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CHINESE ESTATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 127)

DECLARATION OF SPECIAL INTERIM DIVIDENDS AND CLOSURE OF REGISTER OF MEMBERS

Reference is made to the announcement of Chinese Estates Holdings Limited (the “**Company**”) dated 4th January, 2017.

Reference is also made to the announcement of the Company dated 5th December, 2016 and the circular of the Company dated 28th December, 2016 (the “**Circular**”), in respect of the major and connected transactions in relation to the disposal of subsidiaries of the Company holding, inter alia, the property development situated at No. 12 Shiu Fai Terrace, Mid-Levels East, Hong Kong (i.e. the Win Kings Disposal Transaction) and certain shops of Lowu Commercial Plaza situated in Shenzhen, the PRC (i.e. the Pinecrest Disposal Transaction) respectively. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

The Board announces that at the Board meeting held on 16th January, 2017, having considered the business, financial and cashflow position of the Group, the Board has resolved to declare special interim dividends of HK\$2.00 in aggregate per Share (the “**Special Interim Dividends**”) which consist of a special interim dividend of HK\$1.36 per Share for the year ended 31st December, 2016 (the “**2016 Special Dividend**”); the Win Kings Special Dividend of HK\$0.46 per Share in connection with the Win Kings Disposal Transaction; and the Pinecrest Special Dividend of HK\$0.18 per Share in connection with the Pinecrest Disposal Transaction, all payable on or about 10th February, 2017 to Shareholders whose names appear on the register of members of the Company on 1st February, 2017.

The 2016 Special Dividend will be payable to all Shareholders in cash. The Win Kings Special Dividend will be payable to the non-controlling Shareholders in cash; and to the controlling Shareholders in cash or by way of set-off arrangement of applying such Win Kings Dividend Entitlements towards the payment of the Win Kings Provisional Consideration or the Win Kings Consideration to Paul Y. at completion pursuant to the Win Kings Disposal Agreement, or a combination of both. The Pinecrest Special Dividend will be payable to the non-controlling Shareholders in cash; and to the controlling Shareholders in cash or by way of set-off arrangement of applying such Pinecrest Dividend Entitlements towards the payment of the Pinecrest Provisional Consideration or the Pinecrest Consideration to New Silver at completion pursuant to the Pinecrest Disposal Agreement, or a combination of both.

The register of members of the Company will be closed on 1st February, 2017. In order to qualify for the Special Interim Dividends, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch registrar and transfer office in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 27th January, 2017.

The Board currently anticipates that completion of the Win Kings Disposal Transaction and the Pinecrest Disposal Transaction will take place in February 2017. If completion of the Pinecrest Disposal Transaction takes place as expected, rental income from the PRC Properties will no longer contribute to the Group following the date of such completion. Accordingly, it is expected that the Group's rental revenue and net rental income for the year ending 31st December, 2017 will record a decrease when compared to that of the year ended 31st December, 2016.

By order of the Board
Lam, Kwong-wai
Executive Director and Company Secretary

Hong Kong, 16th January, 2017

As at the date of this announcement, the Board comprised Ms. Chan, Sze-wan, Ms. Chan, Lok-wan and Mr. Lam, Kwong-wai as Executive Directors, Mr. Lau, Ming-wai and Ms. Amy Lau, Yuk-wai as Non-executive Directors, and Mr. Chan, Kwok-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun as Independent Non-executive Directors.

Website: <http://www.chineseestates.com>