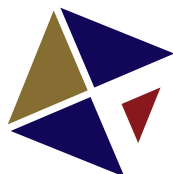


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## **CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED**

**中國置業投資控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 736)**

### **INSIDE INFORMATION MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE ACQUISITION**

This announcement is made by China Properties Investment Holdings Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company is pleased to announce that on 10 May 2016 (after trading hours), Bigfair International Limited (a wholly owned subsidiary of the Company)(the “**Purchaser**”) entered into a non-legal binding memorandum of understanding (the “**MOU**”) with a party (the “**Vendor**”) which is a third party independent of the Company and its connected persons (as defined under the Listing Rules) in relation to the possible acquisition (the “**Possible Acquisition**”) of the entire issued share capital (the “**Sale Shares**”) of a company (the “**Target Company**”) which is engaged in the business of asset management.

The Target Company is a company licensed under the Securities and Futures Ordinance to carry on Type 9 (asset management) regulated activity.

#### **PRINCIPAL TERMS OF THE MOU**

The consideration is determined to be total of a premium of HK\$6,000,000 and the net asset value of the Target Company as agreed by the Purchaser and the Vendor (collectively as the “**Parties**”).

The Purchaser shall pay a sum of HK\$900,000 as first deposit (the “**First Deposit**”) for the Possible Acquisition to a bank account (the “**Escrow Account**”) operated by an escrow agent as agreed by the Vendor within one business day after the signing of the MOU. After signing of the MOU and until

\* *For identification purposes only*

the Parties enter into a binding sale and purchase agreement (the “**Formal Agreement**”) for the Possible Acquisition, the Vendor shall not negotiate or enter into any document with any third party in relation to transfer of any of the Sale Shares or business or assets of the Target Company. Within four weeks after the payment of the First Deposit or such other dates as may be agreed by the Parties (the “**Exclusivity Period**”), the Purchaser will perform due diligence review (the “**Due Diligence**”) on the Target Company during the Exclusivity Period.

In the event that the Purchaser is not satisfied with the results of the Due Diligence, the First Deposit (without interest) shall be refunded to the Purchaser within five business days upon issue of a termination notice by the Purchaser to the Vendor within the Exclusivity Period.

In the event that the Purchaser is satisfied with the results of the Due Diligence, the Purchaser shall issue a notice to the Vendor within the Exclusivity Period and the Parties shall sign the Formal Agreement within three business days after receiving such notice. Within one business day after the execution of the Formal Agreement, the Purchaser shall pay the second deposit of HK\$2,100,000 to the Escrow Account. The completion of the Possible Acquisition is subject to the approval of the Securities and Futures Commission.

Save for certain provisions such as the provisions on confidentiality, exclusivity, costs and governing law, the other terms of the MOU are not intended to be legally binding.

## **REASONS FOR AND BENEFITS OF THE POSSIBLE ACQUISITION**

The Company is an investment holding company and the principal activities of the Company and its subsidiaries (collectively, the “**Group**”) are investment holding, property investment, securities brokerage and money lending.

The Company has been actively seeking new business opportunities from time to time in order to diversify its business and enhance the long-term growth potential of the Company and its shareholders’ value. By investing in the Target Company, it is expected that the Group can enter into the asset management industry, which will enhance the Group’s securities brokerage business. The Group is expected to be benefited from the synergy arising from the Possible Acquisition and therefore it is in the interest of the Company and its shareholders as a whole.

## GENERAL

**The Board wishes to emphasise that the Possible Acquisition may or may not proceed and that the Purchaser has not entered into any binding agreement in relation to the Possible Acquisition as at the date of this announcement. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. The Company will make further announcement in respect of the Possible Acquisition as and when appropriate in accordance with the Listing Rules.**

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

Hong Kong, 10 May 2016

*As at the date of this announcement, 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.*

*In case of inconsistency, the English text of this announcement shall prevail over the Chinese text.*