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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)

**COMPLETION OF
(I) CONNECTED TRANSACTION RELATING TO
THE SUBSCRIPTION OF NEW SHARES
BY A SUBSTANTIAL SHAREHOLDER; AND
(II) APPLICATION FOR WHITEWASH WAIVER**

Reference is made to the announcements of Chinese People Holdings Company Limited (the “**Company**”) dated 29 December 2017, 8 January 2018, 19 January 2018 and 2 February 2018 and the circular of the Company dated 2 February 2018 (the “**Circular**”) in relation to, among other things, (i) the connected transaction relating to the subscription of new shares of the Company by a substantial shareholder of the Company; and (ii) the application for whitewash waiver, and the announcement of the Company dated 9 March 2018 in relation to, among other things, the poll results of the special general meeting of the Company held on 9 March 2018. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Circular.

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that Completion took place on 16 March 2018.

Upon Completion, 1,888,865,067 Subscription Shares have been duly allotted and issued as fully paid to Dr. Mo. Pursuant to the Subscription Agreement, the aggregate Subscription Price of HK\$196,441,967 payable by Dr. Mo to the Company was set off by the Balance, and all the interests incurred from the Cash Consideration was waived by Dr. Mo.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table depicts the shareholding structure of the Company (i) immediately before Completion; and (ii) immediately upon Completion:

| Shareholders | Immediately before Completion | | Immediately upon Completion | |
|---|-------------------------------|---------------|-----------------------------|---------------|
| | No. of Shares | Approximate % | No. of Shares | Approximate % |
| Dr. Mo (Notes 1 and 3) | 608,917,695 | 8.51 | 2,497,782,762 | 27.62 |
| Ping Da Development (Note 2) | 1,135,000,000 | 15.87 | 1,135,000,000 | 12.55 |
| Mr. Zhang (Notes 1, 5 and 6) | 338,271,282 | 4.73 | 338,271,282 | 3.74 |
| Sub-total for Dr. Mo and parties acting in concert with him (Note 7) | 2,082,188,977 | 29.11 | 3,971,054,044 | 43.92 |
| Other Directors | | | | |
| Mr. Chu (Notes 1, 4 and 5) | 83,004,605 | 1.16 | 83,004,605 | 0.92 |
| Mr. Fan (Notes 1 and 5) | 22,000,000 | 0.31 | 22,000,000 | 0.24 |
| Dr. Liu (Notes 1 and 5) | 5,000,000 | 0.07 | 5,000,000 | 0.06 |
| Prof. Zhao (Notes 1 and 5) | 5,000,000 | 0.07 | 5,000,000 | 0.06 |
| Mr. Sin (Notes 1 and 5) | 5,000,000 | 0.07 | 5,000,000 | 0.06 |
| Public Shareholders | 4,950,760,554 | 69.21 | 4,950,760,554 | 54.75 |
| Total | 7,152,954,136 | 100.00 | 9,041,819,203 | 100.00 |

Notes:

1. Dr. Mo, Mr. Zhang, Mr. Chu, Mr. Fan, Dr. Liu, Prof. Zhao and Mr. Sin are Directors.
2. Ping Da Development is a company wholly owned by Dr. Mo. The sole director of Ping Da Development is Dr. Mo.
3. Miss Mo, an executive Director, is the daughter of Dr. Mo. As at the date of this announcement, Miss Mo does not hold any Shares.
4. Out of these 83,004,605 Shares, 69,000,000 Shares are directly held by Mr. Chu while the remaining 14,004,605 Shares are held by Ms. Woo, the spouse of Mr. Chu. For the purpose of the SFO, Mr. Chu is deemed, or taken to be, interested in all the Shares in which Ms. Woo is interested.

5. *Save for being fellow Directors and the relationship between Dr. Mo and Mr. Zhang as disclosed in note 6 below, Dr. Mo does not have any other relationship with each of Mr. Zhang, Mr. Chu, Mr. Fan, Dr. Liu, Prof. Zhao and Mr. Sin. Each of Mr. Zhang, Mr. Chu, Mr. Fan, Dr. Liu, Prof. Zhao and Mr. Sin is presumed to be acting in concert with Dr. Mo under class (6) presumption under the definition of “acting in concert” under the Takeovers Code until Completion. This class (6) presumption will cease to apply after Completion.*
6. *In December 2005, Dr. Mo transferred 2,239 shares in Asian Allied Limited (“Asian Allied”), the then controlling shareholder of the Company, to Mr. Zhang at nil consideration. Upon completion of the transfer, Dr. Mo and Mr. Zhang held 42.75% and 22.39% of the issued share capital of Asian Allied, respectively. On 29 August 2011, Asian Allied distributed the Shares held by it by way of distribution in specie and 427,841,375 Shares and 224,078,793 Shares were transferred to Dr. Mo and Mr. Zhang, respectively. Hence, Dr. Mo and Mr. Zhang were regarded as owning or controlling 20% or more of the voting rights of Asian Allied. Accordingly, Mr. Zhang is presumed to be a party acting in concert with Dr. Mo under class (1) presumption under the definition of “acting in concert” under the Takeovers Code.*
7. *These sub-total figures exclude the shareholding of parties presumed to be acting in concert with Dr. Mo under class (6) presumption under the definition of “acting in concert” under the Takeovers Code only (i.e. Mr. Chu, Mr. Fan, Dr. Liu, Prof. Zhao and Mr. Sin). Immediately before Completion, Dr. Mo and parties acting or presumed to be acting in concert with him (including Mr. Zhang, Mr. Chu, Mr. Fan, Dr. Liu, Prof. Zhao and Mr. Sin) are, in aggregate, interested in 2,202,193,582 Shares, representing approximately 30.79% of the issued share capital of the Company. Upon Completion, Mr. Chu, Mr. Fan, Dr. Liu, Prof. Zhao and Mr. Sin will no longer be presumed to be acting in concert with Dr. Mo under class (6) presumption under the definition of “acting in concert” under the Takeovers Code. Accordingly, immediately upon Completion, Dr. Mo and parties acting or presumed to be acting in concert with him (including Mr. Zhang) will, in aggregate, be interested in 3,971,054,044 Shares, representing approximately 43.92% of the issued share capital of the Company as enlarged by the Subscription Shares.*
8. *As at the date of this announcement, the Company does not have any outstanding derivatives, options, warrants, convertible rights or other similar rights which are convertible or exchangeable into Shares.*
9. *Any discrepancies in the table above between totals and sums of amounts set out in it are due to rounding.*

By order of the Board
Chinese People Holdings Company Limited
Mr. Fan Fangyi
Managing Director and Executive Director

Beijing, 16 March 2018

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 Non-executive Directors namely, Dr. Liu Junmin, Prof. Zhao Yanyun and Mr. Sin Ka Man.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than that relating to Dr. Mo and parties acting in concert with him) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by Dr. Mo and parties acting in concert with him) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

Dr. Mo accepts full responsibility for the accuracy of information contained in this announcement (other than that relating to the Group) and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this announcement (other than opinions expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.