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## FUTURE PLANS AND USE OF PROCEEDS

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### FUTURE PLANS

We plan to exploit the opportunities arising from our further penetration of the Hong Kong general insurance market and expected growth in the PRC general insurance market. Our primary aim is to create shareholder value by leveraging our competitive strengths and maintaining profitable growth, through the implementation of the following initiatives described in “Our Business – Our Strategy”:

- expanding our distribution network and product offerings in the PRC, particularly in the area of personal insurance, and increasing our market share;
- continuing to penetrate and maintain a leading position in the Hong Kong market and leveraging our presence and experience in the Hong Kong market to grow our PRC business;
- continuing to employ and improve upon stringent risk management and disciplined cost control methods; and
- attracting and retaining the best people in the industry.

### USE OF PROCEEDS

We estimate that the aggregate net proceeds to us from the Global Offering (after deducting underwriting fees and estimated expenses payable by us in connection with the Global Offering), assuming the Over-allotment Option is not exercised and assuming an Offer Price of HK\$1.58 per Share, being the mid-point of the proposed Offer Price range of HK\$1.28 to HK\$1.88 per Share, will be approximately HK\$901 million (HK\$1,061 million, if the Over-allotment Option is exercised in full). We currently intend to use approximately 85% or HK\$766 million of the net proceeds to support our PRC expansion strategy, including for capital requirements and setting up new branches in cities and provinces such as Beijing, Shanghai, Jiangsu, Zhejiang, Shandong and Hebei. We currently intend to use approximately 5% or HK\$45 million of the net proceeds for further investment to improve our IT system infrastructure, such as the customised core business operating system and the financial software. We currently intend to use approximately 10% or HK\$90 million of the net proceeds for general corporate purposes in respect of our Ming An Hong Kong operations including supporting our retention ratio, in compliance with the applicable solvency margin requirements, such that we may cede less of our premiums in respect of additional policies written by us.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we intend to deposit the net proceeds into short-term demand deposits and/or money market instruments.

In the event that the Offer Price is fixed at HK\$1.28 per Share, being the lowest price of the estimated Offer Price range, the net proceeds will be reduced by approximately HK\$175 million. In such circumstances, our Directors intend to reduce the application of the proceeds for supporting our PRC expansion strategy, for further investment to improve our IT system infrastructure and for general corporate purposes in respect of our Ming An Hong Kong operations in the same proportion as shown above.

In the event that the Offer Price is fixed at HK\$1.88 per Share, being the highest price of the estimated Offer Price range, the net proceeds will be increased by approximately HK\$175 million. In such circumstances, our Directors intend to increase the application of the proceeds for supporting our PRC expansion strategy, for further investment to improve our IT system infrastructure and for general corporate purposes in respect of our Ming An Hong Kong operations in the same proportion as shown above.