

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## CHINESE PEOPLE HOLDINGS COMPANY LIMITED

中民控股有限公司\*

(於百慕達註冊成立之有限責任公司)

(股份代號：681)

### Voluntary Announcement:

### Signing of the Supplementary Keno Games Agreement

The Board is pleased to announce that Shenzhen Le Cai, an indirect wholly-owned subsidiary of the Company, entered into the Supplementary Keno Games Agreement with Shenzhen Welfare Lottery Centre on 30 August 2011, pursuant to which Shenzhen Le Cai is allowed to set up betting stores to distribute Keno Games Lottery (Keno Games Lottery be defined as the high pay-out and high frequency welfare lottery pursuant to 《關於在廣東省深圳市銷售高返獎快速開獎遊戲快樂彩的批復》 (Approval regarding the Sale of High Pay-out Keno Games Lottery in Shengzhen Municipal, Guangdong Province)<sup>#</sup> announced by the China Welfare Lottery Insurance and Management Centre (中國福利彩票發行管理中心) on 1 June 2011), in addition to lottery stations for selling Keno Games Lottery in Shenzhen. Further, Shenzhen Welfare Lottery Centre also agreed that a total of 250 betting stores will be set up in Shenzhen to distribute Keno Games Lottery, among which 200 betting stores will be operated by Shenzhen Le Cai. The betting stores needs to comply with the requirements of Shenzhen Welfare Lottery Centre. In addition, Shenzhen Welfare Lottery Centre agreed that Shenzhen Welfare Lottery Centre and Shenzhen Le Cai are allowed to distribute traditional welfare lotteries and paper-based instant lotteries.

This announcement is made by the Company on a voluntary basis.

Reference is made to the circular of Chinese People Holdings Company Limited (the “Company”) dated 12 August 2011 (the “Circular”) and the poll results announcement of the Special General Meeting of the published on 29 August 2011. Unless otherwise define herein, terms used in this announcement shall have the same meanings as defined in the Circular.

The Board is pleased to announce that Shenzhen Le Cai, an indirect wholly-owned subsidiary of the Company, entered into 《中國福利彩票快樂彩遊戲代銷協議(補充)》(China Welfare Lottery Keno Games Distribution Agreement (Supplementary)<sup>#</sup> (the “Supplementary Keno Games Agreement”) with Shenzhen Welfare Lottery Issuing Centre (the “Shenzhen Welfare Lottery Centre”) on 30 August 2011.

Pursuant to the Supplementary Keno Games Agreement, Shenzhen Le Cai and Shenzhen Welfare Lottery Centre have agreed that, apart from the Shenzhen Welfare Lottery Centre, Shenzhen Le Cai will be the sole agent to set up betting stores and to distribute Keno Games Lottery (Keno Games Lottery be defined as the high pay-out and high frequency welfare lottery pursuant to 《關於在廣東省深圳市銷售高返獎快速開獎遊戲快樂彩的批復》 (Approval regarding the Sale of High Pay-out Keno Games Lottery in Shengzhen

Municipal, Guangdong Province)<sup>#</sup> announced by the China Welfare Lottery Insurance and Management Centre (中國福利彩票發行管理中心) on 1 June 2011), in addition to operating lottery stations in Shenzhen. Further, Shenzhen Welfare Lottery Centre also agreed that a total of 250 betting stores will be set up in Shenzhen to distribute Keno Games Lottery, among which 200 betting stores will be operated by Shenzhen Le Cai. The betting stores needs to comply with the requirements of Shenzhen Welfare Lottery Centre. In addition, Shenzhen Welfare Lottery Centre agreed that Shenzhen Welfare Lottery Centre and Shenzhen Le Cai are allowed to distribute traditional welfare lotteries and paper-based instant lotteries.

Pursuant to the Supplementary Keno Games Agreement, Shenzhen Le Cai and Shenzhen Welfare Lottery Centre have agreed that by operating betting stores and lottery stations, Shenzhen Le Cai will be entitled to 7% of the total sales of the Keno Games Lottery as commission fees as well as certain percentage of the excessive amount as bonuses with the highest percentage of 3% (0.5% under the Keno Games Agreement), provided that monthly sales for a single betting station/store operated by Shenzhen Le Cai and its total annual sales of Keno Games Lottery must exceed certain benchmark. Shenzhen Le Cai will be entitled to receive commission fees generated from other types of welfare lotteries as agreed by Shenzhen Welfare Lottery Centre.

The Ministry of Finance of the PRC and the China Welfare Lottery Issuance and Management Centre have approved the distribution of Keno Games Lottery in Shenzhen. On 18 April 2011, Shenzhen Le Cai and Shenzhen Welfare Lottery Centre entered into the Lottery Agreement, pursuant to which, Shenzhen Le Cai will be entitled to 6% of the total sales of welfare lotteries as commission fees by distributing Welfare Lottery.

This announcement is made on a voluntary basis.

By order of the Board  
**Chinese People Holdings Company Limited**  
**Jin Song**  
*Managing and Executive Director*

Beijing, 2 September 2011

*# 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.*

*As at the date of this announcement, the Board comprises six executive directors, namely, Mr. Xu Ruixin, Dr. Mo Shikang, Mr. Zhang Hesheng, Mr. Zhu Peifeng, Mr. Jin Song and Mr. Chu Kin Wang Peleus, and three independent non-executive directors, namely, Dr. Liu Junmin, Mr. Tan Qinglian and Mr. Sin Ka Man.*

*\* for identification purpose only*