

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINESE PEOPLE HOLDINGS COMPANY LIMITED

中民控股有限公司

(incorporated in Bermuda with limited liability) (stock code: 681)

DISCLOSEABLE TRANSACTION SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT

SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT

On 5 June 2020, Beijing Civigas, a wholly-owned subsidiary of the Company, subscribed for the CIB Wealth Management Product offered by CIB for the amount of RMB60 million.

LISTING RULES IMPLICATIONS

The highest applicable percentage ratio (as set out in Rule 14.07 of the Listing Rules) for the transaction contemplated under the CIB Subscription exceeds 5% but is less than 25% under Chapter 14 of the Listing Rules, the CIB Subscription constituted a discloseable transaction and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCT

The Board wish to announce that on 5 June 2020, Beijing Civigas, a wholly-owned subsidiary of the Company, subscribed for the CIB Wealth Management Product offered by CIB for the amount of RMB60 million.

The principal terms of CIB Wealth Management Product are as follows:

Subscription date	: 5 June 2020
Parties	: Beijing Civigas; and CIB To the best knowledge, information and belief of the Directors, CIB and its ultimate beneficial owners are Independent Third Parties
Name of wealth management product	: 興業銀行“金雪球-優悅”非保本開放式人民幣理財產品(3個月) (“Golden Snowball Superior” Non-principal Guaranteed and Open-ended RMB Wealth Management Product (3 Months)* of CIB) (Product code: C1030916A003467)
Type of wealth management product	: Non-principal-guaranteed and open-ended
Internal risk rating of wealth management product	: Low-risk (the risk rating is the internal rating result of CIB, for reference only)

- Investment portfolio : The funds raised through the issuance of this wealth management product will be invested in bond investments, non-standardised debt assets and equity investments and other portfolios that are in compliance with regulatory requirements
- Expected rate of investment return : 3.6% (annualised rate of return after deducting the costs of this wealth management product)
- Subscription amount : RMB60 million

Immediately before the CIB subscription, Beijing Civigas held RMB10 million of the CIB Wealth Management Product. After the CIB subscription and as the date of this announcement, Beijing Civigas holds RMB70 million of the CIB Wealth Management Product.

REASONS AND BENEFITS FOR THE SUBSCRIPTION OF THE WEALTH MANAGEMENT PRODUCTS

The Board believes that without affecting its operating liquidity, the Company (through its subsidiary) can utilise part of its idle funds to subscribe for bank wealth management products, which can provide a higher interest rates than current fixed deposit rates offered by banks or other licensed financial institutions. In view of the high security of wealth management products due to its risk rating of low risk, the Board believes that such subscription will not adversely affect the working capital of the Group. Therefore, the Directors consider that the subscription of wealth management product is conducted on normal commercial terms in the ordinary course of business of the Group and is in the interests of the Company and its Shareholders.

INFORMATION ABOUT THE GROUP

The Group is principally engaged in the sales and distribution of gas fuel including the provision of piped gas, sales and distribution of cylinder gas and fast-moving consumer goods and food ingredients supply in the PRC.

Beijing Civigas is a company established in the PRC with limited liability and principally engaged in investment holding.

CIB is a national joint-stock commercial bank, and the Fujian Provincial Department of Finance is its single largest shareholder.

LISTING RULES IMPLICATION

The highest applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) for the transaction contemplated under the CIB Subscription exceeds 5% but is less than 25% under Chapter 14 of the Listing Rules, the CIB Subscription constituted a discloseable transaction and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

- “Beijing Civigas” : 北京中民燃氣有限公司 (Beijing Civigas Co., Ltd.*), a company established in the PRC with limited liability, an investment holding company and its 100% equity interest held by the Company
- “Board” : the board of directors of the Company
- “CIB” : Beijing Economic and Technological Development Area Branch of Industrial Bank Co., Ltd.

“CIB Wealth Management Product”	: 興業銀行“金雪球-優悅”非保本開放式人民幣理財產品(3個月) (“Golden Snowball Superior” Non-principal Guaranteed and Open-ended RMB Wealth Management Product (3 Months)* of CIB)
“CIB Subscription”	: the subscription of CIB Wealth Management Product offered by CIB with an amount of RMB60 million on 5 June 2020
“Company”	: Chinese People Holdings Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Group”	: the Company and its subsidiaries
“Independent Third Party(ies)”	: third party(ies) (and where the third party is a corporation, such corporation and its ultimate beneficial owners) who is/are independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	: the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	: the People's Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	: the lawful currency of the PRC
“Shares”	: ordinary issued share(s) of HK\$0.07 each in the capital of the Company
“Shareholders”	: holders of the Shares
“Stock Exchange”	: The Stock Exchange of Hong Kong Limited
“%”	: percent

By Order of the Board
Chinese People Holdings Company Limited
Mr. Fan Fangyi
Managing Director and Executive Director

Beijing, 9 June 2020

As at the date of this announcement, the Board comprises five Executive Directors namely, Dr. Mo Shikang (Chairman), Mr. Zhang Hesheng (Deputy Chairman), Mr. Chu Kin Wang Peleus (Deputy Chairman), Mr. Fan Fangyi (Managing Director) and Miss Mo Yunbi, and three Independent Non-executive Directors namely, Dr. Liu Junmin, Prof. Zhao Yanyun and Mr. Sin Ka Man.

** For identification purpose only*