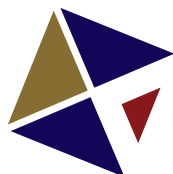


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CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED
中國置業投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 736)

**(1) TERMINATION OF MEMORANDUM OF UNDERSTANDING
IN RESPECT OF A POSSIBLE TRANSACTION
AND
(2) CHANGE IN USE OF PROCEEDS FROM RIGHTS ISSUE**

TERMINATION OF MEMORANDUM OF UNDERSTANDING

This announcement is made by China Properties Investment Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong). References are made to the announcements (the “**MOU Announcements**”) made by the Company dated 4 February 2016 and 4 November 2016 in relation to the Possible Transaction. Unless otherwise specified, capitalized terms used herein shall have the same meaning as those defined in the MOU Announcements.

The Board wishes to announce that on 20 February 2017, the Company entered into a termination agreement with the Vendor, pursuant to which the parties thereto have agreed to terminate the MOU and the Supplemental MOU with effect from the date thereof.

The Directors consider that the termination of the MOU and the Supplemental MOU would have no material adverse impact on the financial and operational position of the Company and its subsidiaries (the “**Group**”).

* *For identification purposes only*

CHANGE IN USE OF PROCEEDS FROM RIGHTS ISSUE

Reference is made to the announcement of the Company dated 28 September 2016 in relation to the change in use of proceeds from a rights issue (the “**Announcement**”). Unless otherwise specified, capitalized terms used in the following paragraphs shall have the same meaning as those defined in the Announcement.

As disclosed in the Announcement, the Group intended to use the Net Proceeds in the following manner:–

- (i) approximately HK\$190 million for the Subscription;
- (ii) approximately HK\$50 million to the development of the Project;
- (iii) approximately HK\$90 million to the investment in securities brokerage business;
- (iv) approximately HK\$200 million to the development of money lending business; and
- (v) the remaining as general working capital or future investment opportunities of the Group.

Upon the termination of the MOU and the Supplemental MOU, the Board has resolved to change the use of Net Proceeds for the development of the Project (i.e., the Possible Transaction) such that the aforesaid HK\$50 million will be utilized for the investment in securities brokerage business.

Save for disclosed above, the remaining Net Proceeds has been and will be applied as disclosed in the Announcement.

The Directors consider that the above change in use of the Net Proceeds are in line with the Company’s business strategy and will allow the Company to deploy its financial resources more efficiently and therefore, it is fair and reasonable and in the interest of the Company and its shareholders as a whole.

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

Hong Kong, 20 February 2017

As at the date of this announcement, the executive Directors are Mr. Xu Dong and Mr. Au Tat On, the non-executive Director is Mr. Han Wei 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.