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**民安(控股)有限公司**

*The Ming An (Holdings) Company Limited*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1389)**

**DISCLOSEABLE AND CONNECTED TRANSACTION  
PROPOSED PURCHASE OF LAND AND  
DEVELOPMENT OF PROPERTY IN SHENZHEN**

The Board wishes to announce that on 20 March 2008 around 12:00 noon its indirect wholly-owned subsidiary, Ming An China, entered into a Joint Bidding Agreement with Tai Ping Insurance, China Insurance Holdings and Tai Ping Life Insurance in relation to the purchase of a piece of land in Shenzhen and development of the Property for the respective use of the parties to the Joint Bidding Agreement.

Tai Ping Insurance is an indirect subsidiary of China Insurance Holdings, the ultimate controlling shareholder of the Company, and therefore it is a connected person of the Company. China Insurance Holdings is the ultimate controlling shareholder of the Company and thus a connected person of the Company. Tai Ping Life Insurance is a subsidiary of CIH, which is in turn a subsidiary of China Insurance Holdings, and therefore Tai Ping Life Insurance is also a connected person of the Company. The Transaction constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Accordingly, the Joint Bidding Agreement will be subject to independent shareholders' approval at the EGM. As the relevant percentage ratios (as defined in Chapter 14 of the Listing Rules) in relation to the Transaction exceed 5%, the Transaction also constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

A circular containing, inter alia, details of the Joint Bidding Agreement, a letter from the Independent Board Committee and an advice from an independent financial adviser, together with a notice convening the EGM to approve the Joint Bidding Agreement will be despatched to the Shareholders in accordance with the requirements under the Listing Rules as soon as practicable.

Given that China Insurance Holdings, and CIH are interested in the Transaction, they and their associates will abstain from voting at the EGM to approve the Joint Bidding Agreement.

## JOINT BIDDING AGREEMENT

- Parties: (i) Tai Ping Insurance  
(ii) China Insurance Holdings  
(iii) Tai Ping Life Insurance  
(iv) Ming An China
- Land: a piece of land located at Lot B203-0022, FuTian District, Shenzhen, PRC, with a total base area of 8,056.02 square meters and a total base construction area of 3,623 square meters
- Property: a commercial office building to be developed and constructed on the Land with a total gross floor area of approximately 100,300 square meters, which is intended to be named Tai Ping Finance Centre
- Total Investment Amount: approximately RMB1.925 billion (15% of which, or approximately RMB 289 million is to be invested by the Group)
- Date of Agreement: 20 March 2008
- Condition Precedent: Obtaining approval of the independent shareholders of the Company at the EGM

In response to a notice published by Shenzhen Land and Property Exchange Centre (深圳市土地房產交易中心) on 18 March 2008 (the "Notice"), the parties to the Joint Bidding Agreement will jointly submit a bid on or before 17 April 2008, the closing date of the bid stipulated in the Notice, to Shenzhen Land and Property Exchange Centre (深圳市土地房產交易中心) for purchase of the Land, on which the parties intend to develop and construct the Property (the "Transaction"). Upon completion of the property development project, the portion of the Property to be owned by Ming An China is primarily intended to be used as its offices. According to the requirements stipulated in the Notice, the parties are required to pay a deposit of RMB 30 million on submission of the bid, which will be forfeited if the parties fail to honour their obligation to purchase the Land. In addition, under the standard prescribed bidding confirmation published by Shenzhen Land and Property Exchange Centre (深圳市土地房產交易中心), if the parties fail to honour their obligation to purchase the Land, the parties will be required to pay an additional 20% of the purchase price of the Land as penalty payment.

Upon the completion of the property development project, the parties are required to assign a part of the ownership of the Property, being of a gross floor area of 13,400 square meters, to the Shenzhen Supervisory Bureau of the China Insurance Regulatory Commission (中國保險監督管理委員會深圳監督局). Furthermore, 60% of the gross floor area of the Property is required to be for self-use by the parties, and the parties are not allowed to sell such portion of the Property within 10 years. Should the parties win the bid, the parties are required to execute a land use right transfer contract and pay the entire outstanding purchase price of the Land together with the land registration fee within 5 working days of the execution of the land use right transfer contract.

The respective percentages of the total investment amount for the Transaction required from each party are set out below:

<b>Party</b>	<b>Percentage of the total investment</b>
Tai Ping Insurance	15% (approximately RMB 289 million)
China Insurance Holdings	55% (approximately RMB 1.058 billion)
Tai Ping Life Insurance	15% (approximately RMB 289 million)
Ming An China	15% (approximately RMB 289 million)

The proposed price of the Land is valued with reference to the market price and the development costs of the Property are estimated with reference to the costs of constructing a similar building in Shenzhen, including the estimated cost for design and architect, cost of construction material and labour, management fees, legal fees and other incidental cost and expenses, by DTZ, an independent property consulting firm, in March 2008.

Ming An China is expected to invest a total of approximately RMB 289 million. The investment amount to be paid by Ming An China will be financed by the internal resources of the Group in cash.

Provided that the Transaction is approved by the independent shareholders and the parties win the bid, the purchase of the Land is expected to be completed on or around 25 April 2008, and the construction of the Property is expected to commence in early 2009 and is expected to take approximately 3 years with a tentative completion date in the second half of 2011. In line with the rules of the Shenzhen local government to incentivise financial institutions setting up their headquarters in Shenzhen, upon the completion of the property development project, the parties expect the local government of Shenzhen to refund 30% of the purchase price for the Land.

Shenzhen China Insurance Tai Ping Investment Company Limited (深圳市中保太平投資有限公司), a wholly-owned subsidiary of China Insurance Holdings, will be the property development project manager, and approximately RMB 53 million out of the total investment amount will be paid to it by the parties as management and supervision fees. The Company will comply with the applicable requirements under the Listing Rules in relation to the management and supervision fees to be paid to Shenzhen China Insurance Tai Ping Investment Company Limited (深圳市中保太平投資有限公司) for managing and supervising the construction of the Property.

## **REASONS FOR THE TRANSACTION**

Ming An China has adopted a strategy to centralise its management and human resources at its headquarters in Shenzhen, as a result there is a need for Ming An China's Shenzhen headquarters to expand. Such expansion will involve the hiring of additional staff members. Accordingly, Ming An China anticipates a need for it to have a significantly larger working space. In addition, the current offices of Ming An China in Shenzhen is under a lease from an independent third party. This lease is due to expire in approximately 3 years, and upon expiration of the lease, there is a risk that Ming An China will be required to vacate the existing offices. Furthermore, as the value of property in Shenzhen has grown quite significantly in the last few years, the Company expects that the rent under the lease will increase substantially in the next few years. Based on the reasons above, the Company believes that it is in the best interest of the Company to participate in the development and construction of the Property for use as its offices. The Directors (excluding the independent non-executive Directors who will take into account the advice from the independent financial adviser) consider that the terms of the Transaction are fair and reasonable and in the interests of the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Tai Ping Insurance is an indirect subsidiary of China Insurance Holdings, the ultimate controlling shareholder of the Company, and therefore it is a connected person of the Company. China Insurance Holdings is the ultimate controlling shareholder of the Company and thus a connected person of the Company. Tai Ping Life Insurance is a subsidiary of CIH, which is in turn a subsidiary of China Insurance Holdings, and therefore Tai Ping Life Insurance is also a connected person of the Company.

Given that Tai Ping Insurance, China Insurance Holdings and Tai Ping Life Insurance are connected persons of the Company, the Transaction constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. Accordingly, the Joint Bidding Agreement will be subject to independent shareholders' approval at the EGM. As the relevant percentage ratios (as defined in Chapter 14 of the Listing Rules) in relation to the Transaction exceed 5%, the Transaction also constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

An Independent Board Committee comprising all the independent non-executive Directors will be established to advise the independent shareholders in relation to the Transaction and an independent financial adviser will be appointed to advise the Independent Board Committee and independent shareholders in this regard.

A circular containing, inter alia, details of the Transaction, a letter from the Independent Board Committee and an advice from an independent financial adviser, together with a notice convening the EGM to approve the Joint Bidding Agreement will be despatched to the Shareholders in accordance with the requirements under the Listing Rules as soon as practicable.

Given that Tai Ping Insurance, China Insurance Holdings and Tai Ping Life Insurance are parties to the Joint Bidding Agreement, China Insurance Holdings and CIH are interested in the Transaction and they and their associates will abstain from voting at the EGM to approve the Joint Bidding Agreement.

## **GENERAL**

The Company is a leading general insurance company in Hong Kong providing a variety of general insurance products to a broad range of customers in Hong Kong and the PRC.

The principal business and operation of Tai Ping Insurance is general insurance in the PRC.

China Insurance Holdings is one of the longest established general insurers based in the PRC and is a state investment holding company under the direct supervision of the State Council. China Insurance Holdings principally engages in general insurance, life insurance, reinsurance, reinsurance broking, asset management, pension management, property investment, property development and securities broking.

CIIH Group, including Tai Ping Life Insurance, principally engages in the underwriting of all classes of global reinsurance business and direct life insurance business in the PRC.

## **DEFINITIONS**

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“China Insurance Holdings”	China Insurance (Holdings) Company Limited, a joint stock limited company established in the PRC and the ultimate controlling shareholder of the Company
“CIIH”	China Insurance International Holdings Company Limited, a company incorporated in Hong Kong with limited liability and a subsidiary of China Insurance H.K. (Holdings) Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 966)
“CIIH Group”	CIIH and its subsidiaries
“Company”	The Ming An (Holdings) Company Limited, a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company, tentatively scheduled to be held in April 2008 to approve the Transaction
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board to be formed for the purpose of reviewing and advising the independent shareholders of the Company on the Transaction and the Joint Bidding Agreement
“Joint Bidding Agreement”	as defined in the section headed “Joint Bidding Agreement” of this announcement
“Land”	as defined in the section headed “Joint Bidding Agreement” of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ming An China”	The Ming An Insurance Company (China) Limited, a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan
“Property”	as defined in the section headed “Joint Bidding Agreement” of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tai Ping Insurance”	The Tai Ping Insurance Company, Limited, a limited liability company established in the PRC, which is owned as to 47.525%, 40.025% and 12.45% by China Insurance Holdings, CIIH and Industrial and Commercial Bank of China (Asia) Limited respectively
“Tai Ping Life Insurance”	The Tai Ping Life Insurance Company, Limited, a limited liability company established in the PRC and an indirect subsidiary of China Insurance Holdings, which is owned as to 25.05%, 50.05% and 24.90% by China Insurance Holdings, CIIH and Fortis International N. V. respectively

“Transaction”

as defined in the section headed “Joint Bidding Agreement” of this announcement

By order of the Board of  
**The Ming An (Holdings) Company Limited**  
**Feng Xiao Zeng**  
*Chairman*

Hong Kong, 20 March 2008

*As at the date of this announcement, the executive Directors of the Company are PENG Wei, CHENG Kwok Ping, CHAN Pui Leung, and LEE Wai Kun; the non-executive Directors of the Company are FENG Xiao Zeng, LIN Fan, WU Chi Hung, IP Tak Chuen, Edmond, MA Lai Chee, Gerald, and HONG Kam Cheung; and the independent non-executive Directors of the Company are YUEN Shu Tong, DONG Juan, WONG Hay Chih, YU Ziyou, and LEE Yim Hong, Lawrence.*

*This announcement is posted on the website of the main board of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and on the website of the Company at [www.mahcl.com](http://www.mahcl.com).*