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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 2021**

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 2021, together with the comparative figures of the corresponding period last year as follows:

\* For identification purposes only

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2021

		Six months ended 30 September	
	Notes	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Revenue	4	<u>42,335</u>	<u>32,538</u>
Valuation loss on investment properties		(8,392)	(3,210)
Other income		6,297	246
Other gains and losses		17,260	12,738
Administrative expenses		(13,531)	(18,862)
Other expenses	5(d)	<u>(34,954)</u>	<u>(1,882)</u>
<b>Profit from operations</b>		<b>9,015</b>	<b>21,568</b>
Finance costs	5(a)	<u>(5,195)</u>	<u>(5,294)</u>
<b>Profit before taxation from continuing operations</b>	5	<b>3,820</b>	<b>16,274</b>
Income tax	6(a)	<u>(4,566)</u>	<u>(1,586)</u>
(Loss)/profit for the year from continuing operations		(746)	14,688
(Loss)/profit from discontinued operations	7	<u>—</u>	<u>641</u>
<b>(Loss)/profit for the period</b>		<b><u>(746)</u></b>	<b><u>15,329</u></b>
<b>Attributable to:</b>			
Owners of the Company		<b><u>(746)</u></b>	<b><u>15,329</u></b>
<b>(Loss)/earnings per share</b>	8		
From continuing and discontinued operations			
– Basic		(HK0.56 cents)	HK11.48 cents
– Diluted		<u>(HK0.56 cents)</u>	<u>HK11.48 cents</u>
From continuing operations			
– Basic		(HK0.56 cents)	HK11.00 cents
– Diluted		<u>(HK0.56 cents)</u>	<u>HK11.00 cents</u>

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the six months ended 30 September 2021*

	Six months ended	
	30 September	
	2021	2020
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<b>(Loss)/profit for the period</b>	<b>(746)</b>	<b>15,329</b>
<b>Other comprehensive income for the period</b>		
Items that may reclassified subsequently to profit or loss:		
Exchange differences arising on translation of:		
– financial statements of group entities	<u>2,895</u>	<u>6,898</u>
<b>Total comprehensive income for the period</b>	<u><b>2,149</b></u>	<u><b>22,227</b></u>
<b>Attributable to:</b>		
Owners of the Company	<u><b>2,149</b></u>	<u><b>22,227</b></u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

	Notes	30/9/2021 (Unaudited) HK\$'000	31/3/2021 (Audited) HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		2,750	3,135
Right-of-use assets		6,348	4,980
Investment properties		317,302	320,041
Loan receivables		<u>340,302</u>	<u>310,545</u>
		<u>666,702</u>	<u>638,701</u>
<b>Current assets</b>			
Property under development		22,002	22,011
Trade and other receivables	9	62,339	42,715
Loan receivables		91,485	121,899
Financial assets at fair value through profit or loss		46,288	35,442
Cash and bank balances – general accounts		<u>4,495</u>	<u>11,757</u>
		<u>226,609</u>	<u>233,824</u>
<b>Current liabilities</b>			
Trade and other payables		52,833	41,051
Interest-bearing bank borrowings		5,434	5,933
Other borrowing		15,000	–
Unconvertible bonds		1,250	8,750
Lease liabilities		4,568	4,545
Tax payable		<u>8,870</u>	<u>6,106</u>
		<u>87,955</u>	<u>66,385</u>
<b>Net current assets</b>		<u>138,654</u>	<u>167,439</u>
<b>Total assets less current liabilities</b>		<u>805,356</u>	<u>806,140</u>

	<i>Notes</i>	<b>30/9/2021</b> <b>(Unaudited)</b> <b>HK\$'000</b>	31/3/2021 (Audited) HK\$'000
<b>Non-current liabilities</b>			
Interest-bearing bank borrowings		<b>93,590</b>	94,920
Deferred tax liabilities		<b>12,996</b>	14,840
Lease liabilities		<b>30,429</b>	30,188
Unconvertible bonds		<b>10,000</b>	10,000
		<b>147,015</b>	149,948
<b>NET ASSETS</b>		<b>658,341</b>	656,192
<b>Equity</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		<b>53,433</b>	53,433
Reserves		<b>604,908</b>	602,759
<b>TOTAL EQUITY</b>		<b>658,341</b>	656,192

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION OF FINANCIAL INFORMATION

The unaudited condensed consolidated financial statements for the six months ended 30 September 2021 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.

### 2. CHANGE IN ACCOUNTING POLICIES

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 2021, except for the additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standard (“HKFRSs”). The unaudited condensed consolidated financial statements do not include all the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Group for the year ended 31 March 2021.

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
- financial assets at fair value through profit or loss

The unaudited condensed consolidated interim financial information for the period ended 30 September 2021 comprise the Company and its subsidiaries.

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2021. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior year.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRS would have a material impact on its results of operations and financial position.

### **3. SEGMENT REPORTING**

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 each service type perspectives. Geographically, management considers the performance of the segments in Hong Kong and mainland China. The Group has presented the following three reportable segments. These segments are managed separately. The properties investment segment, money lending business segment and financial services 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) Money lending business**

The money lending business reportable segment derives its revenue primarily from lending out loans and receive interest.

**a) Segment results, assets and 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 2021 and 2020 is set out below.

	Six months ended 30 September 2021 (Unaudited)			Six months ended 30 September 2020 (Unaudited)		
	Properties investment <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>	Properties investment <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from external customers	<u>12,596</u>	<u>29,739</u>	<u>42,335</u>	<u>7,550</u>	<u>24,988</u>	<u>32,538</u>
Reportable segment revenue	<u>12,596</u>	<u>29,739</u>	<u>42,335</u>	<u>7,550</u>	<u>24,988</u>	<u>32,538</u>
Reportable segment profit/(loss) before taxation	10,943	(5,338)	5,605	(3,798)	39,487	35,689
Unallocated corporate income			6,211			18
Depreciation			(1,698)			(1,157)
Interest income			5			12
Finance cost			(5,195)			(5,294)
Gain on dealing of financial assets at fair value through profit or loss			10,846			(3,884)
Exchange gain			6,414			–
Valuation loss on investment properties			(8,392)			(3,210)
Unallocated corporate expenses			<u>(9,976)</u>			<u>(5,900)</u>
Profit before taxation			<u>3,820</u>			<u>16,274</u>



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

	As at 30 September 2021 (Unaudited) HK\$'000	As at 31 March 2021 (Audited) HK\$'000
<b>(i) Assets</b>		
Total reportable segments' assets	793,013	810,883
From discontinued operations	240	236
Property under development	22,002	22,011
Financial assets at fair value through profit or loss	46,288	35,442
Unallocated corporate assets	<u>31,768</u>	<u>3,953</u>
Consolidated total assets	<u><u>893,311</u></u>	<u><u>872,525</u></u>
<b>(ii) Liabilities</b>		
Reportable segments' liabilities	167,839	173,648
From discontinued operations	18	18
Other borrowing	15,000	—
Unconvertible bonds	11,250	18,750
Tax payables	8,071	6,106
Deferred tax liabilities	12,996	14,840
Unallocated corporate liabilities	<u>19,796</u>	<u>2,971</u>
Consolidated total liabilities	<u><u>234,970</u></u>	<u><u>216,333</u></u>

**c) Revenue from major services**

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

	Six months ended 30 September 2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Properties investment	12,596	7,550
Money lending business	<u>29,739</u>	<u>24,988</u>
	<u><u>42,335</u></u>	<u><u>32,538</u></u>

**d) Geographic information**

The following is an analysis of geographical location of the Group's revenue from external customers. The geographical location of customers refers to the location at which the services were provided or the goods delivered.

	<b>Revenue from external customers</b>		<b>Non-current assets</b>	
	<b>Six months ended 30 September 2021 (Unaudited) HK\$'000</b>	<b>Six months ended 30 September 2020 (Unaudited) HK\$'000</b>	<b>As at 30 September 2021 (Unaudited) HK\$'000</b>	<b>As at 31 March 2021 (Audited) HK\$'000</b>
Hong Kong (place of domicile)	<b>29,739</b>	24,988	<b>342,717</b>	503
PRC	<b>12,596</b>	7,550	<b>323,979</b>	327,641
Others	<b>—</b>	—	<b>6</b>	12
	<b><u>42,335</u></b>	<b><u>32,538</u></b>	<b><u>666,702</u></b>	<b><u>328,156</u></b>

**4. REVENUE**

**Disaggregation of Revenue**

Disaggregation of revenue from contracts with customers by major service lines is as follows:

	<b>Six months ended 30 September 2021 (Unaudited) HK\$'000</b>		<b>2020 (Unaudited) (Restated) HK\$'000</b>
Rental income from investment properties	<b>12,596</b>		7,550
Loan interest income	<b>29,739</b>		24,988
	<b><u>42,335</u></b>		<b><u>32,538</u></b>

Disaggregates of revenue from contracts with customers by geographic markets is disclosed in note 3(d).

## 5. PROFIT BEFORE TAXATION – CONTINUING OPERATIONS

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

	Six months ended 30 September	
	2021	2020
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<b>a) Finance costs</b>		
Interest expense on interest-bearing bank borrowings	3,884	3,979
Interest expense on unconvertible bonds	420	625
Interest expense on lease liabilities	855	648
Interest expense on other loan	36	42
	<u>5,195</u>	<u>5,294</u>
Total interest expense on financial liabilities not at fair value through profit or loss		
	<u>5,195</u>	<u>5,294</u>
<b>b) Staff costs (including Directors' remuneration)</b>		
Salaries, wages and other benefits	3,797	6,095
Contribution to defined contribution retirement plans	320	211
	<u>4,117</u>	<u>6,306</u>
<b>c) Other items</b>		
Auditor's remuneration		
– other services	150	300
Minimum lease payments under operating lease		
– rented premises, including management's quarters of HK\$360,000 (2020: HK\$360,000)	523	403
Depreciation		
– owned plant and equipment	1,067	2,245
– right-of-use asset	631	3,009
Gross rental income from investment properties less direct outgoings of approximately HK\$399,000 (2020: nil)	(12,995)	(7,550)
	<u>(12,995)</u>	<u>(7,550)</u>
<b>d) Other expenses</b>		
Allowance of expected credit loss on loan receivables	34,954	1,882
	<u>34,954</u>	<u>1,882</u>

## 6. INCOME TAX EXPENSES/(CREDIT)

Income tax in the condensed consolidated income statement represents:

	Six months ended 30 September	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) (Restated) HK\$'000
Current tax		
Hong Kong Profits Tax	6,664	2,389
Deferred tax		
Origination and reversal of temporary differences	<u>(2,098)</u>	<u>(803)</u>
Income tax expenses relating to continuing operations	<u><u>4,566</u></u>	<u><u>1,586</u></u>

*Note:*

- i) On 21 March 2019, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2018 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazette on the following day.

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

For the six months ended 30 September 2021, Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime for the qualifying corporation and the remaining corporations are calculated at a flat rate of 16.5% (2020: 16.5%).

- ii) The PRC enterprise income tax (“EIT”) for the period ended 30 September 2021 is 25% (2020: 25%). The EIT has not been provided for as the Group has incurred losses in PRC for the period.

## 7. DISCONTINUED OPERATIONS

On 13 January 2020 and 25 February 2020, the Group has submitted the acknowledgement for cessation of businesses of subsidiaries, C.P. Securities International Limited and C.P. Financial Management Limited, which carried out all of the Group's financial services operations. The cessation of business was effected in order to generate cash flows for the expansion of the Group's other businesses. The cessation of businesses were still in processing as at 30 September 2020.

The profit/(loss) for the year from the discontinued financial services operation is set out below. The comparative figures in the statement of profit or loss have been restated to re-present the financial services operation as a discontinued operation.

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Revenue	–	–
Cost of sales	–	–
Gross loss	–	–
Other loss	–	(3)
Administrative expenses	–	(2,545)
Finance cost	–	(34)
Gain on termination of lease	–	3,223
Income tax	–	–
Profit from discontinued operation	–	641
Cash flows used in operating activities	–	(1,694)
Cash flows generated from investing activities	–	–
Cash flows generated from financing activities	–	–
Net outflows of cash	–	(1,694)

## 8. (LOSS)/EARNINGS PER SHARE

### a) Basic (loss)/earnings per share - from continuing and discontinued operations

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK\$746,000 (2020: profit attributable to owners of the Company of HK\$15,329,000) and the following data:

Weighted average number of ordinary shares:

	<b>Six month ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares at 30 September	<b><u>133,584</u></b>	<b><u>133,584</u></b>

The weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share has been adjusted for share consolidation that took place on 8 January 2020.

### b) From continuing operations

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK\$746,000 (2020: profit attributable to owners of the Company of HK\$14,688,000) and on the weighted average number of 133,584,000 ordinary shares in issue during the period (2020: 133,584,000 ordinary shares).

### c) From discontinuing operations

Basic earnings per share for the discontinued operations is nil (2020: profit of HK\$0.48 cents per share) based on the profit for the year from the discontinued operations of nil (2020: profit of HK\$641,000) and the denominators detailed above for both basic and diluted earnings per share.

### d) Diluted (loss)/earnings per share

Diluted (loss)/earnings per share equals to basic (loss)/earnings per share because the outstanding share options had an anti-dilutive effect on the basis (loss)/earnings per share for the periods ended 30 September 2021 and 2020.

## 9. TRADE AND OTHER RECEIVABLES

An aged analysis of the trade receivables as at the end of the reporting period, based on invoice date and net of allowance for doubtful debts, is as follows:

	At 30 September 2021 (Unaudited) HK\$'000	At 31 March 2021 (Audited) HK\$'000
Within 1 month	2,620	1,153
1 to 3 months	2,661	2,823
3 to 6 months	1,603	1,575
Over 6 months	2,126	341
Trade receivables	9,010	5,892
Deferred rental receivables	8,150	8,157
Within 1 month	13,307	8,046
1 to 3 months	2,756	2,202
3 to 6 months	769	–
Over 6 months	312	689
Interest receivables from money lending business	17,144	10,937
Other receivables	19,222	10,088
Prepayments and deposits	8,813	7,641
	<b>62,339</b>	<b>42,715</b>

*Note:*

- i) All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

## **DIVIDEND**

The Directors of the Company do not recommend payment of any interim dividend for the six months ended 30 September 2021 (2020: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Business Review**

During the period under review, the principal business activities of the Group included the properties investment and money lending.

For the properties investment, as at 30 September 2021, the aggregate gross floor area of the investment properties being held by the Group was approximately 7,004 square meters, 100% of which was leased to third parties under operating leases with lease terms ranging up to twelve years. For the six months ended 30 September 2021, approximately 4,759 square meters of the gross floor area of the leased property were sub-leased to third parties under operating leases with lease terms ranging from four years to eight years.

For the six months ended 30 September 2021, the rental incomes of approximately HK\$12.60 million were recorded.

The money lending business generated steady interest income during the period. For the six months ended 30 September 2021, the Group had a gross loan portfolio amounted to approximately HK\$508.86 million with the average interest rate of 11.05%. The interest income generated from the money lending business was approximately HK\$29.74 million for the six months ended 30 September 2021.



## **Financial Review**

For the period under review, the Group's turnover from continuing operation was approximately HK\$42.34 million (2020: approximately HK\$32.54 million), representing an increase of approximately 30.12% compared with the corresponding period last year. The increase in turnover was mainly due to increase in rental income generated from the leased properties and increase in the interest income. The unaudited net loss for the period under review was approximately HK\$0.75 million (2020: net profit approximately HK\$15.33 million) and the basic loss per share for was HK\$0.56 cents (2020: basic earning per share HK\$11.48 cents).

Increase in net loss of the Group was mainly attributable to i) increase in allowance of expected credit loss on loan receivables which was resulted from increase in the default in interest payment; and ii) increase in valuation loss on investment properties for the six months ended 30 September 2021 as compared to those for the corresponding period in 2020.

Increase in other income was resulted from the profit of trading of construction materials of our subsidiary located at Beijing.

The administrative expenses of the Group for the period amounted to approximately HK\$13.53 million, representing a decrease of approximately 28.26% compared with the corresponding period last year, which was resulted from stringent cost control of the Group. The finance cost of the Group amounted to approximately HK\$5.2 million which was mainly incurred for the bank loan under the security of investment properties in Shanghai, other borrowings and the unconvertible bonds issued by the Company.

## **Liquidity and Financial Resources**

As at 30 September 2021, the Group's net current assets were approximately HK\$138.65 million (at 31 March 2021: approximately HK\$167.44 million), including cash and bank balance of approximately HK\$4.5 million (at 31 March 2021: approximately HK\$11.76 million).

The Group had borrowing of approximately HK\$125.18 million as at 30 September 2021 (at 31 March 2021: approximately HK\$119.60 million) of which 17.32% and 82.68%, were due within 1 year and after 1 year respectively from balance sheet date. The gearing ratio, defined as the percentage of net debts to the total equity of the Company, was approximately 19.01% (at 31 March 2021: 18.23%).

## **Significant Investments**

Investment with fair value accounting for more than 5% of the Group's total assets shall be considered as significant investment. The Company did not have significant investment as at 30 September 2021.

## **Foreign Exchange Exposure**

As most of the Group's assets and liabilities are denominated in Hong Kong dollar and 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.

## **Capital Structure and Share Capital**

There was no change in the share capital and capital structure of the Company for the six months ended 30 September 2021.

## **Charges on the Group's Assets**

As at 30 September 2021, the Group's investment properties with a value of approximately HK\$209.82 million were pledged to secure a borrowing from Shanghai Xiang Chen Hang Place The Industry Co. Limited, a wholly-owned subsidiary of the Company.

## **Contingent Liabilities**

As at 30 September 2021, the Group did not have any material contingent liability (2020: Nil).

## **Acquisition and Disposal of Subsidiaries**

There was no acquisition and disposal of subsidiaries of the Group during the six months ended 30 September 2021.

## **Employees**

As at 30 September 2021, the Group has 35 employees. The remuneration was determined with reference to statutory minimum wages, market terms as well as the performance, qualification and experience of individual employees. The Group provides contributory provident fund and insurance scheme to the employees. Share option schemes and incentive schemes are adopted to encourage personal commitment of employees.

## **Outlook**

Going forward, the Group will keep on identifying suitable investment properties and approaching potential tenants so as to enhance the rental incomes of Group. In the meantime, the Group will remain focused on its money lending business which will generate steady revenue stream for the Group.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

There was no purchase, redemption or sale of any of the Company's listed securities by the Company or any of the Company's subsidiaries during the six months ended 30 September 2021.

## **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 2021, except for the deviation from the requirement of code provision A.2.1 and E.1.2 of the CG Code explained as follows.

The provision A.2.1 of the CG Code 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, deviating from the requirement of the code provision A.2.1. The Board considered that this structure was conducive with strong and consistent leadership, enabling the Company to respond promptly and efficiently to business opportunities and issues.

Provision E.1.2 of the CG Code stipulates that the chairman of the Board should attend annual general meetings. The chairman was unable to attend the Company's annual general meeting held on 2 September 2021 due to his other work commitments.

## **AUDIT COMMITTEE**

The audit committee of the Company (the "Audit Committee") comprises three independent non-executive Directors, namely Mr. Tang Yiu Kay, Ms. Cao Jie Min and Mr. Liang Kuo-Chieh. 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 Hong Kong Institute of Certified Public Accountants. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls.

The Company has engaged Messrs. McM (HK) CPA Limited ("Auditor") to assist the Audit Committee to review the interim results of the Group for the six months ended 30 September 2021 ("Interim Results"). The Interim Results has been reviewed by the Audit Committee.

## **REVIEW OF INTERIM FINANCIAL STATEMENTS BY THE AUDITOR**

The interim financial statements of the Group for the Period is unaudited, but has been reviewed by McM (HK) CPA Limited, the auditor of the Company in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Hong Kong Institute of Certified Public Accountants, whose unmodified review report is included in the Company’s interim report for the Period to be sent to shareholders of the Company in accordance with the Listing Rules in due course.

## **SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code of Securities Transactions by Directors of Listed Issuer (“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 2021 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**  
**Han Wei**  
*Chairman*

Hong Kong, 30 November 2021

*As at the date of this announcement, the executive Directors are Mr. Han Wei, Mr. Au Tat On and Mr. Wang Linbo and the independent non-executive Directors are Mr. Tang Yiu Kay, Ms. Cao Jie Min and Mr. Liang Kuo Chieh.*