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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 AND CONNECTED TRANSACTION RELATING TO THE CAPITAL INCREASE OF TPP**

### **DEEMED DISPOSAL OF EQUITY INTERESTS IN TPP AND GRANT OF SHAREHOLDER'S RIGHT TO INCREASE HOLDINGS**

#### **RESULT OF THE PUBLIC TENDER AND THE CAPITAL INCREASE**

Reference is made to the announcement of the Company dated 21 September 2023 in respect of the potential capital increase by way of issuance of shares by TPP, a wholly-owned subsidiary of the Company, to external investor(s).

The Board announces that Ageas, a wholly-owned subsidiary of ageas SA/NV, a listed international insurance group which offers life and non-life insurance products to customers in European and Asian markets, has been confirmed by SUAEE as the only qualified bidder in accordance with the rules and requirements of the Public Tender.

#### **THE CAPITAL INCREASE**

The Board further announces that on 20 May 2024, the Company, Dragon Jade, Ageas and TPP entered into the Capital Increase Agreement, pursuant to which Ageas has conditionally agreed to subscribe for, and TPP has conditionally agreed to issue, the Subscription Shares representing approximately 10% of the enlarged issued share capital of TPP at the Consideration of RMB 1.075 billion.

Upon completion of the Capital Increase, the issued share capital of TPP as enlarged by the Capital Increase will be held as to approximately 90% by the Company and approximately 10% by Ageas, with TPP as a non-wholly owned subsidiary of the Company.

#### **GRANT OF SHAREHOLDER'S RIGHT TO INCREASE HOLDINGS**

Pursuant to the Shareholders' Agreement, at any time after the date of the Shareholders' Agreement until the third anniversary of the date of Completion, Ageas shall have the option itself to subscribe, or to nominate one or more of its affiliates which meet the law to subscribe, at any time and from time to time, in one or more exercise, such number of shares to be issued by TPP as would result in the shareholding percentage of Ageas and its affiliates being a percentage up to and including 24.99%.

## LISTING RULES' IMPLICATIONS

Following Completion, the Company's interest in TPP will be diluted and therefore the Capital Increase constitutes a deemed disposal of the Company pursuant to Rule 14.29 of the Listing Rules. Given that the exercise of the Shareholder's Right to Increase Holdings is not at the discretion of TPP, pursuant to Rule 14.74 of the Listing Rules, the grant of the Shareholder's Right to Increase Holdings will be classified as if it had been exercised. As the Shareholder's Right to Increase Holdings (if exercised) and the Capital Increase involve the equity interests in the same company, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings shall be aggregated in accordance with Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) exceed 5% but all are less than 25%, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are subject to the notification and announcement requirements under the Listing Rules.

As at the date of this announcement, Ageas directly and indirectly holds 24.9% equity interests in TPL, directly holds 20% equity interests in TPAM and 25% equity interests in TPRe respectively, all of which are non-wholly owned subsidiaries of the Company. Ageas is therefore a connected person of the Company at the subsidiary level, by virtue of being a substantial shareholder of its non-wholly owned subsidiaries. As such, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings also constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

The Board has approved the Capital Increase and the grant of the Shareholder's Right to Increase Holdings and the independent non-executive Directors have confirmed that, although the Capital Increase and the grant of the Shareholder's Right to Increase Holdings are not conducted in the ordinary and usual course of business of the Group, the terms of the Capital Increase and the grant of the Shareholder's Right to Increase Holdings are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole. Accordingly, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

None of the Directors has a material interest in the proposed Capital Increase and the grant of the Shareholder's Right to Increase Holdings nor is required to abstain from voting from the Board resolutions for considering and approving the same pursuant to the articles of association of the Company.

**As the completion of the transactions under the Capital Increase Agreement and Shareholders' Agreement is subject to the fulfilment or waiver (as the case may be) of certain conditions precedent as stipulated therein, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

## INTRODUCTION

Reference is made to the announcement of the Company dated 21 September 2023 in respect of the potential capital increase by way of issuance of shares by TPP, a wholly-owned subsidiary of the Company, to external investor(s).

The Board announces that Ageas, a wholly-owned subsidiary of ageas SA/NV, a listed international insurance group which offers life and non-life insurance products to customers in European and Asian markets, has been confirmed by SUAEE as the only qualified bidder in accordance with the rules and requirements of the Public Tender.

The Board further announces that on 20 May 2024, the Company, Dragon Jade, Ageas and TPP entered into the Capital Increase Agreement, pursuant to which Ageas has conditionally agreed to subscribe for, and TPP has conditionally agreed to issue, the Subscription Shares representing approximately 10% of the enlarged issued share capital of TPP at the Consideration of RMB 1.075 billion. Details of the Capital Increase Agreement are set out below.

## CAPITAL INCREASE AGREEMENT

**Date** : 20 May 2024

**Parties** : the Company, Dragon Jade, Ageas and TPP

**Capital Increase** : Pursuant to the Capital Increase Agreement, on the basis of TPP's net assets as at the Benchmark Date, TPP shall issue 333,333,300 shares of TPP to Ageas, and the price per Subscription Share subscribed by Ageas shall be RMB3.225 per share and the total price of the Subscription Shares shall be RMB1.075 billion (the "**Consideration**"). TPP shall increase its registered capital from RMB3,000,000,000 to RMB3,333,333,300 through the issue of the Subscription Shares to Ageas.

A portion of the Consideration in the amount of RMB333,333,300 shall be accounted for as the registered capital of TPP, and after deducting such amount which is counted towards the registered capital of TPP, the remaining portion of the Consideration in the amount of RMB741,666,700 shall be accounted for as its capital reserve.

**Payment of the Consideration** : TPP shall send a written request to Ageas within three business days after the date of the Capital Increase Agreement for remittance of the Consideration. Within 20 business days after receiving such written request from TPP (or such longer period as then agreed by the parties), Ageas shall remit or cause to be remitted to the escrow account ("**Escrow Account**", being TPP's capital account) a total amount equal to the Consideration in RMB.

Ageas intends to use the dividends to be received from PRC domestic investments to pay a portion of the Consideration for the Capital Increase to TPP pursuant to the regulations under the Cai Shui [2018] No. 102 Circular effective as at 1 January 2018 issued by the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission and the Ministry of Commerce and other relevant rules and regulations. Specific payment arrangements shall be agreed upon in writing by the relevant parties separately.

**Conditions Precedent** : The obligation of Ageas and TPP to complete the Capital Increase is conditional on the satisfaction of all of the following conditions on or before the Long Stop Date:

- (a) the following consents, notifications, registrations and approvals of the relevant governmental authorities having been made, fulfilled or obtained, and such consents, notifications, registrations and approvals remaining valid and effective:

- (i) NFRA having granted its approval of (A) the changes in the registered capital and shareholder of TPP as a result of the Capital Increase and (B) the amended articles of association of TPP; and
  - (ii) a concentration of undertakings notification in relation to the Capital Increase having been submitted to SAMR in accordance with the Anti-Monopoly Law (if applicable), and where the above notification on concentration of undertakings is required to be submitted for the Capital Increase, SAMR having issued an unconditional no-further review or no-objection decision in relation to the Capital Increase or having approved the Capital Increase subject to formal or informal conditions, obligations, undertakings and/or modifications that are acceptable to Ageas, or SAMR having failed to issue any decision in relation to the Capital Increase within the applicable statutory time period set forth under the Anti-Monopoly Law; and
- (b) no governmental authority having granted any order or made any decision or relevant law or policy that explicitly restricts or prohibits the Subscription by Ageas or other transactions contemplated under any of the transaction documents in connection with the Capital Increase.

The obligation of Ageas to complete the Capital Increase is conditional on the satisfaction or waiver, at or prior to Completion, of the following additional conditions:

- (c) (i) each of the major warranties shall be true, accurate and not misleading on and as at the Completion Date by reference to the facts and circumstances existing on the Completion Date, and (ii) each of the warranties (other than the major warranties) shall be true, accurate and not misleading in all material respects on and as at the Completion Date by reference to the facts and circumstances existing on the Completion Date;
- (d) one person nominated by Ageas (the “**Ageas Director Nominee**”) having been duly nominated as director of TPP and as member of the Risk Management and Consumer Rights Protection Committee and the Audit Committee of TPP;
- (e) through a resolution adopted by the shareholders’ general meeting of TPP or in other written form, each existing shareholder having waived its pre-emptive right, right of first refusal, anti-dilution protection and any other similar rights it may have in respect of the Capital Increase;
- (f) TPP having complied with the pre-completion undertakings;
- (g) TPP having passed the inspection of MoHRSS and resumed the operation of new businesses under the enterprise annuity fund investment and management business, and MoHRSS not having imposed any additional conditions or requirements on TPP’s resumption of the operation of new businesses under the enterprise annuity fund investment and management business;
- (h) no material adverse effect having occurred;

- (i) the absence of news, announcements or any other information that could reasonably be believed to be credible concerning any actual or alleged breach of laws or regulations by TPP or its affiliates or their respective representatives published by media that could reasonably be believed to be credible or governmental authorities, between the date of the Capital Increase Agreement and Completion, that could have a material and adverse impact from a reputational or compliance perspective on China Taiping and its subsidiaries, taken as a whole, TPP, or Ageas or its affiliates (in being associated with the TPP); and
- (j) the New Business Plan approved by TPP and its existing shareholders not having and not being reasonably expected to have an adverse effect on the overall impact on the value of the Capital Increase as a whole for Ageas of more than 10% of the Consideration, which effect shall be calculated in good faith by Ageas in determining such impact.

**Completion** : Completion shall take place remotely via the exchange of documents and signatures on the Completion Date.

At Completion, TPP shall deliver to or to the order of Ageas:

- (a) a copy of the shareholders' register of TPP reflecting that Ageas holds 10% of the issued shares of TPP;
- (b) a capital contribution certificate stating the total amount of the capital contributed by Ageas to TPP and reflecting completion of the Capital Increase;
- (c) a copy of the resolutions of the board of directors of TPP approving (1) the execution and delivery of, and the performance by TPP of its obligations under the Capital Increase Agreement and each of the other transaction documents to which it is a party, and (2) the nomination of the Ageas Director Nominee as member of the Risk Management and Consumer Rights Protection Committee and the Audit Committee of TPP, who is to be duly appointed upon obtaining NFRA's approval of his/her qualifications;
- (d) a copy of the resolutions of the shareholders' general meeting of TPP (i) approving the matters set out in (c) above; (ii) approving the amended articles of association, and (iii) subject to obtaining NFRA approval, appointing the Ageas Director Nominee as director of TPP;
- (e) the duly executed amended articles of association by TPP and its existing shareholders, in a form approved by NFRA;
- (f) each of the transaction documents in connection with the Capital Increase, which has been duly executed by the parties thereto (other than Ageas); and
- (g) a confirmation letter issued by TPP confirming that all the conditions set out in the Capital Increase Agreement that are applicable to it have been satisfied.

At Completion, Ageas shall:

- (h) deliver to TPP copies of minutes of a meeting of the directors of Ageas (or unanimous written resolutions of all the directors of Ageas) authorising or approving (i) the execution and delivery of, and the performance by Ageas of its obligations under the Capital Increase Agreement and each of the other transaction documents to which Ageas is party; (ii) the subscription of the Subscription Shares under the Capital Increase Agreement; and (iii) the nomination by Ageas of relevant persons to be the Ageas Director Nominee;
- (i) deliver to TPP the Shareholders' Agreement duly executed by Ageas and the amended articles of association approved by NFRA;
- (j) issue to TPP a confirmation letter confirming that all conditions set out in the Capital Increase Agreement applicable to it have been satisfied; and
- (k) deliver to TPP a Joint Unsealing Notice under the escrow agreement, issued by Ageas, which represents Ageas's instruction to the escrow agent to release the amount wired to or caused to be wired to the Escrow Account pursuant to the Capital Increase Agreement and the interest accrued thereon from the escrow arrangements.

If a party (the "**Affected Party**") fails or is unable to comply with any of its obligations under the Capital Increase Agreement on the Completion Date then the other party (the "**Unaffected Party**") may (in addition and without prejudice to any other rights or remedies available to it):

- (l) defer Completion (by notice to the Affected Party) to a date (being a business day which both parties mutually agree) in which case the provisions of the Capital Increase Agreement shall apply to Completion as so deferred;
- (m) proceed to Completion so far as practicable, but without prejudice to the Unaffected Party's rights where the Affected Party has not complied with its obligations under the Capital Increase Agreement; or
- (n) deliver a notice in writing to the Affected Party requesting it to comply with all of its obligations under the Capital Increase Agreement within 10 business days of receipt of such notice. If the Affected Party fails to comply with all of its obligations under the Capital Increase Agreement or if such obligations are not waived within the aforementioned 10 business days, the Unaffected Party shall have the right to terminate the Capital Increase Agreement on such date by notice to the Affected Party in accordance with the Capital Increase Agreement.

## **BASIS OF DETERMINATION FOR THE CONSIDERATION**

The Consideration for the Capital Increase was determined by friendly and fair negotiation among all parties, taking into account relevant factors. These factors mainly include: (i) the historical financial performance of TPP; (ii) the prospects of China's pension financial market and the comprehensive strength of TPP; and (iii) comparable market transaction case.

As of now, there are no listed PRC domestic pension insurance companies. Therefore, equity transaction cases of domestic pension insurance companies were selected, and evaluated using the price-to-book ratio (P/B) and price-to-assets under management ratio (P/AUM) as comparable quantitative indicators, following the insurance industry convention. Comparable transaction was identified based on the following selection criteria: (i) the transaction target is a pension insurance company or a company mainly engaged in domestic pension fund management business incorporated in the PRC; (ii) in terms of transaction structure, the counterparty should be a new shareholder of the transaction target; and (iii) considering the timeliness of comparable transaction, the transaction should have been completed within the last five years. Detailed information on comparable transaction is as follows:

<b>Target Company</b> Notes 1 and 2	<b>Counter-party</b> Notes 1 and 2	<b>Transaction Content</b> Notes 1 and 2	<b>Transaction Announcement Date</b> Notes 1 and 2	<b>Transaction Consideration</b> Note 1	<b>Net Assets of the Target Company</b> Note 3	<b>P/B</b>	<b>P/AUM</b>
CCB Pension Management Co., Ltd.	Principal Financial Services, Inc.	China Construction Bank Corporation and National Council for Social Security Fund transferred their 15% and 2.647% equity interests in CCB Pension Management Co., Ltd. to Principal Financial Services, Inc. Upon completion of the equity transfer, China Construction Bank Corporation, National Council for Social Security Fund and Principal Financial Services, Inc. hold 70%, 12.353% and 17.647% equity interests in CCB Pension Management Co., Ltd., respectively.	Project tender announcement disclosed on the website of Beijing Financial Assets Exchange: 28 September 2020; announcement on change of shareholder disclosed on the website of the Insurance Association of China: 13 April 2022	RMB1.407 billion	The audited net assets as at the end of the financial year prior to the date of the tender announcement (i.e., 31 December 2019): RMB2.472 billion	3.22	0.015

Note:

1. The information is sourced from the announcement disclosed on the website of Beijing Financial Assets Exchange.
2. The information is sourced from the announcement disclosed on the website of Insurance Association of China.
3. The information is sourced from the 2019 annual report of China Construction Bank Corporation.

Ageas proposed to invest RMB1.075 billion for capital increase in TPP. Upon completion of the Capital Increase, Ageas will hold 10% of the enlarged equity interests in TPP. Such investment implied a valuation of RMB9.7 billion for the total shareholders' equity of TPP prior to the Capital Increase. The corresponding implied price-to-book ratio (P/B) for TPP stands at approximately 3.01 times (calculated by dividing TPP's pre-investment valuation of RMB9.7 billion by TPP's audited net assets of RMB3.219 billion as at the Benchmark Date). The corresponding implied price-to-assets under management ratio (P/AUM) for TPP is approximately 0.017 times (calculated by dividing TPP's pre-investment valuation of RMB9.7 billion by TPP's pension assets under management of RMB587.8 billion as at the Benchmark Date). These ratios align closely with the price-to-book ratio (P/B) and price-to-assets under management ratio (P/AUM) observed in the comparable market transaction.

## SHAREHOLDERS' AGREEMENT

On 20 May 2024, the Company, Dragon Jade, Ageas and TPP entered into the Shareholders' Agreement governing the rights and obligations of the Company, Dragon Jade, Ageas and TPP. The Shareholders' Agreement includes the following principal terms, among others:

**Shareholder's Right to Increase Holdings** : At any time after the date of the Shareholders' Agreement until the third anniversary of the date of Completion (the "**Shareholder's Right to Increase Holdings Exercise Period**"), Ageas shall have the option itself to subscribe, or to nominate one or more of its affiliates which meet the law to subscribe, at any time and from time to time, in one or more exercise, such number of shares to be issued by TPP as would result in the shareholding percentage of Ageas and its affiliates being a percentage up to and including 24.99%.

Ageas shall have the right, at any time and from time to time during the Shareholder's Right to Increase Holdings Exercise Period, to give written notice to TPP of its intention to exercise the Shareholder's Right to Increase Holdings ("**Indicative Interest Notice**").

The exercise price of the Shareholder's Right to Increase Holdings shall strictly comply with applicable laws and the regulatory provisions of PRC governmental authorities and shall be determined through friendly negotiation based on the then approved or filed State-owned asset valuation result. Based on the expected future business development, the parties expect that the valuation applicable to the shares subject to the Shareholder's Right to Increase Holdings shall be the valuation of TPP applicable to Ageas' initial investment in TPP plus simple interest of 5% to 15% per annum (adjusted for any dividends and any raising in the capital of TPP since the date of Completion).

After receipt of the Indicative Interest Notice, TPP shall promptly initiate the procedures for the capital increase. Promptly within 30 business days after the date of the Indicative Interest Notice, it shall appoint an independent accredited State-owned asset appraiser to commence the asset appraisal and instruct the State-owned asset appraiser to issue an asset appraisal report promptly and in any event within 45 business days after its appointment. Within five business days after the date of issue of the report, TPP shall deliver a copy of the report to Ageas, and shall determine the subscription price with Ageas as follows:



- (a) in the event that Ageas exercises the Shareholder's Right to Increase Holdings within one year after the Completion of the Capital Increase or Ageas exercises the Shareholder's Right to Increase Holdings on a date which is one year or more after the Completion of the Capital Increase and the issue of shares pursuant to the exercise of the Shareholder's Right to Increase Holdings cannot be conducted on a non-public private agreement basis pursuant to applicable laws of the PRC, subject to compliance with applicable laws, TPP and its original shareholders shall use their best endeavours to agree the subscription price per share with Ageas through friendly negotiation within six months after the date of the appraisal report;
- (b) in the event that Ageas exercises the Shareholder's Right to Increase Holdings on a date which is one year or more after the Completion of the Capital Increase and the issue of shares pursuant to the exercise of the Shareholder's Right to Increase Holdings can be conducted on a non-public private agreement basis pursuant to applicable laws of the PRC, TPP and its original shareholders shall use their best endeavours to agree the subscription price per share with Ageas through friendly negotiation within three months after the date of the appraisal report; and
- (c) the Company shall procure that Dragon Jade shall act in concert with the Company during the price negotiation process and shall not unreasonably withhold its consent to the subscription price per share determined in accordance with the Shareholders' Agreement.

If Ageas wishes to exercise the Shareholder's Right to Increase Holdings, the Shareholder's Right to Increase Holdings shall be exercisable by serving a written notice (a "**Shareholder's Right to Increase Holdings Notice**") by Ageas to TPP within ten business days after Ageas and TPP and its original shareholders agree on the subscription price per share.

Upon receipt of a Shareholder's Right to Increase Holdings Notice, all shareholders shall, promptly and, subject to compliance with applicable laws, within ten business days after the per-share price has been determined in accordance with the Shareholders' Agreement or within such other period as may be agreed between the parties, pass such resolutions as may be necessary to give effect to the exercise of the Shareholder's Right to Increase Holdings and, subject to Ageas having provided applicable application documents that are compliant with relevant regulatory provisions to TPP in time, cause TPP to, and TPP shall, enter into a capital increase agreement with Ageas.

In the event that Ageas exercises the Shareholder's Right to Increase Holdings, the exercise price payable by Ageas will not exceed RMB3.73 billion (assuming (i) an annual simple interest rate of 15%; (ii) no dividends or capital raisings by TPP during the Shareholder's Right to Increase Holdings Exercise Period; (iii) full exercise of the Shareholder's Right to Increase Holdings; and (iv) a maximum six-year period from the date of the Capital Increase Agreement to the delivery of the Shareholder's Right to Increase Holdings Notice by Ageas to TPP). For the avoidance of doubt, the aforementioned maximum exercise price of the Shareholder's Right to Increase Holdings does not reflect the actual profitability of TPP and does not constitute a profit forecast as stipulated in Rule 14.61 of the Listing Rules.

**General Shareholders' Protection Rights** : Include the pre-emptive right, right of first refusal and tag-along right.

**Corporate Governance** : The board of directors of TPP shall comprise nine directors.

For so long as the total number of TPP's shares held by Ageas and its affiliates accounts for at least 10% but less than 20% of the total number of TPP's shares, the Company shall have the right to nominate three directors as members of the board of directors, and Ageas shall have the right to nominate one director as a member of the board of directors.

For so long as the total number of TPP's shares held by Ageas and its affiliates accounts for at least 20% of the total number of TPP's shares, the Company shall have the right to nominate three directors as members of the board of directors, and Ageas shall have the right to nominate two directors as members of the board of directors.

## **REASONS FOR AND BENEFITS OF THE CAPITAL INCREASE**

TPP's introduction of Ageas as an investor is conducive to supplementing its capital, providing capital assurance for the expansion of the pension insurance business and supporting its development. At the same time, through establishing capital ties and promoting the integration of attracting investment, wisdom, and technology, TPP will study and draw on Ageas' management models and advanced experiences in the design of pension insurance products, sales management, customer service, and investment operations in internationally mature markets. This will further consolidate and enhance TPP's core competitive advantages, achieving high-quality development in serving the construction of a multi-level and multi-pillar pension insurance system. Additionally, the introduction of Ageas is beneficial for optimising TPP's shareholding structure, establishing and improving a market-oriented corporate governance mechanism. In the management decision-making process of the "Three Meetings and One Level" structure, TPP can fully learn from internationally excellent governance experience and operational mechanisms, promoting the improvement of its management level and operational efficiency, and providing strong support for the long-term and stable development of TPP.

Based on the above, the Directors are of the view that the terms of the Capital Increase and the grant of the Shareholder's Right to Increase Holdings are fair and reasonable and in the interests of the Company its shareholders as a whole.

## **FINANCIAL IMPACT OF THE CAPITAL INCREASE**

Upon completion of the Capital Increase, the equity interests of TPP held by the Company will be reduced from 100% at present to 90% and TPP will become a non wholly-owned subsidiary of the Company and its results will remain consolidated into the results of the Group.

As the Capital Increase will not result in the Company's loss of control over TPP, the Capital Increase will be accounted for as an equity transaction and will not result in the recognition of any gain or loss in the Company's consolidated statement of profit or loss and other comprehensive income. There will be no material financial impact on the Company resulting from the Capital Increase.

## INFORMATION OF TPP

TPP is principally engaged in the business of pension fund management, commercial pension and commercial pension insurance in the PRC. As at the date of this announcement, TPP is owned as to 99.99% by the Company and 0.01% by Dragon Jade, a wholly-owned subsidiary of the Company.

The audited consolidated financial information of TPP for each of the two financial years ended 31 December 2022 and 2023 is set out below:

	Year ended 31 December	
	2022 RMB'000	2023 RMB'000
Profits/(Losses) before taxation	18,164	(85,746)
Profits after taxation	78,681	9,794

The audited net asset value of TPP as at 31 December 2023 was RMB3,425,671,867.

## 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 Mainland, Hong Kong and Macau of the PRC and Singapore, direct property and casualty insurance business in the Mainland, Hong Kong and Macau of the PRC 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 Dragon Jade*

Dragon Jade is a company established in the PRC with limited liability, mainly engaged in the leasing of workshops in the Dragon Jade Industrial Zone located in Bantian Village, Buji Town, managing its own properties, car rental (excluding car rental with operators), and providing vehicle parking services at the Dragon Jade parking lot in Bantian Village, Buji Town, Longgang District, as well as property management and vehicle parking services of Junyuege Building at No.9, Yannan Road, Futian. As at the date of this announcement, Dragon Jade is a wholly-owned subsidiary of the Company.

### *Information of Ageas*

Ageas is a company incorporated under the laws of the Netherlands, existing under the laws of Belgium with limited liability, and is part of a listed international insurance group with a 200-year heritage. As one of Europe's larger insurance companies, Ageas concentrates its activities in Europe and Asia through a combination of wholly-owned subsidiaries and long-term partnerships with leading financial institutions and key distributors. The company offers life and non-life solutions to retail and business customers and engages in reinsurance activities. The ultimate beneficial owner of Ageas is ageas SA/NV, a company listed on Euronext Brussels.

## LISTING RULES' IMPLICATIONS

Following Completion, the Company's interest in TPP will be diluted and therefore the Capital Increase constitutes a deemed disposal of the Company pursuant to Rule 14.29 of the Listing Rules. Given that the exercise of the Shareholder's Right to Increase Holdings is not at the discretion of TPP, pursuant to Rule 14.74 of the Listing Rules, the grant of the Shareholder's Right to Increase Holdings will be classified as if it had been exercised. As the Shareholder's Right to Increase Holdings (if exercised) and the Capital Increase involve the equity interests in the same company, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings shall be aggregated in accordance with Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) exceed 5% but all are less than 25%, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are subject to the notification and announcement requirements under the Listing Rules.

As at the date of this announcement, Ageas directly and indirectly holds 24.9% equity interests in TPL, directly holds 20% equity interests in TPAM and 25% equity interests in TPRe respectively, all of which are non-wholly owned subsidiaries of the Company. Ageas is therefore a connected person of the Company at the subsidiary level, by virtue of being a substantial shareholder of its non-wholly owned subsidiaries. As such, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings also constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

The Board has approved the Capital Increase and the grant of the Shareholder's Right to Increase Holdings and the independent non-executive Directors have confirmed that, although the Capital Increase and the grant of the Shareholder's Right to Increase Holdings are not conducted in the ordinary and usual course of business of the Group, the terms of the Capital Increase and the grant of the Shareholder's Right to Increase Holdings are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole. Accordingly, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

None of the Directors has a material interest in the proposed Capital Increase and the grant of the Shareholder's Right to Increase Holdings nor is required to abstain from voting from the Board resolutions for considering and approving the same pursuant to the articles of association of the Company.

**As the completion of the transactions under the Capital Increase Agreement and Shareholders' Agreement is subject to the fulfilment or waiver (as the case may be) of certain conditions precedent as stipulated therein, the Capital Increase and the grant of the Shareholder's Right to Increase Holdings may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Ageas”	Ageas Insurance International NV, a company incorporated under the laws of the Netherlands and existing under the laws of Belgium
“Anti-Monopoly Law”	the Anti-Monopoly Law of the People's Republic of China and all laws, rules, regulations and opinions promulgated thereunder

“associate”	has the meaning as defined in the Listing Rules
“Benchmark Date”	31 December 2022, being the end of the financial year prior to the date of the tender announcement in accordance with the relevant rules for public tender on the SUAEE
“Board”	the board of directors of the Company
“Capital Increase”	the capital increase of RMB1.075 billion in cash by Ageas to TPP pursuant to the Capital Increase Agreement, upon completion of which Ageas will hold 10% of the shares of TPP
“Capital Increase Agreement”	the capital increase agreement dated 20 May 2024 entered into by Ageas, the Company, Dragon Jade and TPP in relation to the Capital Increase
“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
“Completion”	completion of the Capital Increase
“Completion Date”	the fifth business day after the date (such date not being after the Long Stop Date) on which the last of the conditions precedent under the Capital Increase Agreement is fulfilled or (if applicable) waived in accordance with the Capital Increase Agreement (other than such conditions precedent that by their terms cannot be fulfilled until Completion, subject to their fulfillment at Completion), or such other date following the fulfillment or (if applicable) waiver of the conditions precedent as agreed in writing by TPP and Ageas
“connected person(s)”	has the meaning as defined in the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date falling eighteen months after the date of the Capital Increase Agreement, provided that if on the foregoing date the condition precedent (a) under the paragraph “Conditions Precedent” in this announcement has not been satisfied but all other conditions (other than those conditions that by their terms cannot be satisfied until Completion) have been satisfied or (if applicable) waived then the long-stop date shall be automatically extended for a period of three months; provided further that if the condition precedent (a) under the paragraph “Conditions Precedent” in this announcement still has not been satisfied within such three month-period, Ageas and TPP shall discuss in good faith for a period of two months whether to further extend the long-stop date, failing which the long-stop date shall not be further extended unless otherwise agreed between the parties

“Dragon Jade”	Dragon Jade Industrial District Management (Shenzhen) Co., Ltd. (also known as Longbi Industry Development Management (Shenzhen) Co., Ltd.), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company as at the date of this announcement
“MoHRSS”	the Ministry of Human Resources and Social Security of the PRC or its competent local counterparts
“New Business Plan”	a detailed draft of the new business plan (including the overall strategic intent) of TPP to be provided by TPP and its existing shareholders to Ageas within two months after the date of the Capital Increase Agreement in response to the Interim Measures on the Administration of Pension Insurance Companies published by NFRA on 25 November 2023, which shall take into account the potential favourable and unfavourable impact of carving out the non-permitted businesses of TPP under the aforementioned Interim Measures and any impact of the new business plan on TPP’s affiliates
“NFRA”	the PRC National Financial Regulatory Administration (formed on the basis of the China Banking and Insurance Regulatory Commission) or its competent local counterparts
“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
“Public Tender”	the process of a public tender on the SUAEE in relation to the potential capital increase by way of issuance of shares, representing approximately 10% of the issued share capital of TPP as enlarged by the potential capital increase, by TPP to external investor(s)
“RMB”	Renminbi, the lawful currency of the PRC
“SAMR”	the State Administration for Market Regulation of the PRC or its competent local counterparts
“Shareholder’s Right to Increase Holdings”	the shareholder’s right to increase holdings granted by TPP to Ageas under the Shareholders’ Agreement, pursuant to which Ageas has the option itself to subscribe, or to nominate one or more of its affiliates which meet the law to subscribe, at any time and from time to time, in one or more exercise, such number of shares to be issued by TPP as would result in the shareholding percentage of Ageas and its affiliates being a percentage up to and including 24.99%
“Shareholders’ Agreement”	the shareholders’ agreement dated 20 May 2024 entered into by the Company, Dragon Jade, Ageas and TPP
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SUAEE”	The Shanghai United Asset Equity Exchange Co., Ltd.

“Subscription”	the subscription of the Subscription Shares by Ageas in accordance with the Capital Increase Agreement
“Subscription Shares”	the new shares to be issued by TPP to Ageas under the Capital Increase Agreement, being 333,333,300 new shares which would result in Ageas holding 10% of the total issued share capital of the Company (as enlarged by the Subscription) immediately after Completion
“TPAM”	Taiping Asset Management Company Limited, a company established in the PRC with limited liability and a subsidiary of the Company owned as to 80% by the Company and as to 20% by Ageas as at the date of this announcement, which is mainly engaged in the provision of investment consultancy services
“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 and as to 24.9% directly and indirectly by Ageas as at the date of this announcement, which is mainly engaged in underwriting direct life insurance contracts in the PRC
“TPP”	Taiping Pension Company Ltd., a joint stock company established in the PRC and a wholly-owned subsidiary of 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 Ageas as 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, 20 May 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.*