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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record a significant loss for its financial year ended 31 March 2016 as compared with the profit recorded by the Group for its financial year ended 31 March 2015.

The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited management accounts of the Group for the year ended 31 March 2016, which has not been reviewed nor audited by the Company's auditors.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Chinese People Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Based on the information currently available, the board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a significant loss for its financial year ended 31 March 2016 as compared with the profit recorded by the Group for its financial year ended 31 March 2015. The loss was mainly due to a possible impairment loss recognised for intangible assets with the unaudited carrying values of approximately RMB315,652,000 as at 31 March 2016. Such intangible assets were the construction permission and water drawing permit located in Tianjin, China, which were acquired during the financial year ended 31 March 2015 (details of which were disclosed in the circular of the Company dated 25 November 2014). Due to the “8.12” Tianjin explosion, the construction progress of the liquefied petroleum gas (“**LPG**”) storage and distribution station and the original business plans for both the LPG business and barreled drinking water business have been postponed and delayed. The Board would like to emphasise that the impairment loss recognised in respect of intangible assets is a non-cash item and a one-off charge to the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2016, which will have no impact on the Group's daily operations and cash flow. Without taking into account the possible recognition of the impairment loss, the Group is expected to record a profit for the financial year ended 31 March 2016.

As the Company is still in the process of finalising the Group's final results for the year ended 31 March 2016, this profit warning announcement is only based on the preliminary assessment made by the Board with reference to the unaudited management accounts of the Group for the year ended 31 March 2016, which has not been reviewed nor audited by the Company's auditors.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

On behalf of the Board of
Chinese People Holdings Company Limited
Mr. Fan Fangyi
Managing Director

Beijing, 19 June 2016

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, one Non-executive Director namely, Mr. Jin Song and three Independent Non-executive Directors namely, Dr. Liu Junmin, Prof. Zhao Yanyun and Mr. Sin Ka Man.