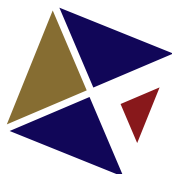


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CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

中國置業投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 736)

DISCLOSEABLE TRANSACTION IN RESPECT OF THE DISPOSAL OF EQUITY INTEREST IN AN ASSOCIATE COMPANY

THE SPA

On 27 May 2016 (after trading hours), the Company, as vendor, and the Purchaser entered into the SPA, pursuant to which the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Sale Shares at the Consideration of HK\$9,500,000 payable by the Purchaser in accordance with the terms and conditions of the SPA.

THE LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for the Disposal are more than 5% but are all less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

THE SPA

Date

27 May 2016 (after trading hours)

Parties

- (i) Company : China Properties Investment Holdings Limited
- (ii) Purchaser : a private limited company incorporated in Hong Kong

As at the date of this announcement, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are independent third parties of the Company and its connected persons.

Assets to be disposed

The Company has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Sale Shares, representing 32.39% of the entire share capital of the Target Company.

Consideration

The Consideration is HK\$9,500,000 payable in cash and will be paid at Completion.

The Consideration was determined after arm's length negotiation between the Company and the Purchaser with reference to the carrying amount of the Company's interest in the Target Company.

Conditions precedent

Completion is conditional upon satisfaction of the following conditions precedent:-

- (i) all requisite consents, authorisations and approvals (or, as the case may be, the relevant waiver) in connection with the entering into and performance of the terms of the SPA having been obtained by the respective parties (including but not limited to the necessary consent from the Stock Exchange, if any); and
- (ii) the compliance of any other requirements under the Listing Rules or otherwise of the Stock Exchange or other regulatory authorities or any applicable laws and regulations which requires compliance by the Company at any time prior to Completion in relation to the transactions contemplated under the SPA.

None of the above conditions can be waived. If all the conditions have not been fulfilled on or before 30 June 2016 or any other date as agreed in writing between the parties to the SPA, the SPA shall be terminated forthwith and each party to the SPA shall have no liability to the other party save and except for any antecedent breaches of the terms thereof.

Completion

Completion shall take place on the first Business Day after the fulfillment (or waiver) of the above conditions or such other date as the parties to the SPA may agree in writing.

Upon Completion, the Company shall cease to hold any interest in the Target Company and the Target Company will cease to be an associate of the Company.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in Hong Kong with limited liability and is principally engaged in the provision of blended learning educational services for corporations, institutions, schools, non-governmental organisations and individuals in Hong Kong and abroad. According to the unaudited management accounts of the Target Company, the unaudited net asset value of the Target Company as at 31 December 2015 was approximately HK\$2,338,676.

Financial information of the Target Company

Set out below are financial information of the Target Company as extracted from its audited financial statement for the financial year ended 31 December 2014 and the management accounts of the Target Company as of 31 December 2015:

	(Audited) For the financial year ended 31 December 2014 <i>(approximate</i> <i>HK\$'000)</i>	(Unaudited) For the financial year ended 31 December 2015 <i>(approximate</i> <i>HK\$'000)</i>
Net profit before taxation	78	462
Net profit after taxation	78	462

The unaudited net assets of the Target Company as at 31 December 2015 was approximately HK\$2,338,676.

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Based on the carrying amount of the Company's interest in the Target Company as at 30 September 2015, it is estimated that the Group will record a gain of approximately HK\$440,000 (before tax) from the Disposal after deducting the expenses attributable to the Disposal of approximately HK\$50,000. Shareholders should note that the actual amount of the gain or loss (as the case may be) on the Disposal to be recognized in the consolidated financial statements of the Company depends on the net asset value of the Target Company as at the date of Completion and therefore may be different from the amount mentioned above.

Upon Completion, the Company will cease to hold any equity interest of the Target Company and the results of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

Upon Completion, the gross and net proceeds that arise from the Consideration from the Disposal will be approximately HK\$9,500,000 and HK\$9,450,000 respectively. The Board intends to apply the net proceeds from the Disposal for the general working capital of the Remaining Group and/or acquisition purpose if opportunity arises.

REASONS AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company and the principal activities of the Group are investment holding, property investment, provision of educational services, securities brokerage and money lending.

The Target Company was acquired by the Group several years ago when the needs and demands for blended learning educational services in Hong Kong were in steady growth. The Directors have observed that the demands and prospects for such educational services have declined since the Company's acquisition in 2013.

It is expected that the Disposal will enable the Group to re-allocate its resources to its other existing business segments, including money lending and securities brokerage and/or other higher return potential investment to enhance the value of the Company and the Shareholders as a whole.

Having considered the reasons for and benefits of the Disposal as mentioned above, the Directors are of the view that the terms of the SPA are fair and reasonable and the Disposal is in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE PURCHASER

The Purchaser is a private limited company incorporated in Hong Kong, and is principally engaged in investment holding.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are independent third parties of the Company and its connected persons.

INFORMATION ON THE COMPANY AND THE GROUP

The Company is an investment holding company and the Group is principally engaged in the businesses of investment holding, property investment, provision of educational services, securities brokerage and money lending. The Target Company is an associate of the Company and is principally engaged in the provision of blended educational services.

After Completion, the Remaining Group will continue to be principally engaged in the businesses of investment holding, property investment, provision of educational services, securities brokerage and money lending.

THE LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for the Disposal are more than 5% but are all less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which licensed banks are generally open for business in Hong Kong
“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
“Completion”	the completion of the Disposal pursuant to the SPA
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of HK\$9,500,000 payable by the Purchaser to the Company for the purchase of the Sale Shares pursuant to the SPA
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Shares by the Company to the Purchaser pursuant to the SPA
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administration Region of the PRC and Taiwan

“Purchaser”	a limited company incorporated in Hong Kong, which and the ultimate beneficial owner of which, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, are independent third parties of the Company and its connected persons
“Remaining Group”	the Group excluding the Target Company
“Sale Shares”	3,382 ordinary shares in the Target Company, representing approximately 32.39% of the equity interest in the Target Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company as at the date of this announcement
“Shareholder(s)”	holder(s) of Share(s)
“SPA”	the conditional sale and purchase agreement dated 27 May 2016 and entered into by the Company and the Purchaser in respect of, among other things, the Disposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	EDKNOWLEDGE GROUP LIMITED (賢達教育集團有限公司), a limited company incorporated in Hong Kong and is owned, as to approximately 32.39% of its equity interest, by the Company
“%”	per cent.

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

Hong Kong, 27 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.

* *for identification purposes only*