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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)

DISCLOSEABLE TRANSACTION FINANCE LEASE TRANSACTIONS

FINANCE LEASE TRANSACTIONS

The Board hereby announces that on 1 February 2024 (after trading hours), TSFL, a subsidiary of the Company (as the Lessor) entered into the Current Finance Lease Agreement with the Lessee, pursuant to which the Lessor agreed to (i) purchase the Leased Assets of the Current Transaction from the Lessee at a consideration of RMB900,000,000, and (ii) lease the Leased Assets of the Current Transaction to the Lessee for a lease period of five years.

References are made to the Previous Finance Lease Agreements entered between TSFL (as lessor) and the Lessee and/or the subsidiaries of the same group to which the Lessee belongs into in the past 12 months prior to the Current Transaction, pursuant to which (i) TSFL (as lessor) purchased the Leased Assets of the Previous Transactions from the Previous Lessees at an aggregate consideration of RMB745,000,000, and (ii) the Lessor agreed to lease the Leased Assets of the Previous Transactions to the Previous Lessees. According to Chapter 14 of the Listing Rules, each of the highest applicable percentage ratio of the Previous Transactions, calculated on a standalone basis, is lower than 5%, and the highest applicable percentage ratio of the Previous Transactions, when aggregated, is also lower than 5%. As such, the Previous Transactions were not subject to the announcement requirement under Chapter 14 of the Listing Rules.

LISTING RULES IMPLICATIONS

Considered that the Previous Lessees to the Previous Transactions and the Lessee to the Current Transaction are the same party or subsidiaries of the same group, for the purpose of transaction classification under Chapter 14 of the Listing Rules, the Current Transaction and the Previous Transactions are aggregated according to Rule 14.22 of the Listing Rules. According to Chapter 14 of the Listing Rules, although the highest applicable percentage ratio of the Current Transaction is lower than 5%, the highest applicable percentage ratio is higher than 5% but lower than 25% when aggregated with the Previous Transactions. Therefore, the Current Transaction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

FINANCE LEASE TRANSACTIONS

The Board hereby announces that on 1 February 2024 (after trading hours), TSFL, a subsidiary of the Company (as the Lessor) entered into the Current Finance Lease Agreement with the Lessee, pursuant to which the Lessor agreed to (i) purchase the Leased Assets of the Current Transaction from the Lessee at a consideration of RMB900,000,000, and (ii) lease the Leased Assets of the Current Transaction to the Lessee for a lease period of five years.

THE CURRENT FINANCE LEASE AGREEMENT

Details of the Current Finance Lease Agreement are summarised as follows:

Date

1 February 2024

Parties

- (i) TSFL (as Lessor)
- (ii) ALG Aluminum (as Lessee)

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Lessee and its ultimate beneficial owners are independent third parties of the Company and its connected persons (as defined in the Listing Rules).

Leased Assets of the Current Transaction

The Leased Assets of the Current Transaction are three-stage aging furnaces, roller grinders and other machine and equipment located at the Lessee's factory zone in Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC. The assessed value of the Leased Assets of the Current Transaction is, in aggregate, approximately RMB913,230,000. The Lessee does not separately calculate the profits before and after tax of the Leased Assets of the Current Transaction.

Lease Period

Five years

Rent and Method of Payment

Pursuant to the Current Finance Lease Agreement, the Lessor agreed to lease back the Leased Assets of the Current Transaction to the Lessee. The rent, including value-added taxes, is calculated and paid in RMB, and comprised of lease principal and lease interest. Of which, the lease principal is of the same amount as the transfer consideration, totaling RMB900,000,000. The total amount of lease interest for the lease period is approximately RMB95,730,000. The lease principal and lease interest shall be paid by the Lessee to the Lessor every six months during the lease period in accordance with the terms of the Current Finance Lease Agreement.

The terms of the Current Finance Lease Agreement, including the transfer consideration for the Leased Assets of the Current Transaction, the lease principals, the lease interest and other expenses under the Current Finance Lease Agreement were determined upon arm's length negotiations between the Lessee and the Lessor with reference to factors including the assessed value of the Leased Assets of the Current Transaction, loan prime rate (LPR) and the prevailing market prices of the same category of finance lease products in the PRC.

The Leased Assets of the Current Transaction and their Ownership

The Lessee has agreed to transfer and/or change the registration of the Leased Assets of the Current Transaction to the Lessor during the lease period at a transfer consideration of RMB900,000,000. The transfer consideration will be paid by the Lessor using its self-owned funds and/or commercial loans. At the same time, the Lessor has agreed to lease back the Leased Assets of the Current Transaction to the Lessee. The Lessee is entitled to the possession, usage and benefits of such assets. Upon expiration of the lease period, the Lessee may purchase back the Leased Assets of the Current Transaction from the Lessor at a consideration of RMB1 in nominal value.

THE PREVIOUS TRANSACTIONS

References are made to the Previous Finance Lease Agreements entered between TSFL (as lessor) and the Lessee and/or the subsidiaries of the same group to which the Lessee belongs into in the past 12 months prior to the Current Transaction, pursuant to which (i) TSFL (as lessor) purchased the Leased Assets of the Previous Transactions from the Previous Lessees at an aggregate consideration of RMB745,000,000, and (ii) the Lessor agreed to lease the Leased Assets of the Previous Transactions to the Previous Lessees. According to Chapter 14 of the Listing Rules, each of the highest applicable percentage ratio of the Previous Transactions, calculated on a standalone basis, is lower than 5%, and the highest applicable percentage ratio of the Previous Transactions, when aggregated, is also lower than 5%. As such, the Previous Transactions were not subject to the announcement requirement under Chapter 14 of the Listing Rules.

Details of the Previous Finance Lease Agreements are summarised as follows:

Previous Transaction I

Date

11 December 2023

Parties

- (i) TSFL (as lessor)
- (ii) BSYH Aluminum (as lessee)

As at the date of this announcement, BSYH Aluminum is a subsidiary of Guangxi Aluminum and is principally engaged in production and sale of electrolytic aluminum, alumina and aluminum fabrication products, research and development of new aluminum products; rental of self-own buildings and land, machinery and equipment. Guangxi Aluminum is a subsidiary of Guangxi Investment Group, which is a wholly owned by the People's Government of Guangxi Zhuang Autonomous Region.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, BSYH Aluminum and its ultimate beneficial owners are independent third parties of the Company and its connected persons (as defined in the Listing Rules).

Leased Assets of the Previous Transaction I

The Leased Assets of the Previous Transaction I are certain electrolysis tanks, electrolysis multi-functional crane and other machine and equipment located at the factory zone of BSYH Aluminum in Baise City, Guangxi Zhuang Autonomous Region, the PRC. The assessed value of the Leased Assets of the Previous Transaction I is, in aggregate, approximately RMB259,934,000. The Previous Lessee I does not separately calculate the profits before and after tax of the Leased Assets of the Previous Transaction I.

Lease Period

Three years

Rent and Method of Payment

Pursuant to the Previous Finance Lease Agreement I, TSFL agreed to lease back the Leased Assets of the Previous Transaction I to the Previous Lessee I. The rent, including value-added taxes, is calculated and paid in RMB, and comprised of lease principal and lease interest. Of which, the lease principal is of the same amount as the transfer consideration, totaling RMB245,000,000. The total amount of lease interest for the lease period is approximately RMB17,786,000. The lease principal and lease interest shall be paid by the Previous Lessee I to TSFL every six months during the lease period in accordance with the terms of the Previous Finance Lease Agreement I.

The terms of the Previous Finance Lease Agreement I, including the transfer consideration for the Leased Assets of the Previous Transaction I, the lease principals, the lease interest and other expenses under the Previous Finance Lease Agreement I were determined upon arm's length negotiations between the Previous Lessee I and TSFL with reference to factors including the assessed value of the Leased Assets of the Previous Transaction I, loan prime rate (LPR) and the prevailing market prices of the same category of finance lease products in the PRC.

The Leased Assets of the Previous Transaction I and their Ownership

The Previous Lessee I agreed to transfer and/or change the registration of the Leased Assets of the Previous Transaction I to TSFL during the lease period at a transfer consideration of RMB245,000,000. The transfer consideration shall be paid by TSFL using its self-owned funds and/or commercial loans. At the same time, TSFL agreed to lease back the Leased Assets of the Previous Transaction I to the Previous Lessee I. The Previous Lessee I is entitled to the possession, usage and benefits of such assets. Upon expiration of the lease period, the Previous Lessee I shall purchase back the Leased Assets of the Previous Transaction I from TSFL at a consideration of RMB1 in nominal value.

Previous Transaction II

Date

25 June 2023

Parties

- (i) TSFL (as lessor)
- (ii) ALG Aluminum (as lessee)

Leased Assets of the Previous Transaction II

The Leased Assets of the Previous Transaction II are certain extrusion machine, electrical equipment and hear furnace and other machine and equipment located at the factory zone of ALG Aluminum in Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC. The assessed value of the Leased Assets of the Previous Transaction II is, in aggregate, approximately RMB208,840,000. The Previous Lessee II does not separately calculate the profits before and after tax of the Leased Assets of the Previous Transaction II.

Lease Period

Three years

Rent and Method of Payment

Pursuant to the Previous Finance Lease Agreement II, TSFL agreed to lease back the Leased Assets of the Previous Transaction II to the Previous Lessee II. The rent, including value-added taxes, is calculated and paid in RMB, and comprised of lease principal and lease interest. Of which, the lease principal is of the same amount as the transfer consideration, totaling RMB200,000,000. The total amount of lease interest for the lease period is approximately RMB11,954,000. The lease principal and lease interest shall be paid by the Previous Lessee II to TSFL every six months during the lease period in accordance with the terms of the Previous Finance Lease Agreement II.

The terms of the Previous Finance Lease Agreement II, including the transfer consideration for the Leased Assets of the Previous Transaction II, the lease principals, the lease interest and other expenses under the Previous Finance Lease Agreement II were determined upon arm's length negotiations between the Previous Lessee II and TSFL with reference to factors including the assessed value of the Leased Assets of the Previous Transaction II, loan prime rate (LPR) and the prevailing market prices of the same category of finance lease products in the PRC.

The Leased Assets of the Previous Transaction II and their Ownership

The Previous Lessee II agreed to transfer and/or change the registration of the Leased Assets of the Previous Transaction II to TSFL during the lease period at a transfer consideration of RMB200,000,000. The transfer consideration shall be paid by TSFL using its self-owned funds and/or commercial loans. At the same time, TSFL agreed to lease back the Leased Assets of the Previous Transaction II to the Previous Lessee II. The Previous Lessee II is entitled to the possession, usage and benefits of such assets. Upon expiration of the lease period, the Previous Lessee II shall purchase back the Leased Assets of the Previous Transaction II from TSFL at a consideration of RMB1 in nominal value.

Previous Transaction III

Date

30 March 2023

Parties

- (i) TSFL (as lessor)
- (ii) Laibin Electric Power (as lessee)

As at the date of this announcement, Laibin Electric Power is a wholly owned subsidiary of Guangxi Energy and is principally engaged in investment, development and operation of thermal power resources, technical consulting, domestic commercial trade and heat production and supply. Guangxi Energy is a subsidiary of Guangxi Investment Group, which is a wholly owned by the People's Government of Guangxi Zhuang Autonomous Region.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Laibin Electric Power and its ultimate beneficial owners are independent third parties of the Company and its connected persons (as defined in the Listing Rules).

Leased Assets of the Previous Transaction III

The Leased Assets of the Previous Transaction III are certain firefighting pipe network, power exhaust fan with high-voltage inverter, condensate water pump and boiler and other machine and equipment located at the factory zone of Laibin Electric Power at Laibin City, Guangxi Zhuang Autonomous Region, the PRC. The assessed value of the Leased Assets of the Previous Transaction III is, in aggregate, approximately RMB305,460,000. The Previous Lessee III does not separately calculate the profits before and after tax of the Leased Assets of the Previous Transaction III.

Lease Period

Three years

Rent and Method of Payment

Pursuant to the Previous Finance Lease Agreement III, TSFL agreed to lease back the Leased Assets of the Previous Transaction III to the Previous Lessee III. The rent, including value-added taxes, is calculated and paid in RMB, and comprised of lease principal and lease interest. Of which, the lease principal is of the same amount as the transfer consideration, totaling RMB300,000,000. The total amount of lease interest for the lease period is approximately RMB22,878,000. The lease principal and lease interest shall be paid by the Previous Lessee III to TSFL every six months during the lease period in accordance with the terms of the Previous Finance Lease Agreement III.

The terms of the Previous Finance Lease Agreement III, including the transfer consideration for the Leased Assets of the Previous Transaction III, the lease principals, the lease interest and other expenses under the Previous Finance Lease Agreement III were determined upon arm's length negotiations between the Previous Lessee III and TSFL with reference to factors including the assessed value of the Leased Assets of the Previous Transaction III, loan prime rate (LPR) and the prevailing market prices of the same category of finance lease products in the PRC.

The Leased Assets of the Previous Transaction III and their Ownership

The Previous Lessee III agreed to transfer and/or change the registration of the Leased Assets of the Previous Transaction III to TSFL during the lease period at a transfer consideration of RMB300,000,000. The transfer consideration shall be paid by TSFL using its self-owned funds and/or commercial loans. At the same time, TSFL agreed to lease back the Leased Assets of the Previous Transaction III to the Previous Lessee III. The Previous Lessee III is entitled to the possession, usage and benefits of such assets. Upon expiration of the lease period, the Previous Lessee III shall purchase back the Leased Assets of the Previous Transaction III from TSFL at a consideration of RMB1 in nominal value.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE TRANSACTIONS

The Current Finance Lease Agreement and the Previous Finance Lease Agreements were entered into by TSFL during its ordinary and usual course of business and was classified as finance lease in accordance with the applicable accounting standards. Entering into the Current Finance Lease Agreement and the Previous Finance Lease Agreements with the Lessee / the Previous Lessees were beneficial to TSFL by increasing the income of its finance lease business and is consistent with the Group's business development strategy.

The Directors were of the view that the transactions contemplated under the Current Finance Lease Agreement and the Previous Finance Lease Agreements were conducted in the ordinary course of business of the Group on normal commercial terms, the terms under the Current Finance Lease Agreement and the Previous Finance Lease Agreements were fair and reasonable and were in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Considered that the Previous Lessees to the Previous Transactions and the Lessee to the Current Transaction are the same party or subsidiaries of the same group, for the purpose of transaction classification under Chapter 14 of the Listing Rules, the Current Transaction and the Previous Transactions are aggregated according to Rule 14.22 of the Listing Rules. According to Chapter 14 of the Listing Rules, although the highest applicable percentage ratio of the Current Transaction is lower than 5%, the highest applicable percentage ratio is higher than 5% but lower than 25% when aggregated with the Previous Transactions. Therefore, the Current Transaction constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 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 elderly care investment, securities dealing and broking business.

Information of TSFL

TSFL, a non-wholly owned subsidiary of the Group, is a limited liability company established in the PRC and is principally engaged in finance leasing, transfers or acquisitions of subject assets of finance leases, investment in fixed-income securities, taking in deposits of finance leases from lessees and three-month or longer term deposits from non-banking shareholders, inter-bank lending, borrowings from financial institutions, offshore borrowings, sales and handling of leased assets, and economic consultation and such other businesses as approved by the National Administration of Financial Regulation. As at the date of this announcement, TSFL is owned as to 50% by TPL and China Petrochemical Corporation, respectively.

Information of ALG Aluminum

ALG Aluminum is a company established in the PRC with limited liability, which is principally engaging in, among other things, non-ferrous metal rolling processing, new material technology promotion services, engineering and technology research and experimental development, technical services, development, consultancy, exchange, transfer and promotion, sales of metal materials, new metal functional materials, high-performance non-ferrous metals and alloy materials, non-ferrous metal alloys and metal structure and manufacturing of non-ferrous metal alloys. As at the date of this announcement, ALG Aluminum is owned as to 54.97% by Guangxi Aluminum, 38.70% by Nanning Investment Group, 6% by Guangxi GIG Advanced Materials Group Co., Ltd.* (廣西廣投新材料集團有限公司) and 0.33% by Alnan Aluminium Co., Ltd.* (南南鋁業股份有限公司). Guangxi Aluminum is subsidiary of Guangxi Investment Group, which is a wholly owned by the People's Government of Guangxi Zhuang Autonomous Region. Nanning Investment Group is wholly owned by the SASAC of Nanning Municipal People's Government.

DEFINITIONS

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

“Board”	the board of Directors
“BSYH Aluminum” or “Previous Lessee I”	廣西百色廣投銀海鋁業有限責任公司 (Guangxi Baise GIG Yin Hai Aluminium Co. Ltd.*)
“China Petrochemical Corporation”	中國石油化工集團有限公司 (China Petrochemical Corporation*), and formerly known as 中國石油化工集團公司 (China Petrochemical Corporation*), a wholly state-owned enterprise incorporated in the PRC
“Company”	China Taiping Insurance Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Current Finance Lease Agreement”	a finance lease agreement in respect of the Leased Assets of the Current Transaction entered into between the Lessor and the Lessee on 1 February 2024
“Current Transaction”	the finance lease transaction contemplated under the Current Finance Lease Agreement
“Director(s)”	the director(s) of the Company
“Finance Lease Transactions”	collectively, the Previous Transactions and the Current Transaction
“Group”	the Company and its subsidiaries
“Guangxi Aluminum”	廣西鋁業集團有限公司 (Guangxi Aluminum Group Co., Ltd.*)
“Guangxi Energy”	廣西能源集團有限公司 (Guangxi Energy Group Co., Ltd.*)

“Guangxi Investment Group”	廣西投資集團有限公司 (Guangxi Investment Group Co., Ltd.*)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Laibin Electric Power” or “Previous Lessee III”	廣西投資集團來賓發電有限公司 (Guangxi Investment Group Laibin Electric Power Co., Ltd.*)
“Leased Assets of the Current Transaction”	three-stage aging furnaces, roller grinders and other machine and equipment located at the Lessee’s factory zone in Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, the PRC
“Leased Assets of the Previous Transactions”	the leased assets of the Previous Transactions, including the Leased Assets of the Previous Transaction I, the Leased Assets of the Previous Transaction II and the Leased Assets of the Previous Transaction III, details of which are set out in this announcement
“Lessee” or “ALG Aluminum” or “Previous Lessee II”	廣西南南鋁加工有限公司 (ALG Aluminum Inc.*), a limited liability company established in the PRC
“Lessor” or “TSFL”	太平石化金融租賃有限責任公司 (Taiping & Sinopec Finance Leasing Co. Ltd.*), a limited liability company established in the PRC and a subsidiary of the Company, owned as to 50% by TPL and China Petrochemical Corporation, respectively, as at the date of this announcement
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Nanning Investment Group”	南寧產業投資集團有限責任公司 (Nanning Industrial Investment Group Co., Ltd.*)
“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
“Previous Finance Lease Agreement(s)”	the finance lease agreement(s) in respect of the Leased Assets of the Previous Transactions entered into between the Lessor and the Previous Lessees in the past 12 months, including the Previous Finance Lease Agreement I, the Previous Finance Lease Agreement II and the Previous Finance Lease Agreement III, details of which are set out in this announcement
“Previous Lessee(s)”	BSYH Aluminum (as the Previous Lessee I), ALG Aluminum (as the Previous Lessee II) or Laibin Electric Power (as the Previous Lessee III)
“Previous Transaction(s)”	the finance lease transaction(s) contemplated under the Previous Finance Lease Agreement(s), including the Previous Transaction I, the Previous Transaction II and the Previous Transaction III, details of which are set out in this announcement

“RMB”	Renminbi, the lawful currency of the PRC
“SASAC”	The State-owned Assets Supervision and Administration Commission of the State Council
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“TPL”	Taiping Life Insurance Company Limited, a company established in the PRC with limited liability and a subsidiary of the Company owned as to 75.1% by 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
Company Secretary

Hong Kong, 1 February 2024

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.