

1. FURTHER INFORMATION ABOUT THE COMPANY

A. Incorporation

We were incorporated in the Cayman Islands under the Cayman Companies Law as an exempted company with limited liability on 5 September 2006.

We have established a principal place of business in Hong Kong at 19th Floor, Ming An Plaza, 8 Sunning Road, Causeway Bay, Hong Kong and are registered with the Registrar of Companies as an oversea company under Part XI of the Hong Kong Companies Ordinance. Mr. Peng Wei has been appointed as our agent for the acceptance of service of process in Hong Kong.

As we were incorporated in the Cayman Islands, we are subject to the relevant laws and regulations of the Cayman Islands. A summary of the relevant laws and regulations of the Cayman Islands and our Articles of Association is set out in Appendix VI.

B. Changes in share capital

As at the date of our incorporation, our authorised share capital was HK\$500,000,000, divided into 5,000,000,000 Shares of par value of HK\$0.10 each, of which one Share was allotted and issued to Reid Services Limited as the sole subscriber. On 5 September 2006, the subscriber Share was transferred to China Insurance HK for a consideration of HK\$0.10.

On 29 November 2006, we allotted and issued 1,454,199,999, 638,000,000 and 107,800,000 Shares to China Insurance HK, Marvel Bonus and Share China, respectively, credited as fully paid in consideration of the transfer of their respective shares in Ming An Hong Kong to us.

Upon completion of the Global Offering (assuming that the Over-allotment Option is not exercised), our authorised share capital will be HK\$500,000,000 comprising 5,000,000,000 Shares and the issued share capital will be HK\$280,133,400, comprising 2,801,334,000 Shares, fully paid or credited as fully paid.

Save as disclosed in this Appendix, there has been no alteration in our share capital since our incorporation.

C. Written resolutions of the shareholders of the Company

Resolutions were passed by our shareholder on 29 November 2006 pursuant to which, among other matters:

- (a) our Directors were authorised to allot and issue, credited as fully paid, 1,454,199,999, 638,000,000 and 107,800,000 Shares to China Insurance HK, Marvel Bonus and Share China, respectively, as consideration for the transfer of their respective shares in Ming An Hong Kong to us;
- (b) conditional on the conditions as stated in “Structure of the Global Offering — Conditions of the Public Offer”:
 - (i) the Global Offering and the Over-allotment Option were approved and our Directors were authorised to allot and issue Shares pursuant to the Global Offering and any Shares which may be required to be issued if the Over-allotment Option is exercised;
 - (ii) a general mandate was given to our Directors to allot, issue and deal with unissued Shares, save that, otherwise than pursuant to, or in consequence of, the Global Offering, a rights issue, the exercise of any subscription right under the options granted under any share option scheme or similar arrangement, any scrip dividend scheme or similar arrangement, any adjustment of rights to subscribe for Shares under options and warrants or a specific authority granted by our shareholders, such mandate

is limited to Shares with an aggregate nominal amount not exceeding the sum of (A) 20% of the aggregate nominal amount of our share capital in issue immediately following the completion of the Global Offering, excluding Shares which may be issued upon the exercise of the Over-allotment Option, and (B) the aggregate nominal amount of our share capital which may be repurchased by us under the authority referred to in paragraph (iii) below, such mandate to remain in effect until the conclusion of our next annual general meeting, the expiration of the period within which our next annual general meeting is required by any applicable law or our Articles of Association to be held, or it is varied or revoked by an ordinary resolution of our shareholders in general meeting, whichever occurs first; and

(iii) a general mandate was given to our Directors to exercise all powers of our Company to repurchase, on the Stock Exchange or on any other stock exchange on which the Shares may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, such aggregate nominal amount of Shares as shall not exceed 10% of the aggregate nominal amount of our share capital in issue immediately following the completion of the Global Offering, excluding Shares which may be issued upon the exercise of the Over-allotment Option, such mandate to remain in effect until the conclusion of our next annual general meeting, the expiration of the period within which our next annual general meeting is required by any applicable law or our Articles of Association to be held, or it is varied or revoked by an ordinary resolution of our shareholders in general meeting, whichever occurs first; and

(d) we approved and adopted our new memorandum and articles of association conditional upon the Listing.

2. THE REORGANISATION

Please refer to the section headed “Our Reorganisation — The Reorganisation”.

3. OUR SUBSIDIARIES

A. Investments in subsidiaries

Our subsidiaries are listed in the Accountants' Report set out in Appendix I.

B. Our subsidiary in the PRC

Ming An China is currently our only wholly owned subsidiary in the PRC.

In May 2004, Ming An Hong Kong obtained CIRC approval to restructure its Shenzhen branch into a wholly owned subsidiary. Subsequently, Ming An China was established in January 2005 as a wholly foreign owned enterprise.

Ming An China has a registered share capital of HK\$300,000,000 fully paid up by Ming An Hong Kong in cash, which may not be reduced.

The business of Ming An China is managed by its board of directors, which may exercise all powers of Ming An China and shall be accountable to its shareholders. Ming An China's financial reports shall be approved by its board of directors and delivered to the CIRC for inspection. Ming An China shall operate for 20 years commencing from the date of issue of the operation licence.

The scope of business of Ming An China, as approved by the CIRC and the SAIC is as follows: financial loss insurance, liability insurance, credit risk insurance, short-term health insurance, accident insurance, the reinsurance of the above; insurance capital service as approved by laws and regulations in the PRC and the other business approved by CIRC. Further, the scope of business of Ming An China approved by the CIRC is compulsory motor vehicles liability insurance; and the business approved by the SAFE asset insurance by foreign currency, life insurance by foreign currency; reinsurance by foreign currency, marine insurance by foreign currency, information research and provider. All the above foreign exchange insurance services shall be limited to the scope of the industries and areas as authorised by the CIRC.

The chairman of the board of directors of Ming An China, Mr. Peng Wei, is the legal representative of Ming An China.

C. Changes in share capital

The following alterations in the share capital or registered capital of our subsidiaries have taken place within the two years preceding the date of this prospectus:

- (a) Richtex Investment Limited: on 30 May 2006, 6,000 shares and 4,000 shares of HK\$1.00 each in Richtex Investment Limited, representing 100% of the issued share capital of Richtex Investment Limited, were acquired by China Investment Group Investment Holdings from Onah Investments Limited and Chellink Investment Limited respectively;
- (b) Sermax Investment Limited: on 11 April 2006, one share of HK\$1.00 each in Sermax Investment Limited, representing 50% of the issued share capital of Sermax Investment Limited, was acquired by Ming An Hong Kong from Mr. Cheng Kwok Ping on 30 May 2006, two shares of HK\$1.00 each in Sermax Investment Limited, representing 100% of the issued share capital of Sermax Investment Limited, were acquired by China Investment Group Investment Holdings from Ming An Hong Kong;
- (c) Orient Sino Development Limited: on 11 April 2006, one share of HK\$1.00 each in Orient Sino Development Limited, representing 50% of the issued share capital of Orient Sino Development Limited, was acquired by Ming An Hong Kong from Mr. Cheng Kwok Ping;
- (d) Onah Investments Limited: on 11 April 2006, one share of HK\$1.00 each in Onah Investments Limited, representing 0.01% of the issued share capital of Onah Investments Limited, was acquired by Ming An Hong Kong from Mr. Cheng Kwok Ping;

- (e) Chellink Investment Limited: on 11 April 2006, one share of HK\$1.00 each in Chellink Investment Limited, representing 0.01% of the issued share capital of Chellink Investment Limited, was acquired by Ming An Hong Kong from Mr. Cheng Kwok Ping;
- (f) Equity Survey Claim Service Company Limited: on 11 April 2006, one share of HK\$1.00 each in Equity Survey Claim Service Company Limited, representing 0.0001% of the issued share capital of Equity Survey Claim Service Company Limited, was acquired by Ming An Hong Kong from Onah Investments Limited;
- (g) Victory Max Limited: on 11 April 2006, one share of HK\$1.00 each in Victory Max Limited, representing 0.0001% of the issued share capital of Victory Max Limited, was acquired by Ming An Hong Kong from Onah Investments Limited;
- (h) Jacton Limited: on 11 April 2006, one share of HK\$1.00 each in Jacton Limited, representing 0.0001% of the issued share capital of Jacton Limited, was acquired by Ming An Hong Kong from Onah Investments Limited;
- (i) Charter Firm Limited: on 11 April 2006, one share of HK\$1.00 each in Charter Firm Limited, representing 0.0001% of the issued share capital of Charter Firm Limited, was acquired by Ming An Hong Kong from Onah Investments Limited;
- (j) Canon Limited: on 11 April 2006, one share of HK\$1.00 each in Canon Limited, representing 0.0001% of the issued share capital of Canon Limited, was acquired by Ming An Hong Kong from Onah Investments Limited;
- (k) China Insurance Group Realty Company Limited: on 11 April 2006, one share of HK\$1.00 each in China Insurance Group Realty Company Limited, representing 0.00001% of the issued share capital of China Insurance Group Realty Company Limited, was acquired by Ming An Hong Kong from Onah Investments Limited;
- (l) The Tai Ping Underwriters (HK) Limited: on 27 March 2006, 990 shares of HK\$100.00 each in The Tai Ping Underwriters (HK) Limited, representing 99% of the issued share capital of The Tai Ping Underwriters (HK) Limited, were acquired by Ming An Hong Kong from Chellink Investment Limited, and on 24 March 2006, 10 shares of HK\$100.00 each in The Tai Ping Underwriters (HK) Limited, representing 1% of the issued share capital of The Tai Ping Underwriters (HK) Limited, were acquired by Ming An Hong Kong from Toplap Investments Limited; and
- (m) Ming An China: on 6 December 2005, the registered capital of Ming An China was increased from HK\$200,000,000 to HK\$300,000,000, and on 1 November 2006, the CIRC has approved the proposed increase in registered capital of Ming An China. Accordingly, Ming An China is in the process of increasing its registered capital from HK\$300,000,000 to HK\$500,000,000, pending the approval of the SAIC.

Save as disclosed in this Appendix, there has been no alteration in the share capital or registered capital of any of our subsidiaries within the two years preceding the date of this prospectus.

4. FURTHER INFORMATION ABOUT OUR BUSINESS

A. Summary of material contracts







The following contracts, not being contracts in the ordinary course of business, have been entered into by us and/or our subsidiaries within the two years preceding the date of this prospectus and are or may be material:

- (a) the Reorganisation Agreement dated 29 November 2006 entered into among us, China Insurance HK, Share China, Marvel Bonus, Cheung Kong and CIH, details of which are set out in “Our Reorganisation — The Reorganisation”;

- (b) the Master Tenancy Agreement dated 7 December 2006 entered into between us and China Insurance Holdings regarding the leasing of certain properties, details of which are set out in “Relationship with China Insurance Group and Connected Transactions — Continuing Connected Transactions”;
- (c) the CIIH Master Tenancy Agreement dated 7 December 2006 entered into between us and CIIH regarding the leasing of certain properties, details of which are set out in “Relationship with China Insurance Group and Connected Transactions — Continuing Connected Transactions”;
- (d) the CIGAML Master Investment Management Agreement dated 7 December 2006 entered into between us and CIGAML regarding the provision of investment advice and investment management services to our Group, details of which are set out in “Relationship with China Insurance Group and Connected Transactions — Continuing Connected Transactions”;
- (e) the TPAML Master Investment Management Agreement dated 7 December 2006 entered into between us and CIGAML regarding the provision of investment advice and investment management services to our Group, details of which are set out in “Relationship with China Insurance Group and Connected Transactions — Continuing Connected Transactions”;
- (f) an undertaking dated 5 December 2006 given by China Insurance Holdings in favour of us regarding the treatment of China Insurance Holdings’ interest in Tai Ping Insurance, details of which are set out in “Relationship with China Insurance Group and Connected Transactions — Relationship with the China Insurance Group — Undertaking”;
- (g) an undertaking dated 5 December 2006 given by China Insurance HK in favour of us regarding the treatment of China Insurance HK’s interest in Tai Ping Insurance, details of which are set out in “Relationship with China Insurance Group and Connected Transactions — Relationship with the China Insurance Group — Undertaking”;
- (h) an undertaking dated 7 December 2006 given by AMTD in favour of us regarding non-competition between AMTD Group and our Group;
- (i) the Cheung Kong S&P Agreement, details of which are set out in “Our Strategic Investor”;
- (j) a supplemental agreement dated 29 November 2006 amending and supplementing the Cheung Kong S&P Agreement;
- (k) a second supplemental agreement dated 7 December 2006 amending and supplementing the Cheung Kong S&P Agreement and the supplemental agreement dated 29 November 2006;
- (l) a sale and purchase agreement dated 30 June 2006 entered into among China Insurance HK, CIIH and Ming An Hong Kong regarding the purchase by CIIH from China Insurance HK of approximately 4.9% of the issued ordinary shares of Ming An Hong Kong at a consideration of HK\$102,578,339;
- (m) a sale and purchase agreement dated 6 June 2006 entered into between Ming An Hong Kong as vendor and China Resources Power Performance Company Limited as purchaser regarding the sale and purchase of 2.5% of the issued share capital of Resources Shajiao C Investments Limited for a consideration of US\$4,830,000;
- (n) the Hong Kong Underwriting Agreement dated 8 December 2006 entered into among our Company, the Hong Kong Underwriters and the Global Coordinator; and
- (o) a sale and purchase agreement dated 2 June 2006 between Ming An Hong Kong and Sky Force Investments Limited for the sale and purchase of an insurance receivable of HK\$885,530,116.17; and
- (p) a deed of indemnity dated 8 December 2006 given by China Insurance HK in favour of our Group, under which China Insurance HK has given certain indemnities in favour of our Group containing, among other things, the indemnities referred to in the paragraph headed “Estate duty, tax and property indemnity” under the section headed “Other Information” in this Appendix.

B. Intellectual property rights

As at the Latest Practicable Date, the Company had applied for registration of the following trademarks in Hong Kong:

Trademark	Application No.	Class <i>(note)</i>	Date of Application
 香港民安保險有限公司 <i>The Ming An Insurance Co. (H.K.) Ltd.</i>	300725940	16, 36	21 September 2006
 民安保險 <i>Ming An Insurance</i>	300725922	16, 36	21 September 2006
	300725931	16, 36	21 September 2006
民安	300725977	16, 36	21 September 2006
 民安保險(中國)有限公司 <i>The Ming An Insurance Co. (China) Ltd.</i>	300725959	16, 36	21 September 2006
 民安(控股)有限公司 <i>The Ming An (Holdings) Company Limited</i>	300725995	16, 36	21 September 2006
Ming An	300725986	16, 36	21 September 2006
 民安(中國) <i>Ming An (China)</i>	300725968	16, 36	21 September 2006

Notes:

- (i) Class 16 generally relates to (a) stationery which consist of office stationery including files, notebooks, forms, pens, internal memo pads; (b) printed matter which consists of items such as complimentary notes and staff newsletters, bulletins, printed documents, free notes and printed documents, letterheads being writing pads for correspondence with third parties, sheets of titled letter; (c) corporate and product brochures being pamphlets or booklets containing information regarding the Company and the products they offer and is used as advertising and/or promotional material; and (d) envelopes.
- (ii) Class 36 relates to insurance, financial affairs monetary affairs and real estate affairs.

The Group has registered the following domain names:

Domain Name	Date of Registration
www.mingan.com	26 March 1997
www.mahcl.com	26 October 2006

5. SHARE REPURCHASE MANDATE

This section includes information required by the Stock Exchange to be included in this prospectus concerning the repurchase by us of our own securities.

A. The Listing Rules

The Listing Rules permit a company with a primary listing on the Stock Exchange to repurchase its securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

The Listing Rules provide that all proposed repurchases of securities by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval of a particular transaction.

Note: Pursuant to a written resolution passed by our shareholder on 29 November 2006, a general mandate (the “**Repurchase Mandate**”) was given to our Directors authorising any repurchase by us on the Stock Exchange or on any other stock exchange on which the Shares may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, of such aggregate nominal amount of Shares not exceeding 10% of the aggregate nominal amount of our share capital in issue immediately following the completion of the Global Offering, excluding Shares which may be issued upon the exercise of the Over-allotment Option, such mandate to remain in effect until (i) the conclusion of our next annual general meeting, (ii) the expiration of the period within which our next annual general meeting is required by any applicable law or our Articles of Association to be held, or (iii) it is varied or revoked by an ordinary resolution of our shareholders in general meeting, whichever occurs first.

(b) Source of funds

Repurchases must be funded out of funds legally available for such purpose. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange.

(c) Trading restrictions

The shares proposed to be repurchased by a company must be fully paid up. A maximum of 10% of the existing issued share capital as of the date of resolution passed on the grant of a repurchase mandate may be repurchased on the Stock Exchange. A company may not issue or announce an issue of new shares for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. A company shall not repurchase shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days. The Listing Rules also prohibit a company from repurchasing its own securities on the Stock Exchange if the repurchase would result in the number of that company's listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Listing Rules.

(d) Status of repurchased securities

The Listing Rules provide that the listing of all repurchased securities will be automatically cancelled and that the certificates for those securities must be cancelled and destroyed.

(e) Suspension of repurchases

The Listing Rules prohibit any repurchase of securities at any time after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information is made publicly available. A company may not repurchase securities on the Stock Exchange, unless the circumstances are exceptional, during the period of one month immediately preceding the earlier of (i) the date of the board meeting for the approval of the company's results for any year, half-year, quarterly or any other interim period and (ii) the deadline for the company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period, and ending on the date of the results announcement. In addition, the Stock Exchange reserves the right to prohibit repurchases of securities on the Stock Exchange if a company has committed a breach of the Listing Rules.

(f) Reporting requirements

Under the Listing Rules, repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 9:00 a.m. (Hong Kong time) on the following business day. In addition, a company's annual report is required to disclose details regarding repurchases of securities made during the year including the number of securities repurchased each month, the repurchase price for each such securities or the highest and lowest price paid for each repurchase where relevant, and the aggregate price paid for such purchases and the reasons of the directors of the company for making such repurchases.

A company shall procure that any broker appointed by the company to effect the repurchase of securities shall disclose to the Stock Exchange such information with respect to repurchases made on behalf of that company as the Stock Exchange may request.

(g) Connected parties

The Listing Rules prohibit a company from knowingly repurchasing securities on the Stock Exchange from a "connected person", that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or their respective associates (as defined in the Listing Rules) and a connected person is prohibited from knowingly selling his securities in the company back to the company on the Stock Exchange.

B. Share capital

Exercise in full of the Repurchase Mandate, on the basis of 2,801,334,000 Shares in issue after completion of the Global Offering (but taking no account of any Shares which may be issued upon the exercise of the Over-allotment Option) could accordingly result in up to 280,133,400 Shares being repurchased by us during the period prior to (i) the conclusion of our next annual general meeting, (ii) the expiration of the period within which our next annual general meeting is required by any applicable law or our articles of association to be held, or (iii) the revocation or variation of the Repurchase Mandate by an ordinary resolution of our shareholders in general meeting, whichever occurs first.

C. Reasons for repurchases

Our Directors believe that it is in the best interests of us and our shareholders to have a general authority from our shareholders to enable us to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of our net asset value and/or earnings per Share and will only be made when our directors believe that such repurchases will benefit us and our shareholders.

D. Funding of repurchases

In repurchasing securities, we may only apply funds legally available for such purpose in accordance with our memorandum and articles of association, the laws of the Cayman Islands and the Listing Rules. Repurchases pursuant to the Repurchase Mandate will be made out of funds of us legally permitted to be utilised in this connection, including our profits or the proceeds of a fresh issue of shares made for such purpose or, if authorised by our Articles of Association and subject to the Cayman Companies Law, out of capital. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of our profits or out of sums standing to the credit of our share premium account or, if authorised by our articles of association and subject to the Cayman Companies Law, out of capital.

There might be a material adverse effect on our working capital or gearing position, as compared with the position disclosed in this prospectus, in the event that the Repurchase Mandate is exercised in full at any time. However, our directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or gearing levels which, in the opinion of our directors, are from time to time appropriate for us.

E. General

None of our directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to us or our subsidiaries.

Our directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate only in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in our voting rights increases, such increase will be treated as an acquisition of voting rights for the purposes of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). Accordingly, a shareholder or a group of shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the shareholders' interest, could obtain or consolidate control of us and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchases of Shares pursuant to the Repurchase Mandate.

No connected person (as defined in the Listing Rules) has notified us that he has a present intention to sell Shares to us, or has undertaken not to do so, if the Repurchase Mandate is exercised.

6. DISCLOSURE OF INTERESTS

A. Particulars of directors' service contracts

None of our directors has or is proposed to have a service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

B. Directors' remuneration

The aggregate remuneration paid and benefits in kind granted to our Directors for the year ended 31 December 2005 was approximately HK\$4 million.

Under the arrangements currently in force, the aggregate remuneration payable to, and benefits in kind receivable by, our Directors for the year ending 31 December 2006 is estimated to be approximately HK\$7 million.

C. Directors' interests and short positions in the share capital and debentures of the Company and its associated corporations

Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), save as disclosed below, none of our Directors will have any interest or short position in the shares, underlying shares or debentures of us or any of our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, in each case once the Shares are listed on the Stock Exchange.

Associated corporations — interests in shares

<u>Name</u>	<u>Associated corporation</u>	<u>Number of shares held</u>	<u>Underlying shares pursuant to share options</u>	<u>Nature of interest</u>	<u>Percentage of interests in the registered capital of the associated corporation</u>
Peng Wei	CIIH		800,000	Personal	0.06%
Cheng Kwok Ping	CIIH	20,000		Beneficial (<i>Note</i>)	0.0015%
Wu Chi Hung	CIIH		800,000	Personal	0.06%
Lin Fan	CIIH		4,470,000	Personal	0.48%
Feng Xiao Zeng	CIIH	45,000	3,350,000	Personal	0.003%

Note: The beneficial interest in the shares are held jointly by Cheng Kwok Ping and Yeung Kwai Fong.

D. Substantial shareholders and persons who have an interest or short position discloseable under Divisions 2 and 3 of Part XV of the SFO

So far as our Directors are aware, assuming that the Over-allotment Option is not exercised and without taking into account any Shares which may be taken up in the Global Offering, the following persons will immediately following the completion of the Global Offering have an interest or short position in our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

The Company

<u>Name</u>	<u>Number of Shares held</u>	<u>Nature of interest</u>	<u>Approximate percentage of holding immediately after the Global Offering (assuming the Over-allotment Option is not exercised)</u>
China Insurance HK	1,388,761,000	Corporate	49.6%
Cheung Kong	609,290,000	Corporate	21.7%

If the Over-allotment Option is exercised in full, the interests of such persons in our share capital would be as follows:

<u>Name</u>	<u>Number of Shares held</u>	<u>Nature of interest</u>	<u>Approximate percentage of holding</u>
China Insurance HK	1,388,761,000	Corporate	47.8%
Cheung Kong	609,290,000	Corporate	21.0%

Save as disclosed herein, but not taking into account any Shares which may be taken up under the Global Offering, our directors are not aware of any legal person or individual (not being a director or chief executive of our Company) who will, immediately following the completion of the Global Offering, have any interest or short position in our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

E. Disclaimers

Save as disclosed in this prospectus:

- (a) none of our Directors nor any of the parties listed in section 7E — “Consents and qualifications of experts” of this Appendix is interested, directly or indirectly, in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to, any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (b) none of our Directors nor any of the parties listed in section 7E — “Consents and qualifications of experts” of this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of the Group;
- (c) save in connection with the Underwriting Agreements, none of the parties listed in section 7E — “Consents and qualifications of experts” of this Appendix:
 - (i) has any shareholding in any member of the Group; or
 - (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (d) none of our Directors or their associates (as defined in the Listing Rules) or any shareholder of us (which to the knowledge of our Directors owns more than 5% of our issued share capital) has any interest in the five largest customers of the Group.

7. OTHER INFORMATION**A. Estate duty, tax and property indemnity**

China Insurance HK has pursuant to a deed of indemnity referred to in the paragraph headed “Summary of material contracts” under the section headed “Further Information About Our Business” in this Appendix, given indemnities to our Group in connection with, among other things, any estate duty which is or becomes payable by any member of our Group by the operation of any estate duty in Hong Kong or any other relevant jurisdiction as a result or in consequence of any event or transaction occurring on or before the date on which the Global Offering becomes unconditional (the “Effective Date”).

The deed of indemnity also contain indemnities given by China Insurance HK in respect of taxation resulting from incomes, profits or gains earned, acquired or received as well as any property claim to which the Company may be subject on or before the Effective Date which might be payable by any member of the Group.

B. Litigation

Save as disclosed in this prospectus, no member of the Group is involved in any litigation, arbitration or claim of material importance and, so far as our Directors are aware, no litigation, arbitration or claim of material importance is pending or threatened against any member of the Group.

C. Sponsor

The Sponsor has made an application on our behalf to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares. All necessary arrangements have been made to enable the Shares to be admitted into CCASS.

The Sponsor has declared pursuant to Rule 3A.08 of the Listing Rules that it is independent pursuant to Rule 3A.07 of the Listing Rules.

D. Preliminary expenses

Our estimated preliminary expenses are approximately HK\$3.6 million and are payable by us.

E. Consents and qualifications of experts

Each of the Sponsor, KPMG as our independent reporting accountants, Deloitte Actuarial and Insurance Solutions (Hong Kong) Limited as our actuarial consultants, Savills Valuation and Professional Services Limited as our property valuers, Appleby Hunter Bailhache as our Cayman Islands legal advisers and Win & Sun Law Firm as our PRC legal advisers, have given and have not withdrawn their respective written consents to the issue of this prospectus with the inclusion of their reports and/or letters and/or valuation certificates and/or the references to their names included herein in the form and context in which they are respectively included.

The qualifications of the parties who have given opinions in this prospectus are as follows:

<u>Name</u>	<u>Qualifications</u>
Credit Suisse (Hong Kong) Limited	Deemed licensed under the SFO for type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) as defined under the SFO
KPMG	Certified public accountants
Deloitte Actuarial and Insurance Solutions (Hong Kong) Limited	Actuarial consultants
Savills Valuation and Professional Services Limited	Property valuers
Appleby Hunter Bailhache	Cayman Islands attorneys-at-Law
Win & Sun Law Firm	PRC legal advisers

F. Taxation of holders of Shares

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on 11 February 2006 in Hong Kong. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for an application for a grant of representation in respect of holders of Shares whose deaths occur on or after 11 February 2006.

The sale, purchase and transfer of the Shares registered in our Hong Kong branch register are subject to Hong Kong stamp duty and the current rate charged on each of the purchaser and seller is 0.1% of the consideration or, if higher, the fair value of the Shares being sold or transferred.

G. No material adverse change

Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since 30 June 2006.

H. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Hong Kong Companies Ordinance so far as applicable.

I. Promoter

Our promoter is China Insurance HK. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given, or proposed to be paid, allotted or given, to the promoter in connection with the Global Offering or the related transactions described in this prospectus.

J. Miscellaneous

- (a) Save as disclosed in this prospectus:
 - (i) within the two years immediately preceding the date of this prospectus, neither we nor any of our subsidiaries have issued or agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash;
 - (ii) none of our share or loan capital or the share or loan capital of any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) none of our equity or debt securities is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought; and
 - (iv) within the two years preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of any member of the Group.
- (b) None of the experts referred to in section 7E — “Consents and qualifications of experts” of this Appendix is an officer or servant or a partner of or in the employment of an officer or servant of the Group.
- (c) We have no outstanding convertible debt securities.

8. COMPLIANCE ADVISER

We will appoint Evolution Watterson Securities Limited as our compliance adviser (the “Compliance Adviser”) upon listing in compliance with Rule 3A.19 of the Listing Rules.

We expect to enter into a compliance adviser agreement with the Compliance Adviser, the material terms of which we expect to be as follows:

- (a) we will appoint the Compliance Adviser as our compliance adviser for the purpose of Rule 3A.19 of the Listing Rules for a period commencing on the Listing Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date, or until the agreement is terminated, whichever is earlier;
- (b) the Compliance Adviser shall provide us with services, including guidance and advice as to compliance with the requirements under the Listing Rules and other applicable laws, regulations and codes;
- (c) we will agree to indemnify the Compliance Adviser for certain actions against and losses incurred by the Compliance Adviser arising out of or in connection with the performance by the Compliance Adviser of its duties under the agreement, or any material breach or alleged breach by us of the provisions of the agreement; and
- (d) we may terminate the appointment of the Compliance Adviser if the Compliance Adviser’s work is of an unacceptable standard as permitted by Rule 3A.26 of the Listing Rules. The Compliance Adviser may resign or terminate its appointment by service of three months’ notice to us.