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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)

UNUSUAL PRICE AND VOLUME MOVEMENTS

The board of directors (the “Board”) of Chinese People Holdings Company Limited (the “Company”) have noted recent increase in the price and increase in trading volume of the shares of the Company and wish to state that the Board are not aware of any reasons for such movements.

The Board would like to advise that the Company is now in negotiation of a possible acquisition of certain assets. At present, the negotiation is at preliminary stage and may or may not materialize. No agreement has been reached and the terms and conditions of the possible acquisition have yet to be determined. If materialized, the possible acquisition may constitute a notifiable transaction of the Company. Further announcement will be made by the Company as and when required in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Board confirms that, save as disclosed above, there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

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.

On behalf of the Board of
Chinese People Holdings Company Limited

Jin Song

Managing and Executive Director

Beijing, 24 May 2011

** for identification purpose only*