)	–	(5,819)
Write off of rental receivables	**(2,302)**	**–**	**(2,302)**	–	–	–
Impairment loss of intangible assets	**–**	**(5,000)**	**(5,000)**	–	–	–
Compensation for early termination of operating lease	**(277)**	**–**	**(277)**	–	–	–

	As at 30 September 2013			As at 31 March 2013		
	Properties investment	**Investing in mining activities**	**Total**	Properties investment	Investing in mining activities	Total
	RMB'000	***RMB'000***	***RMB'000***	*RMB'000*	*RMB'000*	*RMB'000*
Reportable segment assets	**192,510**	**179,807**	**372,317**	186,253	186,564	372,817
Additions to non-current assets during the period/year	**5**	**–**	**5**	259	4	263
Reportable segment liabilities	**50,231**	**2,808**	**53,039**	54,504	3,245	57,749
Deferred tax liabilities	**8,777**	**–**	**8,777**	6,463	–	6,463
Total liabilities	**59,008**	**2,808**	**61,816**	60,967	3,245	64,212

b) *Reconciliations of reportable segment revenue, profit or loss, assets and liabilities, and other items*

	Six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
(i) Revenue		
Total reportable segments' revenues	**3,272**	4,822
Elimination of inter-segment revenue	**–**	–
Consolidated turnover	**3,272**	4,822
(ii) Profit/(loss)		
Total reportable segments' loss	**(4,515)**	(11,068)
Unallocated corporate income	**12**	6
Depreciation	**(395)**	(402)
Interest income	**632**	350
Finance costs	**(199)**	–
Unallocated corporate expenses	**(16,128)**	(14,292)
Consolidated loss before taxation	**(20,593)**	(25,406)

	As at 30 September 2013 (Unaudited) *RMB'000*	As at 31 March 2013 (Audited) *RMB'000*
(iii) Assets		
Total reportable segments' assets	**372,317**	372,817
Unallocated corporate assets	**136,804**	153,454
Consolidated total assets	**509,121**	526,271
(iv) Liabilities		
Total reportable segments' liabilities	**(61,816)**	(64,212)
Unallocated corporate liabilities	**(8,585)**	(9,194)
Consolidated total liabilities	**(70,401)**	(73,406)

(v) Other items

	Six months ended 30 September 2013			
	Properties investment *RMB'000*	**Investing in mining activities** *RMB'000*	**Unallocated** *RMB'000*	**Total** *RMB'000*
Interest income				
– loan receivable	**–**	**–**	**632**	**632**
– bank deposits	**1**	**–**	**–**	**1**
Depreciation	**(331)**	**(1,613)**	**(395)**	**(2,339)**
Finance cost	**(1,800)**	**–**	**(199)**	**(1,999)**

	Six months ended 30 September 2012			
	Properties investment *RMB'000*	Investing in mining activities *RMB'000*	Unallocated *RMB'000*	Total *RMB'000*
Interest income				
– loan receivable	–	–	329	329
– bank deposits	1	1	21	23
Depreciation	(342)	(1,614)	(402)	(2,358)
Finance cost	(1,986)	–	–	(1,986)

c) *Revenue from major services*

The following is an analysis of the group's revenue from its major services:

	Six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Properties investment	**3,272**	4,822

d) *Geographic information*

The following is an analysis of geographical location of (i) the group's revenue from external customers and (ii) the group's non-current assets. The geographical location of customers refers to the location at which the services were provided or the goods delivered. The group's non-current assets include plant and equipment, investment properties, intangible assets and deposit for acquisition of subsidiaries. The geographical location of plant and equipment and investment properties are based on the physical location of the asset. In the case of intangible assets, it is based on the location of operation to which these intangibles are allocated.

	Revenue from external customers		**Non-current assets**	
	Six months ended 30 September 2013	Six months ended 30 September 2012	**As at 30 September 2013**	As at 31 March 2013
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Audited)
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Hong Kong (place of domicile)	**–**	–	**119,597**	122,386
PRC	**3,272**	4,822	**369,263**	366,948
	3,272	4,822	**488,860**	489,334

4. Turnover

The principal activities of the group are properties investment and investing in mining activities.

Turnover represents rental income from investment properties. The amount of each significant category of revenue recognised in turnover during the period is as follows:

	Six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Rental income from investment properties	**3,272**	4,822

5. Loss Before Taxation

Loss before taxation is arrived at after charging/(crediting) the followings:

	Six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
a) Finance costs		
Interest expenses on bank borrowings not wholly repayable within five years	**1,800**	1,986
Total interest expense on financial liabilities not at fair value through profit or loss	**1,800**	1,986
Interest on unconvertible bonds	**199**	–
	1,999	1,986
b) Staff costs (including directors' remuneration)		
Salaries, wages and other benefits	**9,012**	6,392
Contribution to defined contribution retirement plans	**328**	316
	9,340	6,708
c) Other items		
Operating lease charges: minimum lease payments	**2,565**	1,915
Depreciation	**2,339**	2,358
Gross rental income from investment properties less direct outgoings of RMB1,091,000 (2012: RMB1,282,000)	**(2,181)**	(3,540)
Exploration and development expenses of mine	**241**	960
d) Other operating expenses		
Impairment loss of intangible assets	**5,000**	–
Write off of rental receivables	**2,302***	–
Compensation for early termination of operating lease	**277**	–
	7,579	–

* During the period, the tenant moved out without notice. Rental receivables of RMB2,302,000 (2012: Nil) was written off against trade receivables directly.

6. Income Tax

a) Income tax in the condensed consolidated income statement represents:

	Six months ended 30 September	
	2013	2012
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current tax		
Hong Kong Profits Tax	**(85)**	–
Overseas tax calculated at rates prevailing in relevant jurisdiction	**–**	–
	(85)	–
Deferred tax		
Origination and reversal of temporary differences	**(2,314)**	1,455
Tax (charged)/credited	**(2,399)**	1,455

Note:

i) Hong Kong Profits Tax

Hong Kong Profits Tax has been provided at the rate of 16.5% (2012: 16.5%) of the estimated assessable profits arising in Hong Kong for the period ended 30 September 2013. For the period ended 30 September 2012, no Hong Kong Profits Tax has been provided for in the financial statements as the group has no assessable profit for the period.

ii) The PRC enterprise income tax ("EIT") for the period ended 30 September 2013 is 25% (2012: 25%). The EIT has not been provided for as the group has incurred losses in PRC for the period.

iii) Deferred taxation

The amount represented deferred tax arising from the fair value adjustments of investment properties held by the subsidiary in mainland China. During the period ended 30 September 2013, the deferred tax charged is approximately RMB2,314,000 (2012: credited approximately RMB1,455,000).

b) ***Movements of deferred tax liabilities in the condensed consolidated statement of financial position are as follows:***

	At 30 September 2013 (Unaudited) *RMB'000*	At 31 March 2013 (Audited) *RMB'000*
Deferred tax (charged)/credited to the income statement *(note 6(a))*	**(2,314)**	4,508

7. Loss per share

a) ***Basic loss per share***

The calculation of basic loss per share is based on the loss attributable to owners of the company of RMB22,331,000 (2012: RMB23,677,000) and on the weighted average number of 453,424,000 ordinary shares in issue during the period (2012: 358,034,000 ordinary shares).

Weighted average number of ordinary shares:

	2013 Weighted average number of ordinary shares *'000*	2012 Weighted average number of ordinary shares *'000*
Issued ordinary shares at 1 April *	**441,915**	344,350
Effect of right issue	**–**	13,684
Effect of placing and subscription of new shares I	**9,290**	–
Effect of placing and subscription of new shares II	**2,219**	–
Weighted average number of ordinary shares at the end of the period	**453,424**	358,034

* The number of ordinary shares for the six months ended 30 September 2012 has been adjusted to take into account the retrospective adjustment to the number of shares outstanding before the rights issue which completed on 24 September 2012 to reflect the bonus element inherent in the rights issue.

b) Diluted loss per share

There are no potential ordinary shares in issue during the period and at the end of the reporting period.

Diluted loss per share equals to basic loss per share because the outstanding share options had an anti-dilutive effect on the basic loss per share for the period ended 30 September 2012.

8. Trade and Other Receivable

	At 30 September 2013 (Unaudited) ***RMB'000***	At 31 March 2013 (Audited) *RMB'000*
Trade receivables	**4,453**	6,731
Less: allowance for doubtful debts	**(2,838)**	(2,838)
Trade receivables (net)	**1,615**	3,893
Loan and interest receivables *(note 2)*	**46,204**	47,128
Less: impairment loss	**(39,565)**	(40,356)
Loan and interest receivables (net)	**6,639**	6,772
Other receivables	**799**	905
Loan and receivables	**9,053**	11,570
Prepayment and deposits	**2,665**	3,910
	11,718	15,480

Note:

1). All of the trade and other receivables are expected to be recovered within one year.

2). On 27 July 2011, the company entered into a participation deed with the Simsen Capital Finance Limited ("**Simsen**") and the sub-participation agreement with Power Alliance International Limited respectively in relation to the participation of the advancement of the first participation amount of HK$42,000,000 and second participation amount of HK$8,000,000 (together the "**Participation Loans**"). The interest rate for Participation Loans was 18% per annum. The Participation Loans are in association with a loan agreement (the "**Loan Agreement**") between Simsen and Make Success Limited ("**Borrower**"). The Borrower has assigned a promissory note of HK$300,000,000 (the "**PN**") and a convertible note of HK$90,000,000 (the "**CN**") as security to Simsen under the Loan Agreement. The PN and CN were issued by Mayer Holdings Limited ("**Mayer**") to the Borrower.

The repayment date of the loan is the date falling three months from the date of drawdown which may be extended for further three months if so agreed by the parties thereto. The Loan had been drawn down by the Borrower on 7 June 2011, and the repayment date of the Loan was 6 September 2011. On 7 September 2011, both parties agreed to extend the Loan for further three months to 5 December 2011. The Borrower had defaulted the first and second payments during the year ended 31 March 2012.

Following a litigation between Mayer and the Borrower, Simsen disposed of the PN on 10 February 2012 for an amount of HK$10,000,000 with the consent of the company. The company anticipates that after the payment of all costs and expenses incurred in connection with the disposal, the portion that will be repaid to the company by Simsen is approximately HK$5.7 million which will be applied to settle part of the accrued interest. Due to the uncertain outcome of the litigation, Simsen had not yet confirmed and repaid the disposal amount to the company. Therefore, the company had not yet recognised the amount as income for the period ended 30 September 2013 and year ended 31 March 2013.

As at 31 March 2012, the company engaged an independent valuer to perform the valuation on the loan receivables. The valuation performed by Castores Magi Asia Limited, an independent professional valuer, who has a recognised and relevant professional qualification and recent experience in this area. Taking into consideration the legal advice on the recoverability and the assessment of the market value of the loan receivables, the directors considered that the loan receivables of RMB40,356,000 (equivalent to HK$50,000,000) was fully impaired.

a) Ageing analysis

Trade receivables are net of allowance for doubtful debts of RMB2,838,000 (31 March 2013: RMB2,838,000) with the following ageing analysis presented based on invoice date as of the end of the reporting period:

	At 30 September 2013 (Unaudited) ***RMB'000***	At 31 March 2013 (Audited) *RMB'000*
Current	**–**	–
1-90 days	**1,615**	3,893
	1,615	3,893

Trade receivables are due after the date of billing.

b) ***Impairment of trade receivables, loan and interest receivables***

i. The movements in the allowance for doubtful debts

Impairment losses in respect of trade receivables are recorded using an allowance account unless the group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

	At 30 September 2013 (Unaudited) ***RMB'000***	At 31 March 2013 (Audited) *RMB'000*
At 1 April	**2,838**	2,838
Impairment loss recognised *(note)*	**–**	–
At 30 September and 31 March	**2,838**	2,838

Note: As at 30 September 2013, trade receivables of the group amounting to approximately RMB2,838,000 (31 March 2013: RMB2,838,000) were individually determined to be impaired. These individually impaired receivables were outstanding for over 180 days as at the end of the reporting period and the management considered the recoverability of the amount is low. The group does not hold any collateral over these balances.

ii. The movements of impairment loss of loan and interest receivables

	At 30 September 2013 (Unaudited) ***RMB'000***	At 31 March 2013 (Audited) *RMB'000*
At 1 April	**40,356**	41,054
Exchange realignment	**(791)**	(698)
At 30 September and 31 March	**39,565**	40,356

c) ***Trade receivables that are not impaired***

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

	At 30 September 2013 (Unaudited) *RMB'000*	At 31 March 2013 (Audited) *RMB'000*
Neither past due nor impaired	**–**	–
Past due but not impaired		
– Less than 3 months past due	**1,615**	3,893

Receivables that were past due but not impaired relate to a tenant that have a good track record with the group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The group hold rental deposits of RMB565,000 (31 March 2013: RMB1,765,000) as collateral over these balances.

DIVIDEND

The directors of the company do not recommend the payment of any interim dividend for the six months ended 30 September 2013 (2012: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the period under review, the group continued to engage in its principal business activities, including the properties investment business and the exploitation of copper and molybdenum in a mine ("Mine") located in the Inner Mongolia, the PRC.

As at 30 September 2013, the aggregate gross floor area of the investment properties being held by the group was approximately 7,004 square meters, among which approximately 27% were leased to third parties under operating leases with lease terms for a period of ten years.

Regarding the mining business, there are still substantial preparations and construction works. With the support from the People's Government of Keshi Ketengqi and the authorities concerned, Keshi Ketengqi Great Land Mine Industries Company Limited* (the "Mining Company") was qualified as the enterprise of Keshi Ketengqi with priority in terms of protection and project support. The Mining Company originally planned to submit, among others, the land using approval, solution for water and soil conservation, assessment on environment and assessment on mine safety to relevant government authorities for consideration and approval in the third quarter of 2013, and scheduled to commence mine construction after obtaining government approvals. As many regions and cities of Inner Mongolia Autonomous Region were hit by major flooding disasters this year, which led to some collapsed mines and cracks and bursts of tailing reservoirs in processing plants, the natural disasters caused tremendous losses on people's lives and properties. To prevent further accidents, the relevant government authorities required all newly established mining enterprises to prepare the Geotechnical Engineering Report and the Treatment Proposal on Geological Environment and Staged Land Rehabilitation on the Mine for mines and tailing reservoirs in processing plants. Therefore, the next task for the Mining Company is to prepare relevant reports according to the requirements of each government authority and the expected statutory operation will delay to the early 2015. Numerous regions and cities of Inner Mongolia Autonomous Region were affected by major flooding disasters this year, and the road to the mine was severely destroyed. For the upcoming construction commencement on the mine, the Mining Company repaired and restored the road to the mine. In order to achieve a win-win situation in social and economic benefit as soon as possible, the Mining Company will carry out the construction by strictly following the government approved advice and mining design as well as each rule and regulation during future mining and processing. Meanwhile, the Mining Company will continue to engage related experts and entrust a qualified geological survey department to conduct geological surveys covering a vast area on the mine, so as to provide the mine with more backup resources to ensure a sustainable development of the enterprise.

The expenditure incurred on the mining development for the period ended 30 September 2013 was approximately RMB0.3 million.

Financial Review

For the period under review, the group's turnover was approximately RMB3.3 million (2012: approximately RMB4.8 million), representing a decrease of approximately 31% compared with the same period last year. The decrease in turnover was mainly due to termination of certain operating leases during the period under review. The unaudited net loss for the period under review was approximately RMB23 million (2012: approximately RMB24 million) and the loss per share was RMB0.05 (2012: RMB0.07).

The administrative expenses of the group for the period amounted to approximately RMB22.9 million, representing an increase of approximately 10.4% compared with the same period last year. The finance cost of the group amounted to approximately RMB2 million which was mainly incurred for the bank loan under the security of investment properties in Shanghai.

Liquidity and Financial Resources

As at 30 September 2013, the group's net current assets were approximately RMB7.6 million (at 31 March 2013: approximately RMB21.6 million), including cash and bank balance of approximately RMB8.4 million (at 31 March 2013: approximately RMB21.3 million).

The group had bank borrowings of RMB46 million as at 30 September 2013 (at 31 March 2013: RMB48 million). The borrowings were bank loans under security, of which 10.9% were due within one year from balance sheet date, 10.9% were due more than one year but not exceeding two years and 78.2% were due more than two years but not exceeding five years. The gearing ratio, defined as the percentage of net debts to the total equity of the company, was approximately 10.4% (at 31 March 2013: approximately 7.7%).

Investment Position

The group did not have any significant investment position in stocks, bonds and other financial derivatives as at 30 September 2013.

Foreign Exchange Exposure

As most of the group's assets and liabilities are denominated in Renminbi and the liabilities of the group are well covered by its assets, the group does not have any significant exposure to foreign exchange fluctuation. During the period under review, the group did not use any financial instruments for hedging purposes.

Shares Capital and Capital Structure

On 27 August 2013, the company issued 50,000,000 new shares at HK$0.136 per share under the placing agreement dated 16 August 2013.

On 23 September 2013, the company issued 58,000,000 new shares at HK$0.14 per share under the placing agreement dated 12 September 2013.

Save as disclosed above, there was no change in the share capital and capital structure of the company for the period ended 30 September 2013.

Charges on group's Assets

As at 30 September 2013, the group's investment properties with a value of approximately RMB146.7 million were pledged to secure general banking facilities granted to Shanghai Xiang Chen Hang Place The Industry Co. Limited, the wholly-owned subsidiary of the company.

Contingent Liabilities

As at 30 September 2013, the group did not have any material contingent liability (2012: Nil).

Acquisition and Disposal of Subsidiaries

There was no acquisition and disposal of subsidiaries of the group during the period ended 30 September 2013.

Employees

As at 30 September 2013, the group has 41 employees. The remuneration was determined with reference to statutory minimum wages, market terms and the performance, qualification and experience of individual employees. The group provides contributory provident fund and insurance scheme to the employees. Share option scheme and incentive schemes are adopted to encourage personal commitment of employees.

Outlook

Going forward, the group will remain focus on the existing business of properties investment, mining and money lending. In the meantime, the group will actively seek suitable investment opportunities from time to time to diversity its existing business portfolio and engage in new line of business with potential growth.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the company, nor any of its subsidiaries purchased, redeemed or sold any of the company's listed securities during the six months ended 30 September 2013.

CORPORATE GOVERNANCE

The company has complied with the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2013, except for the deviation from the requirement of code provision A.2.1, A.6.7 and E.1.2 of the CG Code as follow.

The code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The chairman of the company also acted as chief executive officer of the company during the period under review, which was deviated from the requirement of the code provision A.2.1. The board considered that this structure was conductive with strong and consistent leadership, enabling the company to respond promptly and efficiently.

The code provision A.6.7 stipulates that the independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. The code provision E.1.2 stipulates that the chairman of the board should attend the annual general meeting. The Chairman and an independent non-executive Director were unable to attend the annual general meeting of the Company held on 28 August 2013 due to their other work commitments.

AUDIT COMMITTEE

During the period under review, the audit committee of the company (the "Audit Committee") comprises three independent non-executive directors, namely Mr. Lai Wai Yin Wilson, Ms. Cao Jie Min and Mr. Tse Kwong Wah. The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to "A Guide for The Formation of An Audit Committee" published by the HKICPA. The principal duties of the Audit Committee include the review and supervision of the group's financial reporting process and internal controls.

The Audit Committee has regularly reviewed with the management the accounting principles and policies adopted by the group. The results of the group for the six months ended 30 September 2013 was reviewed by the Audit Committee who are of the opinion that such statements comply with the applicable accounting standards and that adequate disclosures have been made.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The company has adopted the Model Code as its own code of conduct regarding securities transactions by the directors. The company had also made specific enquiry of the directors and the company was not aware of any non-compliance with the required standard as set out in the Model Code.

PUBLICATION OF INTERIM REPORT ON THE STOCK EXCHANGE'S WEBSITE

The company's interim report for the six months ended 30 September 2013 will be despatched to the shareholders of the company and published on the Stock Exchange's website and on the company's website in due course.

By order of the board
China Properties Investment Holdings Limited
Xu Dong
Chairman

Hong Kong, 28 November 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.