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CHINESE ESTATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 127)

PRICE-SENSITIVE INFORMATION ANNOUNCEMENT

AND

RESUMPTION OF TRADING

This announcement is made by Chinese Estates Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcements of the Company dated 17 April, 23 May and 24 May 2012 respectively (the “**Previous Announcements**”). Unless otherwise defined herein, capitalised terms defined in the Previous Announcements shall have the same meanings when used herein.

The Company notes that after the Macau Court of Final Appeal handed down its guilty verdict against Mr. Ao in the Macau Proceedings, the Office of the Secretary for Transport and Public Works of Macau (the “**STPW**”) issued a statement on 5 June 2012 to the effect that regarding the approval of the transfer of the land concession for the Macau Land to Moon Ocean, the Macau Government would wait for final confirmation of the relevant judgment of the Court early next week and then follow up and commence the relevant procedures as soon as possible in accordance with the law and the past experience in dealing with the grant of land concessions in cases involving Mr. Ao and would not rule out the possibility of declaring the approval of the transfer of the land concession for the Macau Land to Moon Ocean invalid.

In the view of the Directors (including the Special Committee), the two announcements respectively published by the Commission Against Corruption of Macau (“**CCAC**”) and the STPW on 31 May 2012 clearly indicated that STPW was aware of an investigation conducted by CCAC before granting the revision of the land concession of the Macau Land in March 2011 to Moon Ocean (the “**Revision**”). As the result of the Revision, the Group has invested substantially in the La Scala project and pre-sold units to some 300 purchasers, most of whom, the Company believes, are innocent and bona fide purchasers for value without notice, and many of them are Macau residents.

The Company has been advised by its Macau legal adviser that if the Macau Government eventually decides to invalidate the approval of the transfer of the land concession for the Macau Land to Moon Ocean, Moon Ocean may lodge an appeal against that administrative action in the Administrative Court of Macau within 30 days of the pronouncement of that decision.

The Company will make further announcement if and when there is any significant development in respect of the Macau Land.

Presale of the La Scala project has commenced since March 2012. According to latest sales information available to the Company, 304 units have been presold, with total contract sales amounted to approximately HK\$3.8 billion, of which cash deposit of approximately HK\$384 million was received and such deposit was placed in non-restricted bank accounts held by the Group.

At the request of the Company, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited was suspended with effect from 9:00 a.m. on 6 June 2012 pending the release of this announcement and an application has been made for the resumption of trading of the shares of the Company with effect from 9:00 a.m. on 7 June 2012.

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

Hong Kong, 6 June 2012

As at the date of this announcement, the Board comprised Mr. Joseph Lau, Luen-hung as Executive Director, 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>