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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 TRANSACTIONS PROVISION OF LOAN FACILITIES TO A FELLOW SUBSIDIARY

Reference is made to the announcement of the Company dated 9 November 2018 (the “**2018 Announcement**”) in relation to the provision of loan facilities by subsidiaries of the Company, namely, TPL (HK), TPRE and CTPI (HK), to Taiping Golden Win. Unless otherwise defined, capitalised terms in this announcement shall have the meaning as defined in the 2018 Announcement.

BACKGROUND

On 9 November 2018, TPL (HK), TPRE and CTPI (HK) respectively entered into the Original Loan Agreements with Taiping Golden Win, a wholly owned subsidiary of TPG (HK), which is a controlling shareholder of the Company. Pursuant to the Original Loan Agreements, TPL (HK), TPRE and CTPI (HK) respectively acted as lenders and provided four loan facilities to Taiping Golden Win as borrower, in an aggregate amount of HK\$2,000 million for a term of 60 months from the date of drawdown at the interest rate of 5.2% to 5.3% per annum, depending on the terms of the Original Loan Agreements.

As at the date of this announcement, Taiping Golden Win has fully repaid the facility amount of HK\$750 million under the Original Loan Agreement 1 (together with any interest payable thereof), as well as all interest due and payable as of the date of this announcement under the Outstanding Loan Agreements, and will, pursuant to the terms of the Outstanding Loan Agreements, fully repay any interest payable under the Outstanding Loan Agreements on or before the agreed repayment date (i.e. 25 November 2023 and 26 November 2023).

NEW LOANS AGREEMENTS

On 6 November 2023, each of TPL (HK), TPRE and CTPI (HK) respectively entered into the New Loan Agreements with Taiping Golden Win. Pursuant to the New Loan Agreements, TPL (HK), TPRE and CTPI (HK) will respectively act as lenders to provide three loan facilities to Taiping Golden Win as borrower, in an aggregate amount of HK\$1,250 million for a term of 60 months from the Borrowing Date at the interest rate of 5.8% per annum. Proceeds of the loan facilities under the New Loan Agreements will be used to repay the total facilities amount due under the Outstanding Loan Agreements.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as Taiping Golden Win is a wholly owned subsidiary of TPG (HK), the controlling shareholder of the Company, Taiping Golden Win is an associate of TPG (HK) and a connected person of the Company. Therefore, pursuant to Chapter 14A of the Listing Rules, each of the New Loan Agreements entered into between TPL (HK), TPRE and CTPI (HK) and Taiping Golden Win and the transactions contemplated thereunder constitute connected transactions of the Company.

According to Rules 14.22 and 14A.81 of the Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all entered into or completed within a 12-month period or are otherwise related. As all the transactions contemplated under the New Loan Agreements involve the provision of loan facilities by subsidiaries of the Group as lenders to Taiping Golden Win as borrower, they will be aggregated pursuant to Rules 14.22 and 14A.81 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the transactions contemplated under the New Loan Agreements, when aggregated, exceed 0.1% but are less than 5%, such transactions, when aggregate, do not constitute notifiable transactions of the Company under Chapter 14 of the Listing Rules but constitute a connected transactions of the Company subject to the reporting and announcement requirements but exempted from the circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Reference is made to the 2018 Announcement dated 9 November 2018 in relation to the provision of loan facilities by subsidiaries of the Company, namely, TPL (HK), TPRE and CTPI (HK), to Taiping Golden Win. Unless otherwise defined, capitalised terms in this announcement shall have the meaning as defined in the 2018 Announcement.

BACKGROUND

On 9 November 2018, TPL (HK), TPRE and CTPI (HK) respectively entered into the Original Loan Agreements with Taiping Golden Win, a wholly owned subsidiary of TPG (HK), which is a controlling shareholder of the Company. Pursuant to the Original Loan Agreements, TPL (HK), TPRE and CTPI (HK) respectively acted as lenders and provided four loan facilities to Taiping Golden Win as borrower, in an aggregate amount of HK\$2,000 million for a term of 60 months from the date of drawdown at the interest rate of 5.2% to 5.3% per annum, depending on the terms of the Original Loan Agreements.

As at the date of this announcement, Taiping Golden Win has fully repaid the facility amount of HK\$750 million under the Original Loan Agreement 1 (together with any interest payable thereof), as well as all interest due and payable as of the date of this announcement under the Outstanding Loan Agreements and will, pursuant to the terms of the Outstanding Loan Agreements, fully repay any interest payable under the Outstanding Loan Agreements on or before the agreed repayment date (i.e. 25 November 2023 and 26 November 2023).

NEW LOAN AGREEMENTS

On 6 November 2023, each of TPL (HK), TPRE and CTPI (HK) respectively entered into the New Loan Agreements with Taiping Golden Win. Pursuant to the New Loan Agreements, TPL (HK), TPRE and CTPI (HK) will respectively act as lenders to provide three loan facilities to Taiping Golden Win as borrower, in an aggregate amount of HK\$1,250 million for a term of 60 months from the Borrowing Date at the interest rate of 5.8% per annum, which is determined after arm's length negotiation between TPL (HK), TPRE and CTPI (HK) and the Borrower respectively with reference to the average Hong Kong Interbank Offered Rates for the past 12 months.

The principal terms of the New Loan Agreements are summarised as follows:-

New Loan Agreement 1

Date:	6 November 2023
Parties:	TPL (HK) as lender; and Taiping Golden Win as borrower
Facility Amount:	HK\$250 million
Repayment Date:	the date falling 60 months from the Borrowing Date of the New Loan 1, being 25 November 2028
Interest Rate:	5.8% per annum
Default Interest:	If the borrower fails to pay any amount payable by it under the New Loan Agreement 1, interest shall accrue on the unpaid sum from the due date to the date of the actual payment at a rate which is 5% higher than the original interest rate.
Others:	A new comfort letter has been issued by TPG (HK) to TPL (HK) which TPG (HK) acknowledged and agreed that, among others, they will (1) cause Taiping Golden Win to obtain funds sufficient to enable any payment obligations of Taiping Golden Win to be met in full as they fall due; (2) provide support (including liquidity support) to Taiping Golden Win and use all feasible endeavors to facilitate the repayment of the loan under the New Loan Agreement 1; and (3) to monitor the repayment of the loan and payment of interests under the New Loan Agreement 1.

New Loan Agreement 2

Date:	6 November 2023
Parties:	TPRe as lender; and Taiping Golden Win as borrower
Facility Amount:	HK\$700 million
Repayment Date:	the date falling 60 months from the Borrowing Date of the New Loan 2, being 24 November 2028
Interest Rate:	5.8% per annum
Default Interest:	If the borrower fails to pay any amount payable by it under the New Loan Agreement 2, interest shall accrue on the unpaid sum from the due date to the date of the actual payment at a rate which is 5% higher than the original interest rate.
Others:	A new comfort letter has been issued by TPG (HK) to TPRe which TPG (HK) acknowledged and agreed that, among others, they will (1) cause Taiping Golden Win to obtain funds sufficient to enable any payment obligations of Taiping Golden Win to be met in full as they fall due; (2) provide support (including liquidity support) to Taiping Golden Win and use all feasible endeavors to facilitate the repayment of the loan under the New Loan Agreement 2; and (3) to monitor the repayment of the loan and payment of interests under the New Loan Agreement 2.

New Loan Agreement 3

Date:	6 November 2023
Parties:	CTPI (HK) as lender; and Taiping Golden Win as borrower
Facility Amount:	HK\$300 million
Repayment Date:	the date falling 60 months from the Borrowing Date of the New Loan 3, being 25 November 2028
Interest Rate:	5.8% per annum
Default Interest:	If the borrower fails to pay any amount payable by it under the New Loan Agreement 3, interest shall accrue on the unpaid sum from the due date to the date of the actual payment at a rate which is 5% higher than the original interest rate.
Others:	A new comfort letter has been issued by TPG (HK) to CTPI (HK) which TPG (HK) acknowledged and agreed that, among others, they will (1) cause Taiping Golden Win to obtain funds sufficient to enable any payment obligations of Taiping Golden Win to be met in full as they fall due; (2) provide support (including liquidity support) to Taiping Golden Win and use all feasible endeavors to facilitate the repayment of the loan under the New Loan Agreement 3; and (3) to monitor the repayment of the loan and payment of interests under the New Loan Agreement 3.

Proceeds of the loan facilities under the New Loan Agreements will be used to repay the total facilities amount due under the Outstanding Loan Agreements.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Board considered that the Group currently has surplus cash resources and the entering into of the New Loan Agreements can utilise such resources more efficiently without bringing the Group additional financial risk. Furthermore, it is expected that the New Loan Agreements would enable the Group to generate interest income and thus maximise the Group's return and generate stable revenue and cash flow stream on its available cash reserves without compromising the Group's risk exposure.

Based on the above reasons and having considered all relevant factors, the Directors (including the independent non-executive Directors) believe and consider that the terms of the New Loan Agreements are in the ordinary course of business, on normal commercial terms, are fair and reasonable and that the entering into of the New Loan Agreements are in the interests of the Company and Shareholders as a whole.

None of the Directors had any material interest in the transactions contemplated under the New Loan Agreements. Therefore, none of them shall be required to abstain from voting on the board resolutions approving the New Loan Agreements and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as Taiping Golden Win is a wholly owned subsidiary of TPG (HK), the controlling shareholder of the Company, Taiping Golden Win is an associate of TPG (HK) and a connected person of the Company. Therefore, pursuant to Chapter 14A of the Listing Rules, each of the New Loan Agreements entered into between TPL (HK), TPRE and CTPI (HK) and Taiping Golden Win and the transactions contemplated thereunder constitute connected transactions of the Company.

According to Rules 14.22 and 14A.81 of the Listing Rules, the Stock Exchange will aggregate a series of transactions and treat them as if they were one transaction if they are all entered into or completed within a 12-month period or are otherwise related. As all the transactions contemplated under the New Loan Agreements involve the provision of loan facilities by subsidiaries of the Group as lenders to Taiping Golden Win as borrower, they will be aggregated pursuant to Rules 14.22 and 14A.81 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the transactions contemplated under the New Loan Agreements, when aggregated, exceed 0.1% but are less than 5%, such transactions, when aggregate, do not constitute notifiable transactions of the Company under Chapter 14 of the Listing Rules but constitute a connected transactions of the Company subject to the reporting and announcement requirements but exempted from the circular and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

Information of the Company

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are the underwriting of direct life insurance business in the PRC, Hong Kong, Macau and Singapore, direct property and casualty insurance business in the PRC, Hong Kong and overseas, pension and group life business, and all classes of global reinsurance business. The Company's subsidiaries also carry on operations in asset management, insurance intermediary, finance leasing, property investment, medical health and elder care investment, securities dealing and broking business.

Information of TPL (HK)

The principal activity of TPL (HK) is the underwriting of direct life insurance business in Hong Kong.

Information of TPRE

The principal activity of TPRE is the underwriting of all classes of global reinsurance business.

Information of CTPI (HK)

The principal activity of CTPI (HK) is the underwriting of direct property and casualty insurance business in Hong Kong.

Information of Taiping Golden Win

The principal activity of Taiping Golden Win is investment holding.

DEFINITIONS

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

“Ageas”	Ageas Insurance International NV, a company incorporated under the laws of the Netherlands and existing under the laws of Belgium
“Borrowing Date”	the commencement date of borrowing under the New Loan Agreements which is expected to be the repayment date stipulated in the Original Loan Agreements (i.e. 25 November 2023 for the purpose of the New Loan Agreement 2 and 26 November 2023 for the purpose of the New Loan Agreement 1 and New Loan Agreement 3)
“lender(s)”	TPL (HK), TPre and/or CTPI (HK), as the case may be
“New Loan Agreements”	the New Loan Agreement 1, New Loan Agreement 2 and New Loan Agreement 3
“New Loan Agreement 1”	the New loan agreement dated 6 November 2023 entered into between TPL (HK) and Taiping Golden Win in relation to the provision of loan by TPL (HK) as lender to Taiping Golden Win as borrower, the principal terms of which are summarised in this announcement
“New Loan Agreement 2”	the New loan agreement dated 6 November 2023 entered into between TPre and Taiping Golden Win in relation to the provision of loan by TPre as lender to Taiping Golden Win as borrower, the principal terms of which are summarised in this announcement
“New Loan Agreement 3”	the New loan agreement dated 6 November 2023 entered into between CTPI (HK) and Taiping Golden Win in relation to the provision of loan by CTPI (HK) as lender to Taiping Golden Win as borrower, the principal terms of which are summarised in this announcement
“Original Loan Agreements”	the Original Loan Agreement 1, Original Loan Agreement 2, Original Loan Agreement 3 and Original Loan Agreement 4
“Original Loan Agreement 1”	the Loan Agreement 1 as described in the 2018 Announcement
“Original Loan Agreement 2”	the Loan Agreement 2 as described in the 2018 Announcement
“Original Loan Agreement 3”	the Loan Agreement 3 as described in the 2018 Announcement
“Original Loan Agreement 4”	the Loan Agreement 4 as described in the 2018 Announcement
“Outstanding Loan Agreements”	the Original Loan Agreement 2, Original Loan Agreement 3 and Original Loan Agreement 4

“Taiping Golden Win”	Taiping Golden Win Investment Limited, previously known as Golden Win Development Limited, a company incorporated in Hong Kong with limited liability, is a wholly owned subsidiary of TPG (HK) and is directly interested in approximately 1.76% in the Company as at the date of this announcement
“TPG (HK)”	China Taiping Insurance Group (HK) Company Limited, a company incorporated in Hong Kong with limited liability wholly owned by China Taiping Insurance Group Ltd., is a controlling shareholder of the Company directly or indirectly interested in approximately 61.25% in the Company as at the date of this announcement
“TPRe”	Taiping Reinsurance Company Limited, a company incorporated in Hong Kong with limited liability and a subsidiary of the Company owned as to 75% by the Company and as to 25% by as Ageas at the date of this announcement
“%”	per cent

By Order of the Board of
China Taiping Insurance Holdings Company Limited
ZHANG Ruohan
Company Secretary

Hong Kong, 6 November 2023

As at the date of this announcement, the Board comprises 10 directors, of which Mr. WANG Sidong, Mr. YIN Zhaojun and Mr. LI Kedong are executive directors, Mr. GUO Zhaoxu, Mr. HU Xingguo and Ms. ZHANG Cui are non-executive directors, and Mr. ZHU Dajian, Mr. WU Ting Yuk Anthony, Mr. XIE Zhichun and Mrs. LAW FAN Chiu Fun Fanny are independent non-executive directors.