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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)

**VOLUNTARY ANNOUNCEMENT:**  
**SIGNING OF WELFARE LOTTERY AGENCY AGREEMENT WITH**  
**GUIZHOU PROVINCE WELFARE LOTTERY ISSUING CENTRE**

The Board is pleased to announce that on 10 December 2012, Shenzhen Le Cai and Guizhou Lottery Issuing Centre entered into the Agency Agreement pursuant to which Shenzhen Le Cai shall set up 200 welfare lottery outlets to distribute computer-based welfare lotteries and paper-based instant lottery “刮刮樂” (Gua Gua Le<sup>#</sup>) in Guizhou Province. In return, Shenzhen Le Cai shall receive commission from the Guizhou Lottery Issuing Centre.

The Board believes that this co-operation will strengthen the Group’s market position and facilitate its further development in providing lottery agency sector in the PRC.

This is a voluntary announcement made by the Company.

The board (the “Board”) of directors (each a “Director”) of Chinese People Holdings Company Limited (the “Company”) is pleased to announce that on 10 December 2012, 深圳市永恒樂彩科技開發有限公司 (Shenzhen Yongheng Le Cai Technology Development Limited<sup>#</sup>) (“Shenzhen Le Cai”), a wholly-owned subsidiary of the Group, and 中國貴州省福利彩票發行中心 (Guizhou Province Welfare Lottery Issuing Centre<sup>#</sup>) (the “Guizhou Lottery Issuing Centre”) entered into the Welfare Lottery Agency Agreement (the “Agency Agreement”) pursuant to which Shenzhen Le Cai shall set up 200 welfare lottery outlets to distribute computer-based welfare lotteries and paper-based instant lottery “刮刮樂” (Gua Gua Le<sup>#</sup>) in Guizhou Province. The Agency Agreement is valid for three years. Shenzhen Le Cai is responsible for those outlets decoration and operation, which is in accordance with the policies and regulations and norms of the Guizhou Lottery Issuing Centre and Welfare Lottery Issuing Centre of each local city in the Guizhou Province.

Shenzhen Le Cai shall enter "Agency Sales for China Welfare Lotteries in Guizhou Province Contract" (the "Lottery Contract") with Welfare Lottery Issuing Centre of each local city in the Guizhou Province for each outlet to be established individually. Shenzhen Le Cai shall receive commission for the distribution of welfare lotteries from Guizhou Lottery Issuing Centre in accordance with the Lottery Contract.

### **Reasons for entering into Agency Agreement**

The Agency Agreement has been entered into to provide supporting services for certain china welfare lotteries to the Guizhou Lottery Issuing Centre. The Board believes that the co-operation with the Guizhou Lottery Issuing Centre will strengthen the Group's market position and facilitate the Group's further development in providing agency services to the lottery sector in the PRC.

To the best knowledge, information and belief of the Directors, Guizhou Lottery Issuing Centre and its shareholder(s) are third parties independent and not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited). The Directors, including the independent non-executive Directors, considers that the Agency Agreement was entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiation. The Board is of the view that the terms of the Agency Agreement are fair and reasonable and in the interests of the Company and Shareholders as a whole.

The Group is principally engaged in sales of LPG; provision of piped gas fuel; construction of gas pipelines; operation of city gas pipeline network and lottery agency sales.

This announcement is made on a voluntary basis.

As at the date of this announcement, the Board comprises seven executive Directors, namely, Mr. Xu Ruixin (Honourable Chairman), Mr. Yang Songsheng (Chairman), Dr. Mo Shikang (Deputy 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.

By Order of the Board  
**Chinese People Holdings Company Limited**  
**Mr. Yang Songsheng**  
*Chairman*

Shenzhen, 12 December 2012