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中國太平保險控股有限公司

China Taiping Insurance Holdings Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 966)

ANNOUNCEMENT

VARIATION OF TERMS IN RELATION TO THE ACQUISITION OF PROPERTY IN BEIJING AND

EXERCISE OF OPTION TO ACQUIRE ANOTHER PROPERTY IN BEIJING

Reference are made to (i) the announcement of the Company dated 29 October 2014 in relation to the acquisition of the property on Site D; (ii) the announcement of the Company dated 24 March 2016 in relation to certain amendments to the Property Acquisition Agreement regarding, inter alia, the grant of the Site B Option; and (iii) the announcement of the Company dated 30 September 2016 in relation to the extension of expiry date of exercise of the Site B Option.

INTRODUCTION

TPL was informed by FS Landmark that due to the height control imposed by Beijing Municipal Planning Commission of Urban Planning (北京市規劃委員會) in relation to the entire development project of Sites B, C and D of Daji Redevelopment Zone, Southeast corner of Caishikou Xicheng District, Beijing, the PRC (中國北京西城區菜市口東南角大吉危改小區), there were adjustments to the GFA above ground on Sites C and D resulting in a suspension of initial property registration for the Site D Property.

On 30 March 2017, TP Guangan, a wholly owned subsidiary of TPL, entered into the Memorandum with FS Landmark, pursuant to which the parties to it agreed to make certain amendments to the Property Acquisition Agreement, including but not limited to, the extension of time for completion of initial property registration for the Site D Property and the adjustment of initial consideration for the Site B Acquisition under the Site B Option.

MEMORANDUM

Below sets out a summary of the principal amendments to the Property Acquisition Agreement pursuant to the Memorandum.

Date : 30 March 2017

Parties : (1) FS Landmark as vendor
(2) TP Guangan as purchaser

Extension of time for initial property registration for Site D Property

Pursuant to the Memorandum, it is agreed that the time for completion of the initial property registration for Site D Property be extended from 25 October 2016 to 30 June 2018.

If FS Landmark does not complete the initial property registration of Site D Property by 30 June 2018, FS Landmark shall in accordance with the Property Acquisition Agreement be liable for any liability suffered by TP Guangan since 1 July 2018 as a result of the breach of agreement in respect to the extension of time for such initial property registration.

Change of number of car parking spaces with property ownership and adjustment to the initial consideration for the Site B Acquisition under the Site B Option

Due to the extension of time for completion of initial property registration for Site D Property, FS Landmark and TP Guangan agreed that (i) the 80 underground car parking spaces with an initial GFA of 5,000 sq. m. (inclusive of no less than 40 underground car parking spaces with property ownership) under the Site B Option be changed to 80 underground car parking spaces with an initial GFA of 5,000 sq. m. (inclusive of 70 underground car parking spaces with property ownership) and (ii) as a result of the replacement of business tax with value added tax, TPL shall be responsible for the tax payable in respect of the Site B Acquisition in the amount of RMB41,500,000 and FS Landmark shall be responsible for the remaining balance of the increment of such tax payable. As such, the parties to the Memorandum agreed to increase the initial consideration for the Site B Acquisition by RMB41,500,000 from RMB2,089,250,000 to RMB2,130,750,000 (inclusive of value added tax agreed to be borne by TPL).

Save for the amendments as set out in the Memorandum, all the other terms and provisions of the Property Acquisition Agreement remain in full force and effect.

SITE B ACQUISITION AGREEMENT

As disclosed in the announcement of the Company dated 24 March 2016, FS Landmark granted an option to TPL at no premium to acquire in priority to any third party (except those parties with whom FS Landmark entered into sale and purchase agreements in respect of properties to be constructed on Site B) the Site B Property to be constructed by FS Landmark on Site B pursuant to the Property Acquisition Agreement.

On 30 March 2017, TPL exercised its option to acquire the Site B Property and entered into the Site B Acquisition Agreement with FS Landmark.

Below sets out a summary of the principal terms of the Site B Acquisition Agreement.

Date : 30 March 2017

Parties : (1) FS Landmark as vendor
(2) TPL as purchaser

- Subject Matter : The acquisition of the Site B Property from FS Landmark by TPL or its related party
- Consideration : The initial consideration for the Site B Acquisition calculated based on the initial GFA of the Site B Property shall be RMB2,130,750,000, subject to adjustment.
- As at the date of this announcement, the maximum amount of consideration is unable to be determined between the parties to the Site B Acquisition Agreement. When the final consideration is determined, the Company will comply with the relevant requirements under the Listing Rules (if required).
- Payment Term : The Site B initial consideration of RMB2,130,750,000 (subject to adjustment) shall be payable by TPL to FS Landmark in installments.
- Termination : If the immovable property rights certificate (for land use rights only) in respect of Site B is not obtained by 30 June 2018, TPL shall be entitled to terminate the Site B Acquisition Agreement and FS Landmark will return all the payments made by TPL together with interests to TPL.
- In the event that FS Landmark fails to complete the property registration of the Site B Property by 30 June 2022, TPL shall be entitled to liquidated damages, and if such obligation remains outstanding for 180 days, TPL shall be entitled to terminate the Site B Acquisition Agreement and FS Landmark will return all the payments made by TPL together with interests and liquidated damages to TPL.
- Delivery of the Site B Property : If FS Landmark fails to deliver the Site B Property to TPL by 30 September 2021, TPL shall be entitled to liquidated damages, and if such obligation remains outstanding for 90 days, TPL shall be entitled to terminate the Site B Acquisition Agreement and FS Landmark will return all the payments made by TPL together with interests and liquidated damages to TPL.

REASONS FOR AND BENEFITS OF THE EXERCISE OF SITE B OPTION

The exercise of the Site B Option to acquire the Site B Property and the entering into the Site B Acquisition Agreement with FS Landmark will enable TPL or its related party to become the owner of the Site B Property, which is located in a premium location with investment value. The transaction will be beneficial to TPL's overall asset composition from a diversification, asset-liability matching, and risk-return perspective.

DEFINITIONS

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

- “Company” China Taiping Insurance Holdings Company Limited (中國太平保險控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited

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| “Financial Street” | Financial Street Holdings Co., Ltd., a joint stock limited company established in the PRC |
| “FS Landmark” | 金融街（北京）置地有限公司 (English translation for reference only: Financial Street (Beijing) Landmark Co., Ltd., a wholly-owned subsidiary of Financial Street) |
| “GFA” | gross floor area (建築面積) |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “Memorandum” | the memorandum dated 30 March 2017 entered into between FS Landmark and TP Guangan |
| “PRC” | People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Property Acquisition Agreement” | the property sale and purchase agreement dated 29 October 2014 entered into between FS Landmark as vendor and TPL as purchaser, as supplemented and amended by the supplemental sale and purchase agreement dated 6 November 2014 entered into among FS Landmark, TPL, 金融街廣安（北京）置業有限公司 (a wholly-owned subsidiary of Financial Street), and Financial Street and the second supplemental property sale and purchase agreement dated 24 March 2016 entered into between FS Landmark, TPL and Financial Street |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Site B” | Site B of Daji Redevelopment Zone, Southeast corner of Caishikou, Xicheng District, Beijing, the PRC (中國北京西城區菜市口東南角大吉危改小區 B 地塊) |
| “Site B Acquisition” | the acquisition of the Site B Property by TPL pursuant to the Site B Acquisition Agreement and the transactions contemplated thereunder |
| “Site B Acquisition Agreement” | the property sale and purchase agreement dated 30 March 2017 entered into between FS Landmark as vendor and TPL as purchaser for the Site B Acquisition |
| “Site B Option” | an option granted by FS Landmark to TPL at no premium to acquire in priority to any third party (except those parties with whom FS Landmark entered into sale and purchase agreements in respect of properties to be constructed on Site B) the Site B Property under the Property Acquisition Agreement |

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| “Site B Property” | commodity property (商品房) with no less than 40,085 sq. m. GFA as well as 80 underground car parking spaces with an initial GFA of 5,000 sq. m. (inclusive of 70 underground car parking spaces with property ownership) in the office building to be constructed by FS Landmark on Site B |
| “Site D” | Site D of Daji Redevelopment Zone, Southeast corner of Caishikou, Xicheng District, Beijing, the PRC (中國北京西城區菜市口東南角大吉危改小區 D 地塊) |
| “Site D Property” | office building with 85,444.62 sq. m. GFA (subject to adjustment) located at Site D |
| “TP Guangan” | 北京太平廣安置業有限公司 (English translation for reference only: Beijing Taiping Guang An Property Company Limited), a company incorporated in the PRC and a wholly owned subsidiary of TPL, which was nominated by TPL pursuant to the Property Acquisition Agreement to enter into the pre-sale contract for commodity property on 25 March 2016 as the registered owner of the Site D Property |
| “TPL” | Taiping Life Insurance Company Limited, a company incorporated in the PRC and a subsidiary of the Company owned as to 75.1% by the Company and 24.9% by Ageas Insurance International N.V. as at the date of this announcement |
| “sq. m.” | square meters |
| “%” | per cent |

By Order of the Board of
China Taiping Insurance Holdings Company Limited
ZHANG Ruohan NGAI Wai Fung
Joint Company Secretary

Hong Kong, 30 March 2017

As at the date of this announcement, the Board comprises 12 directors, of which Mr. WANG Bin, Mr. LI Jinfu, Mr. WANG Tingke and Ms. YU Xiaoping are executive directors, Mr. HUANG Weijian, Mr. ZHU Xiangwen, Mr. WU Changming and Mr. NI Rongming are non-executive directors and Dr. WU Jiesi, Mr. ZHU Dajian, Mr. WU Ting Yuk Anthony and Mr. XIE Zhichun are independent non-executive directors.

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