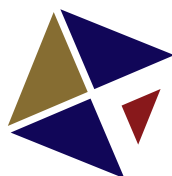

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, 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 to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities.

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 CAPITAL REORGANISATION
AND
NOTICE OF SPECIAL GENERAL MEETING**

Capitalised terms used in this cover page shall have the same meaning as those defined in this circular.

A notice convening the SGM to be held at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Monday, 11 January 2016 at 10:00 a.m. is set out on pages 11 to 13 of this circular. A proxy form for use at the SGM is enclosed with this circular. Whether or not you are able to attend the meeting in person, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

18 December 2015

* for identification purposes only

CONTENT

	<i>Page</i>
DEFINITIONS	1
EXPECTED TIMETABLE	3
LETTER FROM THE BOARD	5
NOTICE OF SGM	11

DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	any day (excluding a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Capital Reduction”	the proposed reduction of the par value of each of the issued Consolidated Shares from HK\$0.15 to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.14 on each of the issued Consolidated Shares
“Capital Reorganisation”	the proposed reorganisation of the share capital of the Company involving the Share Consolidation, the Capital Reduction and the Share Sub-division
“CCASS”	the Central Clearing and Settlement System operated by HKSCC
“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 whose shares are listed on the Stock Exchange
“Consolidated Share(s)”	ordinary share(s) of par value of HK\$0.15 each in the share capital of the Company immediately after the Share Consolidation but before the Capital Reduction and the Share Sub-division
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	ordinary share(s) of par value of HK\$0.03 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	26 November 2015, being the last trading day prior to the date of the announcement in respect of the Capital Reorganisation proposed by the Company

* for identification purpose only

DEFINITIONS

“Latest Practicable Date”	16 December 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular
“Listing Committee”	has the meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share(s)”	the ordinary share(s) of par value HK\$0.01 each in the share capital of the Company immediately upon the Capital Reorganisation becoming effective
“Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve the Capital Reorganisation
“Share(s)”	Existing Share(s), Consolidated Share(s) and/or New Share(s), as the case maybe
“Share Consolidation”	the proposed consolidation of every five (5) Existing Shares of par value of HK\$0.03 each in the issued and unissued share capital of the Company into one (1) Consolidated Share of par value of HK\$0.15 each in the issued and unissued share capital of the Company
“Share Sub-division”	the proposed sub-division of each of the authorised but unissued Consolidated Shares of par value of HK\$0.15 each into fifteen (15) New Shares of par value of HK\$0.01 each
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrants”	bonus warrants with an outstanding aggregate principal amount of HK\$57,250,000.20 exercisable into 190,833,334 Existing Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

EXPECTED TIMETABLE

The expected timetable for the implementation of the Capital Reorganisation and the associated trading arrangements are as follows:

Latest date and time for lodging the proxy form for the SGM	10:00 a.m. on Saturday, 9 January 2016
Date and time of the SGM	10:00 a.m. on Monday, 11 January 2016
Publication of the announcement of poll results of the SGM	Monday, 11 January 2016
Effective date of the Capital Reorganisation	Tuesday, 12 January 2016
First day of free exchange of existing share certificates for new share certificates for New Shares	Tuesday, 12 January 2016
Dealing in New Shares commences	9:00 a.m. on Tuesday, 12 January 2016
Original counter for trading in Existing Shares in board lots of 3,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 12 January 2016
Temporary counter for trading in New Shares in board lots of 600 New Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 12 January 2016
Original counter for trading in New Shares in board lots of 3,000 New Shares (in the form of new share certificates) re-opens	9:00 a.m. on Tuesday, 26 January 2016
Parallel trading in New Shares (in the form of new share certificates in board lots of 3,000 New Shares and the existing share certificates in board lots of 600 New Shares) commences	9:00 a.m. on Tuesday, 26 January 2016
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of New Shares	9:00 a.m. on Tuesday, 26 January 2016

EXPECTED TIMETABLE

Temporary counter for trading in New Shares in
board lots of 600 New Shares (in the form of
existing share certificates) closes 4:00 p.m. on Thursday,
18 February 2016

Parallel trading in New Shares (in the form of
new share certificates in board lots of 3,000
New Shares and the existing share certificates
in board lots of 600 New Shares) ends 4:00 p.m. on Thursday,
18 February 2016

Designated broker ceases to stand in the market
to provide matching services for the sale and
purchase of odd lots of New Shares 4:00 p.m. on Thursday,
18 February 2016

Last day for free exchange of existing share
certificates for new share certificates Monday, 22 February 2016

All times and dates specified in the timetable above refer to Hong Kong times and dates. This timetable is indicative only and any subsequent changes to the expected timetable will be announced by the Company.

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:

Mr. Xu Dong (*Chairman*)
Mr. Au Tat On

Non-executive Director:

Miss Yu Wai Fong

Independent non-executive Directors:

Mr. Lai Wai Yin, Wilson
Ms. Cao Jie Min
Mr. Tse Kwong Wah

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:

Room 2707-08, 27/F
China Resources Building
26 Harbour Road, Wanchai
Hong Kong

18 December 2015

To the Shareholders

Dear Sir or Madam,

**PROPOSED CAPITAL REORGANISATION
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 27 November 2015 in relation to, among other things, the Capital Reorganisation.

The purpose of this circular is to provide you among other things, details of (i) the Capital Reorganisation and (ii) a notice convening the SGM.

* *for identification purposes only*

LETTER FROM THE BOARD

PROPOSED CAPITAL REORGANISATION

The Board proposes to reorganise the share capital of the Company in the following manner:

- (a) *Share Consolidation*: that every five (5) Existing Shares of par value of HK\$0.03 each in the issued and unissued share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.15 each;
- (b) *Capital Reduction*: that the par value of each of the issued Consolidated Shares be reduced from HK\$0.15 to HK\$0.01 by cancelling the paid-up capital of the Company to the extent of HK\$0.14 on each of the issued Consolidated Shares, the credit arising from such reduction be credited to the contributed surplus account of the Company and any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled; and
- (c) *Share Sub-division*: that each of the authorised but unissued Consolidated Shares of par value of HK\$0.15 each be sub-divided into fifteen (15) New Shares of par value of HK\$0.01 each.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon:

- (i) the passing of the necessary special resolution by the Shareholders at the SGM to approve the Capital Reorganisation involving the Share Consolidation, the Capital Reduction and the Share Sub-division;
- (ii) the Listing Committee granting the listing of, and permission to deal in, the New Shares in issue arising from the Capital Reorganisation and any New Shares which may be allotted and issued upon exercise of the Warrants; and
- (iii) the compliance with the relevant procedures and requirements under the Companies Act 1981 of Bermuda and the Listing Rules to effect the Capital Reorganisation.

Effects of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$300,000,000 divided into 10,000,000,000 Existing Shares of par value of HK\$0.03, of which 4,857,582,157 Existing Shares have been issued and fully paid or credited as fully paid. Assuming there will be no change in the issued and unissued share capital of the Company from the Latest Practicable Date up to the date on which the Capital Reorganisation becomes effective, the authorised share capital of the Company will become HK\$300,000,000 divided into 30,000,000,000 New Shares of par value of HK\$0.01 each and the issued share capital of the Company will become HK\$9,715,164.31 divided into 971,516,431 New Shares upon the Capital Reorganisation becoming effective.

LETTER FROM THE BOARD

Based on 4,857,582,157 Existing Shares in issue as at the Latest Practicable Date, an amount of credit of HK\$136,012,300.40 will arise as a result of the Capital Reduction. It is proposed that the total credit arising in the accounts of the Company from the Capital Reduction will be transferred to the contributed surplus account of the Company to be applied in accordance with the Company's bye-laws. The Board currently has no plan as to the use of such amount, however, the credit arising from the Capital Reduction may be applied to set-off the accumulated loss of the Company.

As at the Latest Practicable Date, save for the Warrants, the Company does not have any other outstanding options, warrants or securities in issue which are convertible or exchangeable into Shares. As the Capital Reorganisation may cause adjustment to the number and/or exercise prices of the Warrants and the resulting number of New Shares to be allotted and issued upon exercising of the Warrants, further announcement(s) will be made by the Company in this regard as and when appropriate.

The following table sets out the effect of the Capital Reorganisation on the share capital of the Company before and immediately after the Capital Reorganisation assuming there will be no change in the issued and authorised share capital of the Company from the Latest Practicable Date up to the effective date of the Capital Reorganisation:

	Before the Capital Reorganisation	Immediately after the Share Consolidation but before the Capital Reduction and the Share Sub-division	Immediately after the Capital Reorganisation
Par value per Share	HK\$0.03 per Existing Share	HK\$0.15 per Consolidated Share	HK\$0.01 per New Share
Authorised share capital	HK\$300,000,000 divided into 10,000,000,000 Existing Shares	HK\$300,000,000 divided into 2,000,000,000 Consolidated Shares	HK\$300,000,000 divided into 30,000,000,000 New Shares
Issued share capital	HK\$145,727,464.71 divided into 4,857,582,157 Existing Shares	HK\$145,727,464.65 divided into 971,516,431 Consolidated Shares	HK\$9,715,164.31 divided into 971,516,431 New Shares

Note: Any fraction arising from the Share Consolidation is not shown in the above table.

LETTER FROM THE BOARD

Status of the New Shares

The New Shares in issue immediately following the Capital Reorganisation becoming effective will rank pari passu in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders. Any fractional entitlements to the Consolidated Shares will not be allocated to the Shareholders and instead will be aggregated and sold and the proceeds retained for the benefit of the Company.

Board lot size

Based on the closing price of HK\$0.169 per Share on the Last Trading day, the value of each board lot of 3,000 Shares was HK\$507.

The board lot size for trading will remain unchanged at 3,000 shares for the New Shares, which is the same board lot size for trading in the Existing Shares on the Stock Exchange.

Arrangement on odd lot trading

In order to alleviate the difficulties arising from the existence of odd lots of New Shares as a result of the Capital Reorganisation, the Company has procured an agent to arrange for matching service on a best efforts basis regarding the sale and purchase of odd lots of New Shares on behalf of Shareholders. Holders of odd lots of New Shares who wish to take advantage of this trading facility to dispose of or top up odd lots should contact Mr. John Pao at telephone number: (852) 2544 1040 or fax number: (852) 2544 1859 of SOUTHWEST SECURITIES (HK) BROKERAGE LIMITED located at Rooms 1601, 1606-1608, 16/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong during the period from 9:00 a.m. on Tuesday, 26 January 2016 to 4:00 p.m. on Thursday, 18 February 2016 (both days inclusive). Shareholders should note that matching of the sale and purchase of odd lots of New Shares is not guaranteed. Shareholders are advised to consult their professional advisers if they are in doubt about the above procedures.

Listing application

Application has been made to the Stock Exchange for the listing of, and permission to deal in, the New Shares in issue arising from the Capital Reorganisation and any New Shares which may be allotted and issued upon exercise of the Warrants.

No part 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 in is proposed to be sought.

All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC. Subject to the granting of listing of, and permission to deal in, the New Shares on the Stock Exchange, the New 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 New Shares on the Stock Exchange or 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 settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

LETTER FROM THE BOARD

Reasons for the Capital Reorganisation

The Board believe that the Share Consolidation will allow the value of each board lot to be increased to more than HK\$2,000 and enable the Company to comply with the trading requirements. Further, the Capital Reduction and the Share Sub-division will reduce the par value of the Shares that may facilitate and provide greater flexibility to the Company to raise funds through the issue of new Shares of the Company in the future since the Company is not permitted to issue new Shares below par value under the laws of Bermuda and its bye-laws. Accordingly, the Board is of the view that the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole.

Other than the expenses of approximately HK\$800,000 to be incurred by the Company in relation to the Capital Reorganisation, the implementation thereof will not, by itself, affect the Group's net asset value, business operation, financial position or any material adverse impact on the Group.

Exchange of share certificates

Subject to the Capital Reorganisation becoming effective, which is currently expected to be Tuesday, 12 January 2016, being the business day immediately after the date of the SGM, Shareholders may on or after Tuesday, 12 January 2016 and until Monday, 22 February 2016 (both days inclusive) submit their existing share certificates in the colour of pink for Existing Shares to the Registrar for exchange for new share certificates in the colour of blue for New Shares at the expense of the Company. Thereafter, share certificates for Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) for each new share certificate issued for the New Shares or each share certificate for Existing Shares submitted for cancellation, whichever the number of certificates issued or cancelled is higher. After 4:00 p.m. on Thursday, 18 February 2016, existing share certificates in the colour of pink for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates in the colour of blue for New Shares at any time but are not acceptable for trading, settlement and registration purposes.

WARNING

Shareholders should take note that the Capital Reorganisation is conditional upon satisfaction of conditions set out in the paragraph headed "Conditions of the Capital Reorganisation". Therefore, the Capital Reorganisation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Existing Shares, and if they are in any doubt about their position, they should consult their professional advisers.

SGM

A notice convening the SGM to be held at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Monday, 11 January 2016 at 10:00 a.m. is set out on pages 11 to 13 of this circular. A proxy form for use at the SGM is enclosed with this circular. Whether or not you are able to attend the meeting in person, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Registrar as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and

LETTER FROM THE BOARD

return of the proxy form will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

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

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Capital Reorganisation and, accordingly, no Shareholder is required to abstain from voting at the SGM.

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 Group. 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.

RECOMMENDATION

The Board considers that the Capital Reorganisation is in the best interests of the Company and the Shareholders as a whole and therefore recommends that the Shareholders vote in favour of the relevant resolution to be proposed at the SGM.

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

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 OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of China Properties Investment Holdings Limited (the “**Company**”) will be held at Plaza 1-2, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Monday, 11 January 2016 at 10:00 a.m. for the purpose of considering and if thought fit, passing, with or without modifications, the following resolution which will be proposed as special resolution:

SPECIAL RESOLUTION

“**THAT** subject to and conditional upon the Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reorganisation (as defined below), with effect from the first business day in Hong Kong immediately following the date on which this resolution is passed (the “**Effective Date**”):

- (a) every five (5) ordinary shares of par value of HK\$0.03 each in the share capital of the Company be consolidated (the “**Share Consolidation**”) into one (1) share of HK\$0.15 each (the “**Consolidated Share(s)**”);
- (b) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be rounded down to a whole number by cancelling any fraction in the issued share capital of the Company arising from the Share Consolidation;
- (c) the par value of each of the then issued Consolidated Shares of the Company be and is hereby reduced from HK\$0.15 each to HK\$0.01 each (the “**New Share(s)**”) by cancelling the paid-up capital of the Company to the extent of HK\$0.14 on each of the issued Consolidated Shares (together with the cancellation of the fractional shares referred to in sub-paragraph (b) above, the “**Capital Reduction**”);
- (d) each of the authorized but unissued Consolidated Shares of par value of HK\$0.15 each be and is hereby sub-divided into fifteen (15) New Shares of HK\$0.01 each (the “**Share Sub-division**”, together with the Share Consolidation and the Capital Reduction, the “**Capital Reorganisation**”);

* for identification purposes only

NOTICE OF SGM

- (e) the credits arising from the Capital Reduction be transferred to the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (the “**Contributed Surplus Account**”) and the board of directors of the Company (the “**Directors**”) or a committee thereof be and are hereby authorized to use the amount then standing to the credit of the Contributed Surplus Account in any manner as may be permitted under the bye-laws of the Company in effect from time to time and all applicable laws, including, without limitation, eliminating or setting off the accumulated losses of the Company in full as at the Effective Date and/or eliminating or setting off the accumulated losses of the Company which may arise from time to time without further authorization from the shareholders of the Company and all such actions in relation thereto be approved, ratified and confirmed; and
- (f) the Directors or a committee thereof be and are hereby authorized to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to the Capital Reorganisation involving the Share Consolidation, the Capital Reduction and the Share Sub-division and to aggregate all fractional New Shares and sell them for the benefit of the Company.”

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

Hong Kong, 18 December 2015

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*
Room 2707-08, 27/F
China Resources Building
26 Harbour Road, Wanchai
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the general meeting. A proxy need not be a member. In addition, a proxy or proxies representing a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
2. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, shall be delivered to the Company’s branch share registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

NOTICE OF SGM

3. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting concerned and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Voting on the resolution will be taken by poll.

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