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**TARGET INSURANCE (HOLDINGS) LIMITED**  
**泰加保險(控股)有限公司**  
*(Incorporated in Hong Kong with limited liability)*  
**(Stock code: 6161)**

**VOLUNTARY ANNOUNCEMENT**  
**INJECTION OF A UNITED ARAB EMIRATES INSURER**  
**TO THE COMPANY**  
**BY A SUBSTANTIAL SHAREHOLDER BY WAY OF GIFT**

This announcement is made by the Company on a voluntary basis.

In view that Target Subsidiary was already put into liquidation pursuant to the winding-up order issued on 5 October 2022 and given the imminent deadline for fulfilling the requirements set out in the Resumption Guidance, the Board has earlier written to each substantial shareholder of the Company seeking their assistance and support to the Company in fulfilling the sufficient operation requirement under LR 13.24.

The Board was informed by Dr. Ng Yu (being the former chairman of the Board and an existing substantial shareholder of the Company) that he is willing to and can readily provide various supports to rescue the Company from its predicament via, including but not limited to, procuring to transfer the entire ownership of the UAE Insurer, as a free gift in favour of the Company to facilitate its expansion into overseas insurance market. After further discussions, on 2 March 2023, it was agreed between the Company and Dr. Ng that the UAE Insurer shall be injected into the Group by way of gift, upon completion of the requisite local registration procedures.

This voluntary announcement is made by Target Insurance (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the purpose of updating the shareholders (the “**Shareholders**”) of the Company and potential investors on the latest development of the Group.

Reference is made to the announcements of the Company dated (i) 5 January 2022 in relation to suspension of trading in the shares of the Company on the Stock Exchange; (ii) 20 January 2022, 17 February 2022 and 7 April 2022 in relation to the resumption guidance (the “**Resumption Guidance**”) for the Company imposed by the Stock Exchange; and (iii) 31 March 2022, 30 June 2022, 7 October 2022 and 6 January 2023 in relation to quarterly update on the resumption progress (collectively, the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in Announcements.

## **INJECTION OF A UNITED ARAB EMIRATES (“UAE”) LICENSED INSURER INTO THE GROUP**

Under the Resumption Guidance, the Stock Exchange has required the Company to, among other things, demonstrate it shall carry out a business with a sufficient level of operations and assets of sufficient value to support its operations to warrant the continued listing of its securities, in compliance with Rule 13.24 of the Listing Rules (“**LR 13.24**”).

In view that Target Insurance Company, Limited (“**Target Subsidiary**”) was already put into liquidation pursuant to the winding-up order issued on 5 October 2022 and given the imminent deadline for fulfilling the requirements set out in the Resumption Guidance, the Board has earlier written to each substantial shareholder of the Company seeking their assistance and support to the Company in fulfilling the sufficient operation requirement under LR 13.24.

The Board was informed by Dr. Ng Yu (being the former Chairman and an existing substantial shareholder of the Company) that he is willing to and can readily provide various supports to rescue the Company from its predicament via, including but not limited to, procuring to transfer the entire ownership of Himalayas Insurance FZE-LLC, a newly formed UAE licensed insurer (the “**UAE Insurer**”), as a free gift in favour of the Company to facilitate its expansion into overseas insurance market. As at the date of this announcement, save as the aforesaid reply from Dr. Ng, the Board has not received any response from other substantial shareholders of the Company in relation to the request for assistance and support to the Company.

After further discussions, on 2 March 2023, it was agreed between the Company and Dr. Ng that the UAE Insurer shall be injected into the Group by way of gift, upon completion of the requisite local registration procedures (the “**Business Injection**”). Upon completion of the Business Injection, the UAE Insurer shall become a direct wholly-owned subsidiary of the Company.

## **Background of the UAE Insurer**

The UAE Insurer was formed in Sharjah of UAE in July 2022 as a free zone establishment with limited liability. It is licensed to engage in a range of insurance activities, including life insurance, non-life insurance, reinsurance, risk and damage evaluation as well as insurance agency and brokerage. The UAE Insurer has not commenced any operation since its formation and till the date of this announcement. Based on its unaudited management accounts prepared up to 31 December 2022, the UAE Insurer has a net asset value of approximately AED40,000 (which is equivalent to approximately HK\$84,000).

## **Benefits of the Business Injection**

The Board welcomes and appreciates the tremendous, timely support given by Dr. Ng to the Company at such difficult moments and believes that the Business Injection represents the Group's first crucial step towards establishing its presence in overseas insurance market. Further, the Business Injection is in line with the Group's strategy to pursue global business diversification and this would enhance sustainability and long-term return to the Shareholders. More importantly, as the Business Injection would be implemented by way of a gift by Dr. Ng in favour of the Group, it would not result in any financial burdens on the Group. In addition, under the leadership of the Chief Executive, the Hong Kong Government has recently made huge efforts in boosting business links between Hong Kong and the Middle East region. The Board considers that the Business Injection echoes such Government initiatives and could pave way for further and deeper co-operations between Hong Kong and the Middle East states in the insurance field going forward. The Board also believes that the aforesaid injection demonstrates the endorsement, confidence and support of Dr. Ng, as a substantial shareholder, in the long-term development of the Group. In light of the above, the Board considers that the Business Injection is beneficial to the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATION**

As none of the applicable percentage ratios under the Listing Rules in respect of the Business Injection exceeds 5%, the Business Injection does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As at the date of this announcement, Dr. Ng Yu indirectly holds approximately 20.47% of the shareholding of the Company, and hence is a connected person of the Company pursuant to the Listing Rules. As such, the Business Injection constituted a connected transaction for the Company under Chapter 14A of the Listing Rules. According to Rule 14A.76 of the Listing Rules, the Business Injection is fully exempt from the reporting, announcement and independent Shareholders' Approval requirements under Chapter 14A of the Listing Rules as the applicable percentage ratios under the Listing Rules in respect of transactions contemplated under the Business Injection are less than 5% and the total consideration is less than HK\$3,000,000.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 5 January 2022 and will remain suspended until further notice.

By Order of the Board  
**Target Insurance (Holdings) Limited**  
**Mr. Yu Cho Tak**  
*Independent Non-Executive Director*

Hong Kong, 3 March 2023

*As at the date of this announcement, the board of directors of the Company comprises one executive Director, namely Ms. Liang Qin and two independent non-executive Directors, namely Mr. Chiam Tat Yiu and Mr. Yu Cho Tak.*