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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

CONNECTED TRANSACTION

ACQUISITION OF 51% SHAREHOLDING IN TELLON DEVELOPMENT LIMITED

On 27 July 2017, the Company, as purchaser, entered into the Share Purchase Agreement with the Vendor, as vendor, pursuant to which the Vendor has agreed to sell and the Company has agreed to acquire 51,000,000 shares in the Target Company, representing 51% of the entire issued share capital of the Target Company, at a consideration of HKD1,960,750,100. Upon completion of the Share Purchase Agreement, the Target Company will become a 51% owned subsidiary of the Company.

As at the date of this announcement, the Vendor is a substantial and controlling shareholder of the Company directly and indirectly holding an aggregate of 2,143,423,856 shares of the Company, representing 59.64% of the issued share capital of the Company, and thus a connected person of the Company under Chapter 14A of the Listing Rules. As such, the Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Transaction exceed 0.1% but all applicable percentage ratios are less than 5%, the Transaction is subject to reporting and announcement requirements but exempt from circular and independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

INTRODUCTION

On 27 July 2017, the Company, as purchaser, entered into the Share Purchase Agreement with the Vendor, as vendor, pursuant to which the Vendor has agreed to sell and the Company has agreed to acquire 51,000,000 shares in the Target Company, representing 51% of the entire issued share capital of the Target Company, at a consideration of HKD1,960,750,100.

THE SHARE PURCHASE AGREEMENT

Date

27 July 2017

Parties

- (i) the Vendor (as vendor); and
- (ii) the Company (as purchaser).

Subject matter of the Transaction

Pursuant to the Share Purchase Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to acquire 51,000,000 shares in the Target Company, representing 51% of the entire issued share capital of the Target Company.

Consideration

The consideration for the Transaction is HKD1,960,750,100, which was determined and agreed between the parties at arm's length negotiations and with reference to various relevant factors including financial evaluation (historical financial information and net asset value of the Target Group), nature of and growth potential for the investments held by the Target Group, general economic and market trends, and the strategic benefits of the Transaction to the Group.

Completion

Completion took place immediately after the execution of the Share Purchase Agreement, upon which the Target Company has become a non-wholly owned subsidiary of the Company. The remaining 49% shareholding of the Target Company continues to be retained and held by the Vendor.

INFORMATION ON THE TARGET GROUP

The Target Company is a limited company incorporated in Hong Kong and is a wholly-owned subsidiary of the Vendor immediately prior to the completion of the Share Purchase Agreement. The principal business of the Target Company is investment holding. Please refer to "Reasons for and benefits of the transaction" below for more information on the investments of the Target Company. The Target Company has one wholly-owned subsidiary, namely, 太平置業（深圳）有限公司 (Taiping Real Estate Shenzhen Company Limited*), which is a limited liability company established in the PRC, with its principal business is property management.

Based on the unaudited consolidated account of the Target Group, the unaudited net asset value of the Target Group as at 31 December 2016 was approximately HKD3,245,967,000. The financial information of the Target Group for the two years ended 31 December 2016 based on its unaudited consolidated account is as follows:

| | For the year ended 31 December | |
|--------------------------------------|--------------------------------|-------------------------|
| | 2016 | 2015 |
| | (approximately HKD'000) | (approximately HKD'000) |
| | (unaudited) | (unaudited) |
| Consolidated profit before taxation: | 120,773 | 153,959 |
| Consolidated profit after taxation: | 112,553 | 150,717 |

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|----------------------------|---|
| "Company" | China Taiping Insurance Holdings Company Limited, a limited company incorporated in Hong Kong, the shares of which are listed on the Main Board of the Stock Exchange |
| "connected person(s)" | has the same meaning as ascribed to it under the Listing Rules |
| "controlling shareholder" | has the meaning as ascribed to it under the Listing Rules |
| "Director(s)" | the directors of the Company |
| "Group" | the Company and its subsidiaries |
| "HKD" | Hong Kong Dollars, the lawful currency of Hong Kong |
| "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 |
| "PRC" | The People's Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| "Shareholder(s)" | the shareholder(s) of the Company |
| "Share Purchase Agreement" | the Share Purchase Agreement entered into between the Company as purchaser and the Vendor as vendor on 27 July 2017, pursuant to which the Vendor agrees to sell, and the Company agrees to acquire 51% of the issued share capital in the Target Company |
| "substantial shareholder" | has the meaning ascribed to it under the Listing Rules |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Target Company" | Tellon Development Limited (澤鴻發展有限公司), a limited company incorporated in Hong Kong |
| "Target Group" | the Target Company and its wholly-owned subsidiary, namely, 太平置業(深圳)有限公司 (Taiping Real Estate Shenzhen Company Limited*), a limited company established in the PRC |
| "TPG" | China Taiping Insurance Group Ltd. (中國太平保險集團有限責任公司), a company incorporated in the PRC, and the ultimate holding company of the Company, which is ultimately controlled by the Ministry of Finance of the PRC |
| "Transaction" | the acquisition of the 51% issued share capital in the Target Company by the Company pursuant to the terms of the Share Purchase Agreement |

"Vendor" China Taiping Insurance Group (HK) Company Limited (中國太平保險集團(香港)有限公司) a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of TPG and a substantial and controlling shareholder of the Company directly and indirectly holding an aggregate of 2,143,423,856 shares of the Company, representing 59.64% of the issued share capital of the Company as at the date of this announcement

"% " per cent

** for identification purpose only*

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

Hong Kong, 27 July 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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