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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 TRANSACTIONS SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

### **SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

On 20 May 2020, Beijing Civigas, a wholly-owned subsidiary of the Company, subscribed for the CIB Wealth Management Product offered by CIB for the amount of RMB10 million and pre-subscribed for the CCB Wealth Management Product offered by CCB for the amount of RMB35 million respectively.

### **LISTING RULES IMPLICATIONS**

The highest applicable percentage ratio (as set out in Rule 14.07 of the Listing Rules) for the transactions contemplated under each of the CIB Subscription and the CCB Subscription exceeds 5% but is less than 25% under Chapter 14 of the Listing Rules, each of the CIB Subscription and the CCB 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 PRODUCTS**

The Board of the Company wish to announce that on 20 May 2020, Beijing Civigas, a wholly-owned subsidiary of the Company, subscribed for the CIB Wealth Management Product offered by CIB for the amount of RMB10 million and pre-subscribed for the CCB Wealth Management Product offered by CCB for the amount of RMB35 million respectively.

**The principal terms of wealth management products are as follows:**

**(I) CIB Wealth Management Product**

Date	: 20 May 2020
Parties	: Beijing Civigas; and CIB
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	: RMB10 million

Immediately before the CIB subscription, Beijing Civigas held RMB60 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.

## (II) CCB Wealth Management Product

Pre-subscription Date	: 20 May 2020
Parties	: Beijing Civigas; and CCB
Name of wealth management product	: 中國建設銀行北京“乾元-升益鑫”2020年第052期標準資產組合型理財產品 (“Qiannyuan-Shengyixin” Year 2020 Issue 52 Standard Assets Portfolio Wealth Management Product of CCB Beijing*) (Product code: C1010520004266)
Type of wealth management product	: Non-principal-guaranteed with floating return
Date of establishment of wealth management product	: 27 May 2020
Expiry date of wealth management product	: 1 September 2020
Internal risk rating of wealth management product	: Moderate-risk (the risk rating is the internal rating result of CCB, for reference only)
Investment portfolio	: The funds raised through the issuance of this wealth management product will be invested in cash assets, money market instruments, money market funds, standardised fixed income assets, non-standardised debt assets and other assets portfolio that meet the regulatory requirements
Expected rate of investment return	: 2.9% (annualised rate of return after deducting the costs of this wealth management product). CCB may adjust the expected annual yield rate based on market conditions
Subscription amount	: RMB35 million

Immediately before the CCB Subscription, Beijing Civigas held RMB38.82 million of the wealth management product in CCB. After the CCB Subscription and as the date of this announcement, Beijing Civigas holds in the aggregate of RMB73.82 million of wealth management product in CCB. It is expected that the CCB Subscription will be completed on 26 May 2020.

### **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 their risk rating of moderate to low risk, the Board believes that such subscriptions will not adversely affect the working capital of the Group. Therefore, the Directors consider that the wealth management products are conducted on normal commercial terms in the ordinary course of business of the Group and are 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.

CCB is a large state-owned commercial banks and the controlling shareholder is Central Huijin Investment Ltd. (a state-owned enterprise).

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

## LISTING RULES IMPLICATION

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## 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
- “CCB” : Beijing Economic and Technological Development Area Branch of China Construction Bank Corporation
- “CCB Subscription” : the pre-subscription of CCB Wealth Management Product offered by CCB with an amount of RMB35 million on 20 May 2020
- “CCB Wealth Management Product” : 中國建設銀行北京“乾元-升益鑫”2020年第052期標準資產組合型理財產品 (“Qiannyuan-Shengyixin” Year 2020 Issue 52 Standard Assets Portfolio Wealth Management Product\* of CCB Beijing)
- “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 RMB10 million on 20 May 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, 22 May 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 Nonexecutive Directors namely, Dr. Liu Junmin, Prof. Zhao Yanyun and Mr. Sin Ka Man.

*\* For identification purpose only*