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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)

DISCLOSEABLE TRANSACTION – PROVISION OF CORPORATE GUARANTEE FOR A JOINT VENTURE

On 31 August 2015, Beijing Civigas (as guarantor), a wholly-owned subsidiary of the Company, entered into the Guarantee Agreement with CDB (as lender) whereby Beijing Civigas has agreed to provide a joint and several corporate guarantee in favor of CDB for the Loan of RMB100 million granted to Fujian An Ran (as borrower), a joint venture of the Group, from CDB under the RMB Borrowing Agreement on pro rata basis for the 51% shareholding in Fujian An Ran held by Beijing Civigas.

As one or more of the applicable percentage ratio(s) as set out in the Listing Rules in respect of the amount of the Guarantee exceed(s) 5% but all of them are less than 25%, the Guarantee constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from the Shareholders' approval under the Listing Rules.

The Company announces that on 31 August 2015, Beijing Civigas (as guarantor) entered into the Guarantee Agreement with CDB (as lender) whereby Beijing Civigas has agreed to provide a joint and several corporate guarantee in favor of CDB for the Loan of RMB100 million granted to Fujian An Ran (as borrower), a joint venture of the Group, from CDB under the RMB Borrowing Agreement on pro rata basis for the 51% shareholding in Fujian An Ran held by Beijing Civigas.

DETAILS OF THE GUARANTEE AGREEMENT

Date: 31 August 2015

Parties:

(1)Lender: CDB

(2)Guarantor: Beijing Civigas

Beijing Civigas agreed to provide a guarantee in favor of the Lender against 51% of all principal, interest, default interest, compound interest, compensation, liquidated damages, damages and the cost of realising the creditor' rights under the Loan

(3)Guarantor: Zhongran Gas

Zhongran Gas agreed to provide a guarantee in favor of the Lender against 49% of all principal, interest, default interest, compound interest, compensation, liquidated damages, damages and the cost of realizing the creditor' rights under the Loan

Term: A period of two (2) years commencing on the due date of each installment under the Loan

Consideration: Neither Beijing Civigas nor Zhongran Gas has received any fees or commission for the provision of guarantee for the Loan granted to Fujian An Ran.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of CDB, Zhongran Gas and their respective ultimate beneficial owners are third party independent of the Company and its connected persons and their respective associates.

Interest Rate of the Loan

The interest rate of the Loan will be the benchmark interest rate set by the People's Bank of China for loans with the same term and level under the RMB Borrowing Agreement.

REASONS FOR AND BENEFITS OF THE GUARANTEE TO THE COMPANY

The Group is principally engaged in the sales and distribution of natural gas and liquefied petroleum gas (LPG) in the PRC including the provision of piped gas, transportation, distribution and retail of LPG; production and sale of barreled drinking water and lottery agency.

The Board is of the view that the Guarantee provided by Beijing Civigas in favor of CDB for the Loan granted to Fujian An Ran will be beneficial for Fujian An Ran to obtain the Loan which will be applied as working capital for rapid development of project companies under Fujian An Ran.

The Directors (including the independent non-executive Directors) consider that the terms of the Guarantee Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON FUJIAN AN RAN

Fujian An Ran is an investment holding company. Its subsidiaries are principally engaged in the distribution and supply of gas and installation of gas pipework in Fujian Province, the PRC.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) as set out in the Listing Rules in respect of the amount of the Guarantee exceed(s) 5% but all of them are less than 25%, the Guarantee constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from the Shareholders' approval under the Listing Rules.

DEFINITIONS

Unless the context requires otherwise, the following terms shall have the following meanings:

“associate(s)”	shall have the same meanings ascribed thereto under the Listing Rules
“Beijing Civigas”	Beijing Civigas Co., Ltd.* (北京中民燃氣有限公司), a company established and subsisting in Beijing, the PRC and a wholly-owned subsidiary of the Company
“Board”	the board of directors of the Company
“CDB”	China Development Bank Corporation* (中國國家開發銀行股份有限公司)
“China Gas”	China Gas Holdings Ltd. , a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange, subsidiaries of which hold a total of 49% shareholding in Fujian An Ran
“Company”	Chinese People Holdings Company Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange
“Director(s)”	the directors of the Company

“Fujian An Ran”	Fujian Province An Ran Gas Investment Co., Ltd. * (福建省安然燃氣投資有限公司), a company established and subsisting in Fujian Province, the PRC which is beneficially owned as to 51% and 49% by Beijing Civigas and subsidiaries of China Gas, respectively
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee provided by Beijing Civigas in favor of CDB for the Loan in proportion to its shareholding in Fujian An Ran
“Guarantee Agreement”	the guarantee agreement dated [31] August 2015 entered into by Beijing Civigas, Zhongran Gas and CDB in respect of the Loan
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	one-year working capital loan of up to RMB100 million granted by CDB to Fujian An Ran under the Guarantee Agreement
“PRC”	the People’s Republic of China, which, for the purposes of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB Borrowing Agreement”	a RMB borrowing agreement dated 31 August 2015 entered into by Fujian An Ran and CDB
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhongran Gas”	Zhongran Gas (Shenzhen) Company Limited* (中燃燃氣實業(深圳)有限公司), a company established and subsisting in Shenzhen, the PRC and a wholly-owned subsidiary of China Gas, which, together with another subsidiary of China Gas, holds in an aggregate of 49% shareholding in in Fujian An Ran
“RMB”	Renminbi, the legal currency of the PRC
“%”	per cent

** For identification purposes only*

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. Jin Song (Managing Director) and Miss Mo Yunbi, and three Independent Non-executive Directors namely, Dr. Liu Junmin, Prof. Zhao Yanyun and Mr. Sin Ka Man.

On behalf of the Board of
Chinese People Holdings Company Limited
Ms. Li Fun Replen
Company Secretary

Hong Kong, 31 August 2015