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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
FUTURE DEVELOPMENT STRATEGY AND VISION OF THE GROUP

This voluntary announcement is made by Target Insurance (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the purpose of providing the shareholders (the “**Shareholders**”) of the Company and potential investors with the future development strategy 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; (iii) 31 March 2022, 30 June 2022, 7 October 2022 and 6 January 2023 in relation to quarterly update on the resumption progress; (iv) 3 March 2023 in relation to injection of a United Arab Emirates insurer to the Company by Dr. Ng Yu, a substantial shareholder of the Company (Chairman and non-executive Director of the Company) (“**Dr. Ng**”) by way of gift; and (v) 8 March 2023 in relation to fully exempt connected transaction relating to receiving financial assistance by the Group from Dr. Ng (collectively, the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in Announcements.

PROPOSED FINANCING THROUGH ISSUANCE OF BONDS IN THE AMOUNT OF APPROXIMATELY HK\$4 BILLION OR ABOVE

As stated in the previous announcements, the Company was injected with Himalayas Insurance, an insurer registered in the United Arab Emirates by Dr. Ng Yu, Chairman of the Board, by way of gift, which is licensed to engage in a series of insurance activities, including reinsurance, life insurance, non-life insurance, risk and damage assessment, insurance agency and brokerage. The Company was also granted with unsecured facilities of AED\$100 million (approximately HK\$213 million) from Dr. Ng Yu to support the development of insurance business in the United Arab Emirates. To achieve rapid development of Himalayas Insurance as soon as possible, the Company proposes to carry out financing through the issuance of bonds in the amount of approximately HK\$4 billion or above to targets including but not limited to consortiums in China, the United Arab Emirates and Saudi Arabia. The proceeds, upon injection into Himalayas Insurance in the form of capital, will be mainly used for the development of business. At the same time, the Company plans to recruit experienced people in the insurance and investment fields to join the Group to provide sufficient support for the development of its new business.

PROPOSED APPLICATION FOR INTERNATIONAL CREDIT RATING FOR THE INSURER

Upon completion of the above financing, the Group proposes to apply for an international credit rating for the insurer and strive to obtain an A- (or above) credit rating. If an A- (or above) credit rating is successfully obtained, the Board believes that it will be of significant help to the future business development to the Group.

PROPOSED SUBMISSION OF APPLICATION FOR RESUMPTION OF TRADING TO THE STOCK EXCHANGE IN THE SHORT TERM

As previously announced, in view of the imminent expiry of the deadline set out in the Resumption Guidance, the Board wrote to the substantial shareholders of the Company in March 2023, seeking their assistance and support for the Company to fulfil the sufficient operations requirements under Rule 13.24 of the Listing Rules. The Company is honoured to receive a positive reply from Dr. Ng, and quickly received his strong support with respect to his financial strength and establishment of new business. In addition, the Company carried out a restructuring of the Board in March 2023 and successfully invited three professionals with profound experience, background and connections in the financial field, including Dr. Ng, Mr. Ling Xujun and Dr. He Xiaobin to join the Board, thereby enhancing the corporate governance and resilience of the Group. The Board does not rule out inviting more professionals with profound experience, background and connections to join the Company in the short term so that Himalayas Insurance can grow rapidly within a short period of time.

Given the progress made at present, the Board expects that the Group's financial and business operations will achieve breakthrough improvements. The Company has engaged an experienced professional team to assist in drawing up a resumption proposal, and plans to submit a resumption proposal to the Stock Exchange in the short term. In the event there is any important progress on the resumption proposal, the Company will make timely disclosures to the Shareholders and potential investors and obtain relevant approvals in accordance with the requirements of the Listing Rules.

PROPOSED CHANGE OF COMPANY NAME AND DOMICILE UPON SUCCESSFUL RESUMPTION OF TRADING

In addition, the Company is actively considering arranging the change of company name and domicile as soon as practicable upon successful resumption of trading. After discussion by the Board, the Company intends to adopt "Himalayas Investment Group Limited" as the new name of the Company. The Company believes that the new name will more effectively highlight the new business focus of the Company, and is more in line with the Group's long-term strategy. Furthermore, the Board is aware that the parent companies of many international financial groups are registered in offshore jurisdictions. In view of the fact that the Group will actively expand its overseas insurance and other financial investment businesses, the proposed change of domicile of the Company to Bermuda (or other offshore regions) will be more in line with the positioning of the business globalisation of the Group and also in line with the mainstream arrangements of the international market. In the event there is any important progress regarding the proposed change of company name and proposed change of domicile, the Company will make timely disclosures to the Shareholders and potential investors and obtain relevant approvals in accordance with the requirements of the Listing Rules.

OTHER POSSIBLE MEASURES – SPIN OFF OF SUBSIDIARY AND LISTING BY WAY OF SPAC

The Group does not rule out other possible measures, including but not limited to: Consider spinning off the business of Himalayas Insurance and listing it in a global major stock exchange, including but not limited to NASDAQ in the United States. In this regard, the Company is looking for an independent financial consultant to seek professional advice on the feasibility of spinning off Himalayas Insurance for listing as an alternative plan.

Even though the Group has experienced many challenges in the past two years, the Board still has confidence in the Hong Kong financial market. With the strong support from the substantial shareholder Dr. Ng and the leadership of the current management, the Group is confident in overcoming the difficulties ahead and completing the resumption of trading before the deadline, so as to create another glorious chapter in the future. The Board believes that the above-mentioned future development strategy is beneficial to the Company and also in the interests of all Shareholders. Looking ahead, the Group will continue to look for suitable acquisition targets and explore merger and acquisition opportunities in the international market.

SIGNIFICANCE OF GROUP BUSINESS LAYOUT

After Chinese President Xi Jinping's trip to the Middle East in December 2022, China has already kicked off its cooperation with countries in the Middle East in the fields of infrastructure, new energy and tourism. A new round of free trade agreement negotiations between China and the Gulf Cooperation Council (the "GCC") will also begin. Therefore, turning to the Middle East is also an important step in line with the national strategic direction. The Board believes that the Company's layout in the Middle East has actively responded to the nation's Belt and Road Initiative. At the same time, as a Hong Kong listed company, it also simultaneously responds to the important statement of the current Hong Kong government's emphasis on financial cooperation of Hong Kong with Saudi Arabia and the United Arab Emirates.

The Company endeavours to make use of the service support role of financial cooperation in the Middle East to provide short-term cooperation and long-term support for the cobuilding of the "Belt and Road" between China and Arab countries, and jointly develop a financial cooperation model with Middle Eastern characteristics, thus serving as a precedent case of financial cooperation between China and the Arab countries in the Middle East.

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
Dr. Ng Yu
Chairman

Hong Kong, 27 March 2023

As at the date of this announcement, the board of directors of the Company comprises one executive director, namely Ms. Liang Qin; two non-executive directors, namely Dr. Ng Yu (Chairman) and Mr. Ling Xujun; and three independent non-executive directors, namely Dr. He Xiaobin, Mr. Chiam Tat Yiu and Mr. Yu Cho Tak.