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**CHINESE PEOPLE HOLDINGS COMPANY LIMITED**  
**中民控股有限公司**

*(incorporated in Bermuda with limited liability)*

**(stock code: 681)**

**APPOINTMENT OF EXECUTIVE CHAIRMAN, CO-MANAGING  
DIRECTOR AND EXECUTIVE DIRECTORS**

The Board is pleased to announce that (i) Mr. Yang has been appointed as the Executive Chairman of the Board and an Executive Director of the Company; and (ii) Mr. Yeung has been appointed as an Executive Director and a Co-managing Director of the Company together with Mr. Jin Song, an Executive Director of the Company with effect from 19 December 2011.

**APPOINTMENT OF EXECUTIVE CHAIRMAN, CO-MANAGING DIRECTOR  
AND EXECUTIVE DIRECTORS**

The board (the **“Board”**) of directors (the **“Directors”** and each a **“Director”**) of Chinese People Holdings Company Limited (the **“Company”**) is pleased to announce that (i) Mr. Yang Songsheng (**“Mr. Yang”**) has been appointed as the Executive Chairman of the Board and an Executive Director of the Company; and (ii) Mr. Yeung Paak Ching (**“Mr. Yeung”**) has been appointed as an Executive Director and a Co-managing Director of the Company together with Mr. Jin Song, an Executive Director of the Company with effect from 19 December 2011.

**BIOGRAPHY OF MR. YANG**

Mr. Yang, aged 50, is currently a director and a shareholder of Yongheng Development Corporation Limited (**“Yongheng Development Corporation”**), a substantial shareholder of the Company; the Chief Executive Officer of 中華永恒慈善基金 (The Chinese Yongheng Charitable Foundation<sup>#</sup>); the Deputy Chief Secretary of the China Association of Social Workers; the President of magazine 《社會與公益》 (Society and Public Welfare<sup>#</sup>); a member of Standing Executive Committee of Lottery of the China Association of Social Workers. Mr. Yang is also a director of the major subsidiaries of the Company that engage in lottery business. Mr. Yang has extensive knowledge in lottery business as well as rich experiences in business management of a large corporation. Other than disclosed above, Mr. Yang does not hold or did not hold any other directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas and other major appointments and professional qualifications.

Mr. Yang holds 1,727,729,582 shares in the Company (representing approximately 29.74% issued share capital of Company) through Yongheng Development Corporation, in which 297,654,321 shares were charged to the Company as a security for the performance of the profit guarantee provided by Yongheng Development Corporation, details of which are set out in the circular of the Company dated 12 August 2011. The entire issued share capital of Yongheng Development Corporation is legally, beneficially and equally owned by Mr. Yang and Mr. Yeung. They are brothers and directors of Yongheng Development Corporation. Mr. Yang also holds 7,500,000 share options granted by the Company, which may be exercisable between 1 December 2010 to 30 November 2013 (both days inclusive), with the exercise price of HK\$0.282. Other than disclosed above, Mr. Yang does not have, and is not deemed to have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the “SFO”) and Mr. Yang does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Yang has not entered into any service contract which provides for a specified length of service with the Company. According to the bye-laws of the Company, Mr. Yang shall hold office until the next general meeting of the Company and shall be eligible for re-election. Mr. Yang (being Executive Chairman and Executive Director of the Company) is entitled to a remuneration package comprising a fixed basic salary of HK\$100,000.00 per month, discretionary bonus and other benefits. The amount of the salary will be determined in accordance with their job duties and positions in the Company and such salary level is subject to adjustments every year with reference to prevailing market condition. Payment of bonus is determined with reference to the Company’s business performance, profitability and market conditions. Other benefits include the contribution to statutory pension plans and other fringe benefits according to the policy of the Company. The amount of remuneration has been approved by the Board and the remuneration committee of the Company (the “Remuneration Committee”).

Save as disclosed herein, there are no other matters relating to the appointment of Mr. Yang that need to be brought to the attention of the shareholders of the Company nor there is any information relating to Mr. Yang that is required to be disclosed pursuant to Rules 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

## **BIOGRAPHY OF MR. YEUNG**

Mr. Yeung, aged 48, is currently a director and a shareholder of Yongheng Development Corporation. He is also a director of the major subsidiaries of the Company that engage in lottery business. Mr. Yeung has extensive knowledge in lottery business as well as rich experiences in business management of a large corporation. Other than disclosed above, Mr. Yeung does not hold or did not hold any other directorships in the last three years in any public companies the securities of which are listed on the securities market in Hong Kong or overseas and other major appointments and professional qualifications.

Mr. Yeung currently holds 600,000 shares of the Company. He also holds 1,727,729,582 shares of the Company (representing approximately 29.74% issued share capital of Company) through Yongheng Development Corporation, in which 297,654,321 shares were charged to the Company as a security for the performance of the profit guarantee provided by Yongheng

Development Corporation, details of which are set out in the circular of the Company dated 12 August 2011. The entire issued share capital of Yongheng Development Corporation is legally, beneficially and equally owned by Mr. Yang and Mr. Yeung. They are brothers and directors of Yongheng Development Corporation. Mr. Yeung also holds 5,000,000 share options granted by the Company, which may be exercisable between 1 December 2010 to 30 November 2013 (both days inclusive), with the exercise price of HK\$0.282. Other than disclosed above, Mr. Yeung does not have, and is not deemed to have any interests in the shares of the Company within the meaning of Part XV of the SFO and Mr. Yeung does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Yeung has not entered into any service contract which provides for a specified length of service with the Company. According to the bye-laws of the Company, Mr. Yeung shall hold office until the next general meeting of the Company and shall be eligible for re-election. Mr. Yeung (being Executive Director and Co-managing Director of the Company) is entitled to a remuneration package comprising a fixed basic salary of HK\$60,000.00 per month, discretionary bonus and other benefits. The amount of the salary will be determined in accordance with their job duties and positions in the Company and such salary level is subject to adjustments every year with reference to prevailing market condition. Payment of bonus is determined with reference to the Company's business performance, profitability and market conditions. Other benefits include contribution to statutory pension plans and other fringe benefits according to the policy of the Company. The amount of remuneration has been approved by the Board and the Remuneration Committee.

Save as disclosed herein, there are no other matters relating to the appointment of Mr. Yeung that need to be brought to the attention of the shareholders of the Company nor there is any information relating to Mr. Yeung that is required to be disclosed pursuant to Rules 13.51(2)) of the Listing Rules.

The Board would like to welcome Mr. Yang and Mr. Yeung as members of the Board.

As at the date of this announcement, the Board comprises seven Executive Directors, namely, Mr. Xu Ruixin (Honourable Chairman), Mr. Yang Songsheng (Executive Chairman), Dr. Mo Shikang (Chairman), Mr. Zhang Hesheng (Deputy Chairman), Mr. Yeung Paak Ching (Co-managing Director), Mr. Jin Song (Co-managing Director) and Mr. Chu Kin Wang Peleus, and three Independent Non-executive Directors, namely, Dr. Liu Junmin, Mr. Tan Qinglian and Mr. Sin Ka Man.

# *the English translations of Chinese names or words in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

On behalf of the Board of  
**Chinese People Holdings Company Limited**  
**Mr. Jin Song**  
*Co-managing and Executive Director*

Beijing, 19 December 2011