You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our H Shares. You should pay particular attention to the fact that we are a PRC company and are governed by a legal and regulatory environment which in some respects may differ from that which prevails in other countries. Our business, results of operations or financial condition could be materially and adversely affected by any of the risks described below. The trading price of our H Shares could decrease due to any of these risks, and you may lose all or part of your investment. For more information concerning the PRC and certain related matters discussed below, see the section headed "Supervision and Regulation", Appendix VIII — "Summary of Principal Legal and Regulatory Provisions" and Appendix IX — "Summary of Articles of Association".

RISKS RELATING TO THE PRC INSURANCE INDUSTRY

If we cannot effectively respond to the increasing competition in the PRC insurance industry, our profitability and market share could be materially and adversely affected.

We face intense competition from both domestic and foreign insurance companies. Our primary competitors are domestic insurance companies, including China Life, PICC and Ping An. With the gradual opening up of the PRC insurance market, we also face increasing competition from foreign-invested insurance companies. Some of our competitors may have advantages over us in one or more areas, such as financial strength, management capabilities, resources, operating experience, market share, distribution channels and capabilities in pricing, underwriting and claims settlement. In addition, we face potential competition from commercial banks, some of which have reportedly obtained approvals to invest in, or form alliances with, existing insurance companies to offer insurance products and services that compete against those offered by us. These commercial banks may also establish subsidiaries of their own to engage in insurance business directly. Such potential competitors may further increase the competitive pressures we experience.

In recent years, financial institutions in the PRC have expanded their efforts in developing new types of investment products in response to the increasing public demand for diversified financial investments. Changes in PRC laws and regulations have also relaxed rules on the formation of equity investment funds and securities offerings, among others, and have led to a greater availability and variety of financial investment products. These products may be more attractive to the public and adversely affect the sale of some of our insurance products that offer similar investment features.

Our competitiveness depends on a number of factors, including our:

- brand name and reputation;
- product mix and features;
- scope of distribution and cooperative arrangements;
- quality of service;
- risk management and internal control;
- pricing techniques and price;
- investment performance and perceived financial strength;
- ability to innovate; and
- claims settlement ability.

A decline in our competitive position as to one or more of these factors may materially and adversely affect our results of operations, financial condition and business prospects, including reducing our market share, losing our existing customers, impairing our ability to attract new customers and decreasing our profitability.

Changes in interest rates may materially and adversely affect our profitability.

The profitability of some of the products and investment returns of insurance companies are highly sensitive to interest rate fluctuations, and changes in interest rates could adversely affect our investment returns and results of operations. In periods of rising interest rates, while the increased investment yield will increase the returns on newly added assets in our investment portfolios, surrenders and withdrawals of existing insurance policies may also increase as policyholders seek to buy products with perceived higher returns. These surrenders and withdrawals may result in cash payments requiring the sale of invested assets at a time when the prices of those assets are adversely affected by the increase in market interest rates, potentially resulting in realized investment losses. These cash payments to policyholders would result in a decrease in total invested assets and a potential decrease in net income. Moreover, a rise in interest rates would adversely affect our shareholders' equity in the immediate fiscal year due to a decrease in the fair value of our fixed income investments.

Conversely, a decline in interest rates could result in reduced investment returns on our newly added assets and have an adverse impact on our profitability. During periods of declining interest rates, our average investment yield will decline as our maturing investments, as well as bonds that are redeemed or prepaid to take advantage of the lower interest rate environment, are replaced with new investments carrying lower yields, which would adversely affect our profitability. In addition, the liabilities associated with our life insurance policies tend to have a longer duration than our investment assets, which may result in the re-investment returns of our maturing investments being lower than the average guaranteed pricing rate for our insurance policies in a declining interest rate environment. For example, in light of the global financial crisis that unfolded in 2008 and continued during 2009, the PBOC has reduced the benchmark interest rate on one-year term deposits several times, from 4.14% in 2007 to 2.25% in 2008 and 2009, in an effort to bolster the economy. The PRC government may take further measures in response to changes in the macroeconomic environment, including further reducing interest rates, which may reduce our return on investments and materially and adversely affect our results of operations.

From 1996 through 2002, the PBOC made a series of reductions in the interest rates PRC financial institutions could pay on their deposits or charge on their loans. The interest rate on one-year term deposits, a key benchmark rate, was reduced eight times, from 10.98% in April 1996 to 1.98% in February 2002 and remained at this low level until October 2004 when it was raised to 2.25%. Primarily as a result of the then prevailing high market interest rates, we, and many other PRC life insurance companies, offered long-term life insurance products with relatively high guaranteed rates of return from 1995 to June 1999, when the CIRC reduced the maximum pricing rate that life insurance companies could use for new policies to 2.50%. Due to the general low interest rate environment in the PRC in the ensuing periods, these high guaranteed return products have exposed us to a "negative interest spread", or the extent to which the rate of return we are able to earn on our investments intended to support our insurance obligations falls short of our pricing rates for such products, and have adversely affected our results of operations. To the extent our future investment returns remain lower than the average guaranteed pricing rate for our high guaranteed return insurance products, our results of operations may continue to be adversely impacted by those insurance products. See "Business — Life Insurance — Negative Interest Rate Spread on Legacy High Guaranteed Return Products" and "Financial Information — Overview — Negative Interest Rate Spread on Legacy High Guaranteed Return Products".

The limited availability of long-term fixed income securities in the PRC capital markets and the legal and regulatory restrictions on the types of investments that insurance companies are permitted to make affect our ability to match closely the duration of our assets and liabilities.

Like other insurance companies, we seek to manage interest rate risk through matching, to the extent possible, the average duration of our investment assets and the corresponding insurance policy liabilities they support. Matching the duration of our assets to their related liabilities reduces our exposure to changes in interest rates, because the effect of the changes will largely be offset against each other. However, restrictions under the PRC Insurance Law and related regulations on the asset classes in which we may invest, as well as the limited availability in the PRC markets of long-duration investment assets capable of matching the duration of our liabilities, have resulted in the duration of our assets being shorter than that of our liabilities, in particular, our liabilities in life insurance operations. Moreover, the PRC financial markets currently do not yet provide financial derivative products for us to hedge our interest rate risk. We believe that, with the gradual easing of the investment restrictions imposed on insurance companies in the PRC and the increase in the types of investment products available in the PRC capital markets, our ability to match the duration of our assets to that of our liabilities will improve. If we are unable to match closely the duration of our assets and liabilities, however, we will continue to be exposed to risks related to interest rate changes, which would materially and adversely affect our results of operations and financial condition.

Changes in demand for automobiles in the PRC and the evolving implementation of compulsory auto liability insurance in the PRC could materially and adversely affect our results of operations and profitability.

For the years ended 31 December 2006, 2007 and 2008 and the six months ended 30 June 2009, we derived approximately 63.8%, 70.2%, 70.6% and 72.0%, respectively, of the gross written premiums for our property and casualty insurance business from automobile insurance products. The growth in our gross written premiums from automobile insurance products in recent years has been largely driven by the rapid growth in consumer demand for automobiles in the PRC. We cannot assure you that the rapid growth in consumer demand for automobiles in the PRC will continue in the future. As a result of the high percentage of the premiums in our property and casualty insurance business being derived from automobile insurance products, adverse changes in consumer demand for automobiles in the PRC could have a material adverse effect on our results of operations.

The growth of our automobile insurance business in terms of gross written premiums since the second half of 2006 was also attributable, to a significant extent, to the introduction of compulsory auto liability insurance in the PRC on 1 July 2006, which is required for all automobiles in operation in the PRC. We are one of the first PRC insurance companies approved by the CIRC to provide such insurance products. Compulsory auto liability insurance carries uniform insurance terms and uniform basic premium rates that are determined based on an overall principle of break-even for insurance companies engaged in providing such insurance, in each case as approved by the CIRC. Eligible insurance companies in the PRC generally may not reject or delay the processing of an application from the owner of an automobile for compulsory auto liability insurance coverage or adjust premium rates based on the policyholder's driving history. On 11 January 2008, the CIRC announced adjustments to premium rates and liability limits for compulsory auto liability insurance, which became effective on 1 February 2008. Under these adjustments, the maximum liability coverage of this insurance has increased from RMB60,000 per accident to RMB122,000 per accident, while the basic premium rates for such insurance covering a variety of types of automobiles have been reduced by, depending on the type of automobile, 5% to 39% from those as previously in effect.

We compiled a financial report and an actuarial report in April 2009 based on PRC GAAP data, as required by the CIRC, regarding our offering of the compulsory auto liability insurance product between 1 July 2006 and 31 December 2008, along with 25 other PRC insurance companies engaged in the offering of such product. Although, based on such reports, we were able to generate cumulative operating profits from this product during the covered period, our loss ratio for this product had been increasing over time. In part due to the CIRC's adjustments to premium rates and liability limits for compulsory auto liability insurance in 2008 and the ability of drivers with a favorable driving history to enjoy discounts of up to 30% in premium rates for compulsory auto liability insurance, we expect that our overall premium rates for compulsory auto liability insurance may decrease, whereas our claims and related costs in connection with our offering of this insurance product may increase, in 2009. Depending on our volume, loss ratio and expense ratio of the compulsory auto liability insurance product and any potential further regulatory changes affecting such product, the evolving implementation of compulsory auto liability insurance in the PRC could materially and adversely affect our results of operations and profitability.

Catastrophic events, which are unpredictable by nature, could materially and adversely affect our profitability and financial condition.

Both our life insurance and property and casualty insurance businesses expose us to risks arising out of catastrophic events, which are unpredictable by nature. Catastrophes can be caused by various natural hazards, including hurricanes, typhoons, floods, earthquakes, severe weather, fires and explosions. Catastrophes can also be man-made, such as terrorist attacks, wars and industrial or engineering accidents. In addition, a health epidemic or pandemic such as severe acute respiratory syndrome, or SARS, the H5N1 Strain of bird flu, or avian flu, and influenza A(H1N1) can adversely affect our business in respect of health, life and property insurance. Catastrophes could also result in losses in our investment portfolios, due to, among other things, the failure of our counterparties to perform or significant volatility or disruption in financial markets, and could in turn adversely affect our profitability.

Over the last several years, changing climate conditions have added to the unpredictability and frequency of natural disasters in certain parts of the world, including the PRC, and have created additional uncertainties as to future trends and exposures. It is possible that both the frequency and severity of natural disasters may increase in the future. For example, in January and February 2008, parts of the PRC, in particular its southern, central and eastern regions, experienced what was reportedly the most severe winter weather in the country in half a century, which resulted in significant and extensive damages to factories, power lines, homes, automobiles, crops and other properties, blackouts, transportation and communications disruptions and other losses in the affected areas. Furthermore, in May 2008, a major earthquake registering 8.0 on the Richter scale struck Sichuan Province and certain other parts of the PRC, devastating much of the affected areas and causing tens of thousands of fatalities and widespread injuries and property damages. In part due to the occurrence of these natural disasters, our total claims incurred and benefits paid in 2008 increased significantly compared to the prior year.

The frequency and severity of catastrophes are inherently unpredictable. We establish reserves only after an assessment of potential losses relating to catastrophes that have taken place. However, we cannot assure you that such reserves will be sufficient to pay for all related claims. Although we carry some reinsurance to reduce our catastrophe loss exposures, due to limitations in the underwriting capacity and terms and conditions of the reinsurance market as well as difficulties in assessing our exposures to catastrophes, this reinsurance may not be sufficient to protect us adequately against losses. As a result, one or more catastrophic events could materially reduce our profits and cash flows and harm our financial condition.

Adverse changes in the reinsurance markets or a default by our reinsurers could materially and adversely affect our results of operations and financial condition.

We cede a portion of the business we underwrite to a number of PRC and international reinsurance companies to reduce our underwriting risk. Reinsurance, however, may not protect us completely against losses. Although a reinsurer is liable to us to the extent of the ceded reinsurance, we remain liable as the direct insurer on all risks reinsured. As a result, although we seek to enter into reinsurance arrangements only with reputable and creditworthy reinsurers, we are subject to credit risks of our reinsurers, which could increase our financial losses arising out of a risk we have insured.

In addition, the availability and cost of reinsurance are subject to prevailing market conditions, which are beyond our control and may affect our business and profitability. For example, in part as a result of the occurrence in the PRC of the severe winter weather in early 2008 and the Sichuan earthquake in May 2008 as well as the adverse impact of the global financial crisis on some reinsurers, we have experienced, and may continue to experience, an increased cost or other more stringent terms and conditions in our reinsurance arrangements. If we are not able to maintain reinsurance coverage in adequate amounts and on reasonable terms, either our net risk exposures would increase or, if we are unwilling to bear an increase in net risk exposures, our overall underwriting capacity would decrease. This could materially and adversely affect our business, results of operations and financial condition.

Concentrated surrenders may materially and adversely affect our cash flows, results of operations and financial condition.

Under normal circumstances, it is generally possible for insurance companies to estimate the overall amount of surrenders in a given period. However, the occurrence of emergency events that have significant impact, such as sharp declines in customer income due to a severe deterioration in economic conditions, radical changes in relevant government policies, loss of customer confidence in the insurance industry due to the weakening of the financial strength of one or more insurance companies, or the severe weakening of our financial strength, may trigger massive surrenders of insurance policies. If this were to occur, we would have to dispose of our investment assets, possibly at unfavorable prices, in order to make the significant amount of surrender payments. This could materially and adversely affect our cash flows, results of operations and financial condition.

Our businesses are extensively regulated and changes in laws and regulations may reduce our profitability and limit our growth.

We are subject to the PRC Insurance Law and related rules and regulations. Our businesses in life insurance, property and casualty insurance and asset management are extensively regulated by the CIRC, which has been given wide discretion in its administration of these laws, rules and regulations as well as the authority to impose regulatory sanctions on us. Under the amendments to the PRC Insurance Law promulgated in 2009, the CIRC has been granted greater regulatory oversight over the PRC insurance industry, in part to afford policyholders more protection.

The terms and premium rates of our insurance products are subject to regulations. Changes in these regulations may affect our profitability on the products we sell. For example, the CIRC has limited the maximum guaranteed rate that insurance companies may commit to pay on life insurance policies to 2.50%. If the CIRC were to change this rate in the future, this could have a material adverse effect on our profitability.

Failure to comply with any of the laws, rules and regulations to which we are subject could result in fines, restrictions on business expansion or, in extreme cases, revocation of business license, which could materially and adversely affect us. As some of the laws, rules and regulations that we are subject to are relatively new, there is uncertainty regarding their interpretation and application. In addition, the laws, rules and regulations under which we are regulated may change from time to time. For example, our operations are affected by the PRC tax laws and regulations. The PRC tax authorities are conducting a reform of the tax system, which may result in changes to the tax laws and regulations that we are currently subject to. We cannot assure you that this reform will not have a material adverse effect on our business, results of operations or financial condition. We also cannot assure you that future legislative or regulatory changes, including deregulation, would not have a material adverse effect on our business, results of operations and financial condition.

The rate of growth of the PRC insurance market may not be as high or as sustainable as we anticipate.

We expect the insurance market in the PRC to expand and the insurance penetration rate to rise with the continued growth of the PRC economy and household wealth, the reform of the social welfare system, demographic changes and the opening up of the PRC insurance market to foreign participants. Our judgments regarding the anticipated drivers of such growth and their impact on the PRC insurance industry are prospective. We cannot assure you that such prospective judgments will be consistent with actual developments.

RISKS RELATING TO OUR COMPANY

If we cannot timely obtain capital to satisfy the regulatory requirements regarding solvency margin, the authorities may impose regulatory sanctions on us, which may have a material adverse effect on our business and results of operations.

We are subject to the CIRC regulations regarding the maintenance of solvency margin. If our solvency margin does not satisfy the relevant requirements, the CIRC may impose a range of regulatory sanctions depending on the degree of deficiency in our solvency margin. For additional information, see the section headed "Supervision and Regulation — Insurance Business — Solvency Margin". For example, as a result of CPIC Life's failure to meet the CIRC's minimum solvency margin requirement during a period prior to 2007, CPIC Life was restricted from expanding its branch network and CPIC Group was restricted from declaring and distributing dividends to its shareholders. Since 2007, CPIC Life has met the CIRC's minimum solvency margin requirement.

The solvency margin ratio is affected by such factors as the size of capital, business growth and profitability. We may need additional capital to improve our solvency margin if our profits are not sufficient to support our business growth. In addition, the regulatory regime governing solvency margin is subject to change, which may lead to stricter requirements on our capital base. We cannot assure you that we will be able to obtain additional capital in a timely manner or on acceptable terms or at all. Our failure to meet the solvency margin requirements may have a material adverse effect on our business and results of operations.

Our investment assets may suffer significant losses or experience sharp declines in their returns, which would have a material adverse effect on our results of operations and financial condition.

We primarily invest in fixed income products such as term deposits, government bonds, policy finance bonds, bonds and subordinated bonds issued by financial institutions and corporate bonds. We primarily arrange our term deposits with State-owned commercial banks and joint-stock commercial banks with nationwide operations in the PRC while investing in bonds and subordinated bonds issued by State-owned commercial banks, joint-stock commercial banks with nationwide operations and large insurance companies. In particular, while the majority of the corporate bonds owned by us carry credit ratings no lower than AA by CIRC-recognized domestic rating agencies and are generally guaranteed by commercial banks or large institutions, these domestic rating agencies may not use the same approaches or have the same analytical capabilities as internationally recognized rating agencies, such as Standard and Poor's Ratings Services, Moody's Investors Service and Fitch, Inc. Therefore, domestic credit ratings, even with the same rating symbols, may not reflect the same creditworthiness as a rating by an internationally recognized rating agency. As a result, we may be subject to credit risks with respect to our fixed income investments. Although we attempt to minimize the risks associated with these investments that are only rated by domestic rating agencies through diversification, credit analysis and attention to current trends in interest rates and other factors, we cannot assure you that we will be successful in identifying all related risks and making our investment decisions appropriately. To the extent we suffer significant losses on our fixed income investments that are only rated by domestic rating agencies, our results of operations and financial condition would be materially and adversely affected.

A significant portion of our investments are in stocks, equity investment funds and other equity securities in the PRC securities markets. The PRC securities markets are in their early stage of development and, like other emerging markets, are subject to a variety of uncertainties. The regulatory, accounting and disclosure requirements of the PRC securities markets are still evolving. In addition, the development of the PRC securities markets may be significantly affected by changes in laws, rules, regulations and government policies. Furthermore, any potential market and economic downturns or geopolitical uncertainties in the PRC, its neighboring countries or regions or the rest of the world may exacerbate the risks relating to the PRC securities markets. These and other factors may from time to time result in significant price volatility, unexpected losses and lack of liquidity, including potentially more substantial fluctuations in the prices and trading volumes of listed securities compared to more mature securities markets in the world, such as those in the United States and the European Union, and could cause us to incur significant losses on our investments in equity securities. In particular, the PRC securities markets have experienced substantial fluctuations in the prices and trading volumes of listed securities, including significant price declines, from time to time in recent years. For example, the SSE Composite Index, a major stock exchange index in the PRC, closed at 1,706.70 points on 4 November 2008, representing a 72% decline from its all-time high closing of 6,092.06 points on 16 October 2007, before rebounding by another 73% to a closing of 2,959.36 points on 30 June 2009. As of 30 June 2009, 3.4% of our investment portfolio was invested in equity investment funds, which are primarily invested in the A shares that are issued by PRC companies and traded on PRC securities exchanges, and 5.3% of our investment portfolio was directly invested in PRC equity securities. In 2008 and the six months ended 30 June 2009, our investment income declined 70.2% and 38.6% from that in 2007 and the six months ended 30 June 2008, respectively. Our investment income in 2008 and the six months ended 30 June 2009 accounted for approximately 15.3% and 24.7%, respectively, of our total income, with a significant contribution from our investments in equity investment funds and equity securities in the PRC securities markets. Any decrease in the value of our equity investment funds or the underlying equity securities, or in the value of the equity securities in which we have invested directly, may materially and adversely affect the value of our investment portfolio or our shareholders' equity. In addition, as a large institutional investor in the PRC, we may, from time to time, hold significant positions in many securities in which we invest, and any decision to sell or any perception in the market that we are a major seller of a security could adversely affect the liquidity and market price of that security and, in turn, the value of or return from our investment in that security.

In recent years, the PRC regulatory authorities, including the CIRC, have significantly expanded the asset classes and sub-classes in which PRC insurance companies are permitted to invest. However, the asset classes and sub-classes that we are permitted to invest in remain limited, as compared to those available to many international insurance companies. Even with the broadened investment channels, our ability to diversify our investment portfolio is affected by limitations on the amount of funds that we may invest in some of these asset classes or sub-classes. Some of these limitations are tied to a percentage of our total assets. A detailed discussion of these restrictions and limitations is set forth in the section headed "Supervision and Regulation — Insurance Business — Use of Insurance Funds". If the restrictions under current PRC insurance regulations on our ability to diversify our investment portfolio are not further lessened in the future, we will be limited in our ability to reduce unsystematic risks and improve our risk-adjusted rate of return through diversification, which may materially and adversely affect our profitability.

We have established CPIC Asset Management, a professional asset management company, to achieve centralized management and professional investment of our insurance funds. We also strive to continue to improve our investment decision-making mechanism, investment management process and investment risk control system. However, we cannot assure you that our investment policies and strategies will always be effective or that we will always achieve expected investment returns while effectively controlling our risk exposures.

Furthermore, the value of our investment assets and our investment returns are affected by such factors as political, economic, social and market conditions as well as the design and execution of our investment strategies. In particular, to the extent we explore new investment channels, such as overseas investment channels, we may face new and heightened risks due in part to our limited experience with these new investment channels and new markets, as evidenced by losses, declines in asset value or other setbacks suffered by some PRC companies in connection with some of their overseas investments in recent years. Furthermore, the risk and liquidity profiles of new asset classes such as real estate, unguaranteed bonds, and debt investments in infrastructure projects are significantly different from those of the assets classes that we traditionally invest in, and investments in these and other new asset classes may increase the overall risk exposures of our investment portfolio. Any adverse change in political, economic, social and market conditions and other factors may result in declines in our investment returns and cause significant losses in our investment assets, which would in turn materially and adversely affect our results of operations and financial condition.

New PRC accounting pronouncements may significantly affect our financial statements for the year ending 31 December 2009 and future years, and may materially and adversely affect our reported net profits and shareholders' equity, among other things.

On 7 August 2008, the Ministry of Finance issued Interpretation No. 2, which requires companies with both A shares listed on a PRC stock exchange and H shares listed on the Hong Kong Stock Exchange to recognize, measure and report the same transactions with the same accounting policies and estimates unless an exemption is available under the interpretation. The CIRC issued the CIRC Notice on 5 January 2009, which requires that, beginning with the financial statements for the year ending 31 December 2009, each PRC insurance company modify its existing accounting policies that may cause discrepancies in its financial reporting for purposes of A shares and H shares so as to eliminate such discrepancies.

The relevant PRC authorities are yet to issue detailed guidance to implement the requirements under Interpretation No. 2 and the CIRC Notice, and insurance companies may be required to make retrospective adjustments to their historical financial statements in accordance with such detailed guidance.

The full implementation of Interpretation No. 2 and the CIRC Notice may have a significant impact on the reporting of our financial statements, including our reported net profits and shareholders' equity. Therefore, our results of operations and financial position reflected in our financial statements to be included in our annual report for the year ending 31 December 2009 may differ materially from those reflected in our financial statements included in this prospectus, even though some of these financial statements may relate to the same fiscal years. In addition, our reported net profits for the year ending 31 December 2009 to be included in our annual report for the year ending 31 December 2009 may differ materially from our profit forecast included in this prospectus.

It is difficult for us to evaluate the precise impact of Interpretation No. 2 and the CIRC Notice on our financial reporting generally, or our financial statements for the year ending 31 December 2009 or any prior years, pending the issuance of detailed implementation guidance for the insurance sector. Moreover, it is unclear how Interpretation No. 2, the CIRC Notice and their implementing rules may impact the reporting of our group embedded value or affect the trading prices of our Shares. In particular, our group adjusted net worth, which forms a part of our group embedded value, is measured on the PRC statutory basis. To the extent Interpretation No. 2, the CIRC Notice and their implementing rules result in new or revised standards or other rule changes affecting the calculation of our group adjusted net worth, the reporting of our group embedded value may produce materially different outcomes.

Litigation and regulatory investigations and the resulting sanctions or penalties may adversely affect our reputation, business, results of operations and financial condition.

Legal actions are inherent in our businesses and operations, and we may also be subject to regulatory actions from time to time. A substantial legal liability or a significant regulatory action could have an adverse effect on us or cause us reputational harm, which in turn could harm our business prospects.

We are subject to periodic examinations by PRC and overseas regulatory authorities, which may impose sanctions, fines and other penalties on us. In 2006, 2007 and 2008 and the first six months of 2009, we were fined a total of approximately RMB2.95 million, RMB4.58 million, RMB3.87 million and RMB1.00 million, respectively, by PRC regulatory authorities. While these sanctions, fines or other penalties have not had a material adverse effect on our business, results of operations or financial condition, we cannot assure you that future examinations by PRC regulatory authorities would not result in sanctions, fines or other penalties, or result in the issuance of negative reports or opinions, that could materially and adversely affect our reputation, business, results of operations or financial condition.

For example, as a company headquartered in Shanghai whose equity interests are substantially held by State-owned entities, we are subject to audits from time to time by the SAB, and examinations by the MOF Office. Past audits and examinations by the SAB and the MOF Office identified accounting and other violations in respect of our operations, which required us to take certain corrective measures. If these regulators, in connection with their future audits or examinations, require us to take corrective measures or impose administrative penalties on us or if as a result we become the target of negative publicity, our corporate image and reputation and the credibility of our management may be materially and adversely affected.

Material pending litigation and regulatory matters affecting us, and the resultant risks to our businesses, are discussed under "Business — Legal and Regulatory Proceedings". Given the uncertainties, complexity and scope of these litigation and regulatory matters, their outcome generally cannot be predicted with any reasonable certainty. Therefore, our reserves for litigation and regulatory matters may prove to be inadequate. It is possible that our results of operations could be materially affected by an ultimate unfavorable resolution of pending litigation or regulatory matters.

Our risk management and internal control systems may not be adequate or effective in all respects and could materially and adversely affect our business and results of operations.

We seek to establish risk management and internal control systems consisting of organizational framework, policies, procedures and risk management methods that are appropriate for our business operations, and seek to continue to improve these systems. However, due to the inherent limitations in the design and implementation of risk management and internal control systems, we cannot assure you that our risk management and internal control systems will be able to identify, prevent and manage all risks. In addition, as some of our risk management and internal control policies and procedures are relatively new, we require more time to fully evaluate and assess their adequacy and effectiveness. As a result, we may need to establish and implement additional risk management and internal control policies and procedures to further improve our systems from time to time.

We implement our risk management and internal controls by using a series of risk management methods. However, these methods also have their inherent limitations, as risk management methods are generally based on statistical analysis of historical data as well as assumptions that risks in future periods share similar characteristics as risks in past periods. We cannot assure you that such assumptions are always reliable. In addition, although we have established what we believe to be an advanced information technology system and have the benefit of industry and company data accumulated in our 18 years of operation, our information technology system may not be adequate in the collection, analysis and processing of these data, and our historical data and experience may not be able to adequately reflect risks that may emerge from time to time in the future. As a result, our risk management methods and techniques may not be effective in directing us to take timely and appropriate measures in risk management and internal controls.

Insurance companies typically utilize various financial instruments to manage risks associated with their businesses. Current conditions of financial markets in the PRC and current PRC rules and regulations, however, restrict the types of financial instruments we may use. As a result, the risk management tools available to us are limited. This limits our risk management capabilities and effectiveness.

Our risk management and internal controls also depend on their effective implementation by our employees. Due to the significant size of our operations and the large number of our branch entities, we cannot assure you that such implementation will not involve any human errors or mistakes, which may materially and adversely affect our business and results of operations.

As the regulatory framework of the PRC insurance industry continues to be liberalized and the PRC insurance market continues to develop, we are likely to offer a broader and more diverse range of insurance products and invest in a significantly broader range of asset classes in the future. The diversification of our insurance product offerings and investments will require us to continue to enhance our risk management capabilities. If we fail to timely adapt our risk management policies and procedures to our changing business, our business, results of operations and financial condition could be materially and adversely affected.

Our business, results of operations and financial condition could be adversely affected if we are unable to successfully manage our growth.

Our growth in the future may place significant demands on our managerial, operational and capital resources. The expansion of our business activities exposes us to various challenges, including, but not limited to:

- continuing to expand and train actuarial staff and to enhance actuarial capabilities;
- developing adequate underwriting and claims settlement capabilities and skills;
- recruiting, training and retaining personnel with proper experience and knowledge;
- meeting higher requirements for cost controls, meeting the demand for more capital base as well as satisfying an ongoing need to meet the minimum solvency margin requirements stipulated by the CIRC; and
- strengthening and expanding our risk management and information technology systems to effectively manage the risks associated with existing and new lines of insurance products and services and increased marketing and sales activities.

We cannot assure you that we will manage our growth successfully. In particular, we may not be able to rapidly recruit and effectively train and retain a sufficient number of qualified personnel to keep pace with the growth of our business. In addition, we may not be able to exercise effective centralized management and supervision over our subsidiaries and branch entities if our internal control and information technology systems are not developed quickly enough to accommodate our growing business needs.

In addition, to the extent we pursue our growth strategy through acquisitions, we cannot assure you that we will be able to identify and secure suitable acquisition opportunities. Furthermore, any particular acquisition may not produce the intended benefits. For example, we may not be successful in integrating an acquisition with our existing operations and personnel, and the process of integration may cause unforeseen operating difficulties and expenditures and may require significant attention from our management that would otherwise be available for the ongoing development of our business. If we encounter difficulty in integrating an acquisition, our business and results of operations may be adversely affected.

Differences in actual experience from the assumptions used in pricing and setting reserves for our insurance products may materially and adversely affect our results of operations and financial condition.

Our earnings depend significantly on the extent to which our actual benefits and claims results are consistent with the assumptions and estimates we use, such as expected investment return, loss ratio, expense ratio, mortality, morbidity and lapse and surrender rates, in setting the prices of and establishing the reserves for our products. If our actual experience differs unfavorably from the estimates and assumptions used in our pricing and reserving, the profitability of our insurance products may be materially and adversely affected.

We price our products based on a number of assumptions and estimates that we derive from our historical experience data, industry data, past and then current market conditions and relevant CIRC regulations, among others. If the actual market conditions following the launch of our products are significantly less favorable than our assumptions and estimates used in pricing, the distribution and the profitability of our products may be materially and adversely affected, which may, in turn, materially and adversely affect our results of operations and financial condition.

We establish reserves for our insurance products based on relevant regulatory requirements and experience data of the insurance industry and our Company. However, estimation of insurance reserves is a complex process, involving many variables and subjective judgments, due to the nature of the underlying risks and the high degree of uncertainty associated with the determination of the liabilities for unpaid policy benefits and claims. The estimated amounts may deviate significantly from the actual amounts. If the reserves originally established prove to be inadequate, we must incur additional expenses in the form of claims and payments, to the extent the actual amounts exceed the estimated amounts, or we may be required to increase our reserves for future policy benefits, resulting in additional expenses in the period during which the reserves are established or re-estimated, which may have a material adverse effect on our results of operations and financial condition.

Our group embedded value and the value of one year's sales of CPIC Life are each calculated based on a number of assumptions used in the calculations and may vary significantly as those assumptions are changed.

The information set forth in the section headed "Embedded Value" includes an estimate of our group embedded value (excluding any value attributed to future new business) and an estimate of the value of one year's sales of CPIC Life. The estimates of value of in-force business and value of one year's sales of CPIC Life have been prepared by the Company and reviewed by Towers Perrin. The related report of Towers Perrin is set forth in Appendix VI to this prospectus. The calculation of these values necessarily makes numerous assumptions with respect to industry performance, general business and economic conditions, investment returns, reserving standards, taxation, life expectancy and other matters, many of which are beyond our control. Specifically, these assumptions include risk discount rate, investment yield, mortality, morbidity, lapse and surrender, expense ratio, commissions, policyholder dividends and tax rates, among other things. As a result, actual future experience may differ from those assumed in the calculations, and these differences may be material.

Since our actual market value is determined by investors based on a variety of information available to them, these values should not be construed to be a direct reflection of our actual market value and performance, and should not be construed to have any correlation with the price of our H Shares. For these reasons, you should only consider these values after carefully evaluating all of the risks described in this prospectus, including the risks described in this section. The inclusion of these values in this prospectus should not be regarded as a representation by us, Towers Perrin, the Underwriters or any other person of our future profitability.

We depend on our ability to attract and retain senior management as well as talented employees and individual insurance agents and the loss of their services could adversely affect our business and results of operations.

Successful execution of our business plans depends on the continued service of our senior management and various professionals and specialists. As a result of the increase in the number of insurance institutions and other financial institutions and the expansion of their business operations, the market demand and competition for talented management personnel and technical staff have been intensifying. Our business and results of operations could suffer if we lose the services of our senior management and other talented personnel and cannot adequately and timely replace them.

For the distribution of our life insurance products, we depend heavily on skilled individual insurance agents. We compete with other insurance companies for talented individual insurance agents based primarily on our brand name, career planning, training support, product innovation, compensation and support services. While we have undertaken various measures to attract and retain talented individual insurance agents, we cannot assure you that we will be successful in attracting new talented agents or retaining our existing agents with high productivity amid the intense competition for talented individual insurance agents as a result of the rapid development of the PRC insurance industry. Our failure to do so may adversely affect the distribution of our products and the quality of our services, which may in turn materially and adversely affect our business and results of operations.

We may not be able to timely detect or prevent fraud or other misconduct by our employees, agents, customers or other third parties.

Similar to many other PRC insurance companies, we are subject to fraud and other misconduct committed by our employees, agents, customers or other third parties. In particular, since 2006, the State Council and various PRC regulatory authorities, including the CIRC, have intensified their efforts to combat commercial bribery in the PRC. While we are implementing measures aimed at detecting and preventing employees' and outside parties' fraud and other misconduct, we may not be able to timely detect or prevent such fraud or misconduct. If we are unable to effectively manage and supervise our subsidiaries and branch entities, we may not be able to timely detect or prevent fraud or other misconduct of our employees, agents, customers or other third parties, which may harm our reputation and adversely affect our business, results of operations or financial condition.

We may experience failures in our information technology system, which could materially and adversely affect our business, results of operations and financial condition.

We depend heavily on our information technology system to record and process our operational and financial data and to provide reliable services. We may be subject to severe failures in our information technology system arising from natural disasters or failures of public infrastructure, our information technology infrastructure or our applications software systems that are wholly or partially beyond our control. For example, the operation of our information technology system and related business operations were disrupted following the occurrence of the Sichuan earthquake in May 2008. Although we back up our business data daily and have an emergency disaster recovery center located at a site different from our production data center, any material disruption to the operation of our information technology system could have a material adverse effect on our business. Our failure to address these problems could result in our inability to perform, or prolonged delays in performing, critical business operational functions, the loss of key business data, or our failure to comply with regulatory requirements, which could materially and adversely affect our business operations, customer service and risk management, among others. This could in turn materially and adversely affect our business, results of operations and financial condition.

We have been implementing an information technology strategic plan, or ITSP, that we have developed in collaboration with a renowned international information technology company. See the section headed "Business — Information Technology". The implementation of ITSP is ongoing and we cannot assure you that we will be able to complete the full implementation on time or that ITSP will be successful upon its full implementation in addressing our various needs that it has been designed for.

We have not obtained formal title certificates to some of the properties we occupy and some of our landlords lack relevant title certificates for properties leased to us, which may materially and adversely affect our rights to use such properties.

As of 30 September 2009, we had not obtained full ownership title certificates to approximately 6.3% of the properties, in terms of gross floor area, that we occupied and used. We may not transfer, lease, mortgage or otherwise dispose of such properties until we obtain the relevant land use right certificates and/or building ownership certificates. We will also need to pay transfer fees and incur other relevant expenses in order to obtain the full title certificates to such properties. Our failure to obtain the full title certificates to such properties may require us to seek alternative premises for our business operations, which may lead to disruptions in our business operations.

As of 30 September 2009, we leased an aggregate lettable area of approximately 1,690,333 square meters from third parties in the PRC. In respect of 2,904 buildings leased by us with an aggregate lettable area of approximately 1,103,017 square meters, our landlords have not provided us with the relevant land use right certificates, building ownership certificates and/or real estate certificates. With respect to approximately 79.7% of the number of properties covered by such defective leases, the relevant lessors have undertaken to indemnify us for losses arising from their defective legal titles or other rights to such properties. If any of our leases were terminated as a result of being challenged by third parties or failure of the lessors to renew upon expiration, we might need to seek alternative premises and incur additional costs relating to such relocations. In addition, we have not registered the lease agreements with the relevant PRC authorities for 3,649 buildings and units with an aggregate lettable area of approximately 1,490,863 square meters. Although the lack of registration of the lease agreements may not affect the legality of such lease agreements, we may suffer penalties charged by relevant PRC authorities.

Our large shareholders are able to exercise significant influence over us.

As of the Latest Practicable Date, our eight existing largest shareholders, namely our substantial shareholders, Shanghai Jiushi Corporation and Yunnan Hongta Industrial Co., Ltd., owned, directly or indirectly, approximately 70.79% of our entire issued share capital. Accordingly, our largest shareholders, if acting collectively, may have the ability to exercise significant influence over our business, including matters relating to:

- our management, especially the composition of our senior management;
- our business strategies and plans;
- the distribution of dividends;
- any plans relating to major corporate activities, such as strategic investments, mergers, acquisitions, joint ventures, investments or divestitures; and
- the election of our Directors and Supervisors.

Our largest shareholders may collectively take actions that we may not agree with or that are not in our or our other shareholders' best interests.

We may encounter difficulties in effectively implementing centralized management and supervision of our subsidiaries and branch entities, as well as consistent application of our policies throughout our Company.

As of 30 June 2009, we had 75 branches and 5,632 central sub-branches, sub-branches and sales outlets substantially throughout the PRC. Our subsidiaries and branch entities are geographically dispersed and have a certain degree of flexibility in their operation and management within our group management framework. We may not be able to ensure that CPIC Group's policies are implemented effectively and consistently within each subsidiary and branch entity. In addition, due to limitations in our information systems and other factors, we have not always been able to effectively detect or prevent on a timely basis operational or management problems at these subsidiaries and branch entities. If we are unable to effectively implement our centralized management and supervision of our subsidiaries and branch entities, or apply our policies consistently throughout our Company, our business, results of operations and financial condition may be materially and adversely affected.

CPIC Group's ability to pay dividends and meet other obligations depends on dividends and other payments from its operating subsidiaries, which are subject to their contractual obligations and other limitations.

As a holding company, CPIC Group depends upon dividends and other payments from its operating subsidiaries, in particular, CPIC Life, CPIC Property and CPIC Asset Management, for its funding of shareholders' dividends and other payment obligations. We cannot assure you that these subsidiaries will generate sufficient funds to support dividend payments and other distributions in an amount sufficient to meet CPIC Group's cash requirements. In addition, CPIC Group's subsidiaries may incur debt to third parties, the terms of which may restrict CPIC Group's ability to obtain funds from the applicable subsidiaries. CPIC Group's ability to pay dividends or make other payments may be further restricted by regulatory authorities or covenants contained in agreements governing CPIC Group's current or future debt. See the section headed "Supervision and Regulation" and Appendix IX — "Summary of Articles of Association — Dividends and Other Methods of Profit Distribution".

Furthermore, under the applicable CIRC regulations, PRC insurance companies are required to maintain specified solvency margin ratios. If our solvency margin ratio does not satisfy the relevant requirements, the CIRC may impose a range of regulatory sanctions on us, depending on the degree of deficiency in our solvency margin, including restricting our ability to declare and distribute dividends to our shareholders. For a detailed description of the solvency margin requirements, please see the section headed "Supervision and Regulation — Insurance Business — Solvency Margin". For example, for a period prior to 2007, CPIC Life did not meet the CIRC's minimum solvency margin requirement, which led to the CIRC imposing a restriction on CPIC Group from declaring and distributing dividends to its shareholders. Although we believe we are in compliance with the CIRC's solvency margin requirements, we cannot assure you that we will always be able to meet these requirements on an ongoing basis. Our failure to meet the solvency margin requirements may materially and adversely affect our ability to declare and distribute dividends to you.

RISKS RELATING TO THE PRC

The PRC's economic, political and social conditions and government policies could affect our business.

Substantially all of our assets are located in the PRC, and substantially all of our revenues are derived from our operations in the PRC. Accordingly, our business development, results of operations and financial condition will be affected to a significant extent by economic, political and legal developments in the PRC.

Although the economy of the PRC has been transitioning from a planned economy to a more market-oriented economy for more than two decades, a substantial portion of productive assets in the PRC is still owned by the PRC government. The PRC government also exercises significant control over the economic growth of the PRC through allocating resources, controlling payments of foreign currency-denominated obligations, setting monetary policy and providing preferential treatments to particular industries or companies. In recent years, the PRC government has implemented measures emphasizing the utilization of market forces in the economic reform, the reduction of state ownership of productive assets and the establishment of sound corporate governance in business enterprises. These economic reform measures may be adjusted or modified or applied inconsistently from industry to industry, or across different regions of the country. As a result, some of these measures may benefit the overall economy of the PRC, but may have an adverse effect on us. For example, our operating results may be adversely affected by government control over capital investments or changes in applicable tax regulations.

Macroeconomic policies implemented by the PRC government, including fiscal and monetary policies, may affect the economy of the PRC. For instance, in an effort to control the growth rate of certain industries and limit inflation, the PBOC raised the benchmark interest rates several times between 2004 and 2007. In 2008, when the PRC started to experience a significant decline in its economic growth due in part to the global financial crisis, the PBOC implemented measures to encourage corporate and consumer spending and bolster the economy and reduced the benchmark interest rate on one-year term deposits several times from 4.14% to 2.25%. Certain of those policies may materially and adversely affect our business development, results of operations and financial condition.

An economic slowdown in the PRC, such as the one experienced following the recent global financial crisis, may reduce the demand for our products and services and have a material adverse effect on our results of operations, financial condition and profitability.

We conduct most of our business and generate substantially all of our revenues in the PRC. As a result, economic developments in the PRC have a significant effect on our results of operations and financial condition, as well as our future prospects. In recent years, the PRC has been one of the world's fastest growing economies in terms of GDP growth. However, the global financial crisis that unfolded in 2008 and continued during 2009 has led to a marked slowdown in the economic growth of the PRC. For example, the GDP growth rate of the PRC in the first half of 2009 had dropped to 7.1%, the lowest since 1992. The adverse impact of the global financial crisis on the PRC economy may continue or be exacerbated in the future. As the economic growth of the PRC slows down, we may also experience a decrease in the rate of growth of our revenues.

Factors such as consumer, corporate and government spending, business investment, volatility and strength of the capital markets and inflation all affect the business and economic environment and ultimately, the profitability of our business. In addition, any future calamities, such as natural disasters, outbreak of contagious diseases or social unrest, may cause a decrease in the level of economic activities and adversely affect the economic growth in the PRC, Asia and elsewhere in the world. In an economic downturn characterized by higher unemployment, lower family income, lower corporate earnings, lower business investment and lower consumer spending, the demand for our insurance products and services could be adversely affected. In addition, we may experience an elevated incidence of claims and lapses or surrenders of policies. Our policyholders may also choose to defer paying insurance premiums or stop paying insurance premiums altogether.

If the PRC economy experiences or continues to experience a slower growth or a significant downturn, our results of operations and financial condition would be materially and adversely affected.

The PRC legal system has inherent uncertainties that could limit the legal protections available to you.

We are organized under the laws of the PRC. The PRC legal system is based on written statutes. Prior court decisions may be cited for reference but have limited precedential value. Since 1979, the PRC government has promulgated laws and regulations dealing with economic matters, such as foreign investment, corporate organization and governance, commerce, taxation and trade. However, because these laws and regulations are relatively new, and because of the relatively limited volume of published cases and their non-binding nature, interpretation and enforcement of these laws and regulations involve uncertainties.

Our Articles of Association provide that disputes between holders of H Shares and us, our Directors, Supervisors or senior officers or holders of A Shares, arising out of our Articles of Association or any rights or obligations conferred or imposed upon by the PRC Company Law and related rules and regulations concerning our affairs, including the transfer of our Shares, are to be resolved through arbitration rather than by a court of law. A claimant may elect to submit a dispute to arbitration organizations in Hong Kong or the PRC. Awards that are made by the PRC arbitral authorities recognized under the Arbitration Ordinance of Hong Kong can be enforced in Hong Kong. Hong Kong arbitration awards may be recognized and enforced by PRC courts, subject to the satisfaction of certain PRC legal requirements. However, to our knowledge, no action has been brought in the PRC by any holder of H shares to enforce an arbitral award, and no assurance can be given as to the outcome of any action brought in the PRC by any holder of H shares to enforce a Hong Kong arbitral award made in favor of holders of H shares. Moreover, to our knowledge, there has not been any published report of judicial enforcement in the PRC by holders of H shares of their rights under the Articles of Association of any PRC issuer or the PRC Company Law.

In addition, PRC laws, rules and regulations applicable to companies listed overseas do not distinguish among minority and controlling shareholders in terms of their rights and protections and our minority shareholders may not have the same protections afforded to them by companies incorporated under the laws of the United States and certain other jurisdictions.

You may experience difficulties in effecting service of legal process and enforcing judgments against us and our management.

We are a company incorporated under the laws of the PRC, and substantially all of our assets and our subsidiaries are located in the PRC. In addition, most of our Directors, Supervisors and executive officers reside within the PRC, and the assets of our Directors and officers may be located within the PRC. As a result, it may not be possible to effect service of process within the United States or elsewhere outside of the PRC upon most of our Directors, Supervisors and executive officers, including with respect to matters arising under the U.S. Federal securities laws or applicable state securities laws. Moreover, the PRC does not have treaties providing for the reciprocal and enforcement of judgments of courts with the United States, the United Kingdom, Japan or most other Western countries. In addition, our Hong Kong counsel, Freshfields Bruckhaus Deringer, has advised us that Hong Kong has no arrangement for the reciprocal enforcement of judgments with the United States. As a result, recognition and enforcement in the PRC or Hong Kong of judgments of a court in the United States and any of the other jurisdictions mentioned above in relation to any matter that is not subject to a binding arbitration provision may be difficult or impossible.

In addition, although we will be subject to the Hong Kong Listing Rules and the Hong Kong Takeovers Code upon the listing of our H Shares on the Hong Kong Stock Exchange, the holders of H Shares will not be able to bring actions on the basis of violations of the Hong Kong Listing Rules and must rely on the Hong Kong Stock Exchange to enforce its rules. Furthermore, the Hong Kong Listing Rules and the Hong Kong Takeovers Code do not have the force of law.

Government control of currency conversion and future fluctuation of Renminbi exchange rates could have a material adverse effect on our results of operations and financial condition, and may reduce the value of, and dividends payable on, our H Shares in foreign currency terms.

Substantially all of our revenues and costs and expenses are denominated in Renminbi, which currently is not a freely convertible currency. A portion of these revenues must be converted into other currencies to meet our foreign currency obligations, including our payments of declared dividends, if any, for our H Shares.

Under the PRC's existing foreign exchange regulations, following the completion of the Global Offering, we will be able to pay dividends in foreign currencies without prior approval from the State Administration of Foreign Exchange by complying with certain procedural requirements. However, the PRC government may take measures at its discretion in the future to restrict access to foreign currencies for current account transactions if foreign currencies become scarce in the PRC. We may not be able to pay dividends in foreign currencies to our shareholders if the PRC government restricts access to foreign currencies for current account transactions. Foreign exchange transactions under our capital account continue to be subject to significant foreign exchange controls and require the approval of the State Administration of Foreign Exchange. These limitations could affect our ability to obtain foreign exchange through equity financing, or to obtain foreign exchange for capital expenditures.

The value of the Renminbi fluctuates, is subject to changes in the PRC government's policies and depends to a large extent on domestic and international economic and political developments as well as supply and demand in the local market. Since 1994, the conversion of Renminbi into foreign currencies, including Hong Kong and US dollars, has been based on rates set by the PBOC, which are set daily based on the previous day's interbank foreign exchange market rates and current exchange rates on the world financial markets. On 21 July 2005, the PRC government changed its decade-old policy of pegging the value of Renminbi to that of US dollar. Under the policy, the Renminbi is permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies determined by the PBOC. On 18 May 2007, the PBOC increased the floating band of Renminbi trading prices against the US dollar in the inter-bank spot foreign currency exchange market from 0.3% to 0.5%. With increased floating range of the Renminbi's value against foreign currencies, the Renminbi may further appreciate or depreciate significantly in value against the US dollar or other foreign currencies in the long term, depending on the fluctuation of the basket of currencies against which it is currently valued, or it may be permitted to enter into a full float, which may also result in a significant appreciation or depreciation of the Renminbi against the US dollar or other foreign currencies. Fluctuations of the Renminbi could adversely affect the value of our foreign currency-denominated investments and the value in foreign currency terms of cash flow generated from our operations or any dividends payable on our H Shares, and therefore the price of our shares. In 2008 and the first six months of 2009, our currency translation losses were approximately RMB132 million and RMB3 million, respectively. Following the Global Offering, our exposure to risks associated with foreign currency fluctuations may further increase as the net proceeds from the Global Offering are expected to be deposited in currencies other than Renminbi until we obtain necessary approvals from relevant PRC regulatory authorities to convert the same into Renminbi. On the other hand, future Renminbi devaluations could increase our costs and expenses or lead to fluctuations in the exposure of our foreign currency-denominated liabilities, thereby adversely affecting our profitability.

Dividends received by individual holders of our H Shares who are foreign nationals and gains derived from the disposition of our H Shares by such holders may become subject to PRC taxation, and there are uncertainties as to the collection of PRC enterprise income tax on gains derived by holders of our H Shares that are foreign enterprises from their disposition of our H Shares.

Under the Notice of the PRC State Administration of Taxation Concerning the Taxation of Gains on Transfer of Share (Equity) and Dividends Received by Foreign Investment Enterprises, Foreign Enterprises and Foreign Individuals, or the Tax Notice, which was promulgated in 1993, and other relevant notices issued by the PRC tax authority subsequently, dividends received by individual holders of H shares who are foreign nationals and the gains derived from the disposition of H shares by such holders are temporarily exempt from PRC individual income tax.

If such exemptions were to be withdrawn in the future, individual holders of our H Shares who are foreign nationals would be required to pay PRC individual income tax on dividends received from us at the rate of 20% and we would be required to withhold such tax from our dividend payments, unless the applicable tax treaties between the PRC and the jurisdictions in which such foreign nationals reside reduce or exempt the individual income tax. Similarly, individual holders of our H shares who are foreign nationals would be required to pay PRC individual income tax on gains from the dispositions of our H shares at the rate of 20%, unless the applicable tax treaties between the PRC and the jurisdictions in which such foreign nationals reside reduce or exempt the individual income tax.

Under the Enterprise Income Tax Law and its implementing rules, a foreign enterprise is generally subject to enterprise income tax at the rate of 10% with respect to PRC-sourced income, including gains derived from the disposition of equity interests in a PRC company, if it does not have an establishment or premises in the PRC or has an establishment or premises in the PRC but the PRC-sourced income is not connected with such establishment or premise in the PRC, subject to further reductions under any special arrangement or applicable treaty between the PRC and the jurisdiction of the relevant foreign enterprise's residence.

As the Enterprise Income Tax Law and its implementation rules are relatively new, there remains significant uncertainty as to their interpretation and application by the PRC tax authorities, including whether and how enterprise income tax on gains derived by holders of our H Shares that are foreign enterprises from their disposition of our H Shares may be collected. If such tax is collected, the value of such foreign enterprise holders' investments in our H shares may be materially and adversely affected.

For additional information, see Appendix VII — "Taxation and Foreign Exchange" in this prospectus.

Payment of dividends is subject to restrictions under PRC law.

Under PRC law, dividends may be paid only out of distributable profits. Distributable profits means our after-tax profits as determined under PRC GAAP or HKFRS, whichever is lower, less any replenishment of accumulated losses and allocations to statutory funds as well as total reserves that we are required to make. Any distributable profits that are not distributed in a given year are retained and available for distribution in subsequent years.

In addition, the CIRC has the discretionary authority to prohibit any insurance company that has a solvency margin of below 100% from paying dividends and other forms of distributions. See "Supervision and Regulation — Insurance Business — Solvency Margin".

The calculation of distributable profits for an insurance company under PRC GAAP differs in a few respects from the calculation under HKFRS. As a result, we may not be able to pay any dividends in a given year if we do not have distributable profits as determined under PRC GAAP, even if we have distributable profits for that year as determined under HKFRS, or vice versa. Payment of dividends by us is also regulated by the relevant PRC insurance laws and regulations. The amount of dividends we distributed in the past may not be indicative of our dividend policy in the future and we cannot assure you that we will pay dividends in the future.

Some facts, forecasts and statistics contained in this prospectus with respect to the PRC, Hong Kong and their economies and insurance industries are derived from various official or third-party sources and may not be accurate, reliable, complete or up to date.

Some of the facts, forecasts and statistics in this prospectus relating to the PRC, Hong Kong and their economies and insurance industries are derived from various official or third-party sources. While we have exercised reasonable care in compiling and reproducing these facts, forecasts and statistics, they have not been independently verified by us. Therefore, we make no representation as to the accuracy of such facts, forecasts and statistics, which may not be consistent with other information complied within or outside these jurisdictions and may not be complete or up to date. Moreover, the statistics in this prospectus may be inaccurate or are less developed than statistics produced for other economies and should not be unduly relied upon.

The outbreak of Severe Acute Respiratory Syndrome, or SARS, and the potentially more widespread outbreak of avian flu and influenza A(H1N1) in the PRC, and concerns over health hazards in Asia and elsewhere have caused, and may continue to cause, damages to economies, financial markets and business activities in the PRC and elsewhere.

In early 2003, certain areas of the PRC and certain other Asian countries and regions encountered an outbreak of SARS, a highly contagious disease. The SARS outbreak had a significant negative impact on the economy of the PRC and the Asia-Pacific region while it was in full force. Moreover, certain countries and regions, including the PRC, have encountered incidents of avian flu over the past six years and, more recently in 2009, the outbreak of influenza A(H1N1). Any future adverse public health development may, among other things, significantly disrupt our ability to adequately staff our business and may generally disrupt our operations. Furthermore, such health hazards may severely restrict the level of economic activity in affected areas or cause the health or other governmental authorities of the PRC or other countries and international organizations to impose transportation restrictions between countries and regions. These developments would directly or indirectly have an adverse impact on the PRC's economy, which may adversely affect demand for our products and services.

RISKS RELATING TO THE GLOBAL OFFERING

An active trading market for our H Shares may not develop or be sustained, and their trading prices may fluctuate significantly.

Prior to the Global Offering, no public market for our H Shares existed. Following the completion of the Global Offering, the Hong Kong Stock Exchange will be the only market on which the H Shares are publicly traded. We cannot assure you that an active trading market for our H Shares will develop or be sustained after the Global Offering. In addition, we cannot assure you that our H Shares will trade in the public market subsequent to the Global Offering at or above the Offer Price. The Offer Price for the H Shares is expected to be fixed by agreement among the Joint Bookrunners (on behalf of the Hong Kong Underwriters and the International Purchasers) and us, and may not be indicative of the market price of the H Shares following the completion of the Global Offering. If an active trading market for our H Shares does not develop or is not sustained after the Global Offering, the market price and liquidity of our H Shares could be materially and adversely affected.

Since there will be a gap of several days between pricing and trading of our Offer Shares, holders of our Offer Shares are subject to the risk that the price of our Offer Shares could fall during the period before trading of our Offer Shares begins.

The Offer Price of our H Shares is expected to be determined on the Price Determination Date. However, our H Shares will not commence trading on the Hong Kong Stock Exchange until they are delivered, which is expected to be five Hong Kong business days after the pricing date. As a result, investors may not be able to sell or otherwise deal in our H Shares during that period. Accordingly, holders of our H Shares are subject to the risk that the price of our H Shares could fall before trading begins as a result of adverse market conditions or other adverse developments, such as a decline in our A Share price, that could occur between the time of sale and the time trading begins.

Because the Offer Price of our H Shares is higher than our net tangible book value per share, purchasers of our H Shares in the Global Offering will experience immediate dilution. Purchasers of our H Shares may experience further dilution if we issue additional Shares in the future.

The Offer Price of our H Shares is higher than the net tangible asset value per share immediately prior to the Global Offering. Therefore, purchasers of our H Shares in the Global Offering will experience an immediate dilution in net tangible asset value of HK$19.63 per H Share assuming an Offer Price of HK$28.45 (being the mid-point of the stated offer price range of HK$26.80 and HK$30.10). If the Underwriters exercise their H Share Over-Allotment Option or if we issue additional Shares in the future, purchasers of our H Shares may experience further dilution.

Future sales or perceived sales of substantial amounts of our securities in the public market, including any future sale of our H Shares by those shareholders that are currently subject to contractual and/or legal restrictions on share transfers (including the Overseas Investors) or re-registration of Shares held on our A share register into H Shares, could have a material adverse effect on the prevailing market price of our H Shares and our ability to raise capital in the future, and may result in dilution of your shareholding in our Company.

The market price of our H Shares could decline as a result of future sales of substantial amounts of our H Shares or other securities relating to our H Shares in the public market or the issuance of new H Shares or other securities, or the perception that such sales or issuances may occur. Future sales, or perceived sales, of substantial amounts of our securities, including any future offerings, could also materially and adversely affect our ability to raise capital in the future at a time and at a price we deem appropriate. In addition, our shareholders may experience dilution in their holdings to the extent we issue additional securities in future offerings.

Certain amounts of our Shares (including without limitation 1,323,300,000 Shares held by the Overseas Investors) currently outstanding are and/or will be subject to contractual and/or legal restrictions on resale for a period of time after completion of the Global Offering. See the section headed "Share Capital — Share Lock-Up" and "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Undertakings" for details. After these restrictions lapse or if they are waived or breached, future sales, or perceived sales, of substantial amounts of our Shares could negatively impact the market price of our H Shares and our ability to raise capital in the future.

Subject to the approval of the State Council securities regulatory authority, holders of our domestic shares may transfer their domestic shares to overseas investors, and such transferred shares may be listed or traded on an overseas stock exchange. Any listing or trading of the transferred shares on an overseas stock exchange shall also comply with the regulatory procedures, rules and requirements of such stock exchange. No class shareholder voting is required for the listing and trading of the transferred Shares on an overseas stock exchange. Therefore, subject to receiving the requisite approval and upon the expiration of the applicable contractual and/or legal restrictions on share transfers, holders of our domestic shares may transfer their domestic shares to overseas investors, which Shares may then trade on the Hong Kong Stock Exchange as H Shares. This could further increase the supply of our H Shares in the market and could negatively impact the market price of our H Shares.

We conducted an A Share Offering in 2007, and the characteristics of the A share and H share markets are different.

We conducted an offering of our A Shares, or the A Share Offering, in the PRC and listed such shares on the Shanghai Stock Exchange in 2007. Our A Share Offering comprised an offering of 1 billion A shares, representing approximately 11.8% of our total issued and outstanding shares immediately following the completion of the Global Offering, assuming no exercise of the H Share Over-Allotment Option.

Our A Shares have been listed and have traded on the Shanghai Stock Exchange since 25 December 2007. Following the Global Offering, our A Shares will continue to be traded on the Shanghai Stock Exchange and our H Shares will be traded on the Hong Kong Stock Exchange. Under current laws and regulations, our H Shares and A Shares are neither interchangeable nor fungible, and there is no trading or settlement between the H share and A share markets. The H share and A share markets have different characteristics, including different trading volume and liquidity, and investor bases, including different levels of retail and institutional participation. As a result of these differences, the trading prices of our H Shares and A Shares may not be the same. Fluctuations in the price of our A Shares may adversely affect the price of our H Shares, and vice versa. Due to the different characteristics of the A share and H share markets, the historical prices of our A Shares may not be indicative of the performance of our H Shares. You should therefore not place undue reliance on the prior trading history of our A Shares when evaluating an investment in our H Shares.

We strongly caution you not to place any reliance on any information contained in press articles or other media coverage regarding us, our Global Offering or our A Shares or information released by us in connection with the listing of our A Shares on the Shanghai Stock Exchange.

There may have been, prior to the publication of this prospectus, and there may be, subsequent to the date of this prospectus but prior to the completion of the Global Offering, press and media coverage regarding us, the Global Offering and our A Shares, including related coverage in Apple Daily, Ming Pao and Hong Kong Economic Journal. Such press and other media coverage may include references to certain events or information that do not appear in this prospectus, or those disclosed by us in the PRC as part of our A Share listing or trading requirements under PRC laws. The information announced by us in connection with our A Share listing or trading is based on regulatory requirements and market practices in the PRC, which are different from those applicable to the Global Offering. You should rely solely upon the information contained in this prospectus, the application forms and any formal announcements made by us in Hong Kong with respect to the Global Offering in making your investment decision regarding our H Shares. We do not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press, other media or other sources regarding our H Shares or A Shares, the Global Offering or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. Accordingly, prospective investors should not rely on any such information, reports or publications in making their decisions as to whether to invest in our H Shares or in the Global Offering.

Following the listing of our A Shares on the Shanghai Stock Exchange, we have been subject to periodic reporting and other information disclosure requirements in the PRC and, as a result, may publicly release information relating to us in the PRC from time to time. However, such information does not and will not form part of this prospectus. Prospective investors in H Shares are reminded that, in making their decisions as to whether to purchase our H Shares, they should rely only on the financial, operational and other information included in this prospectus and the application forms. By applying to purchase our H Shares in the Global Offering, you will be deemed to have agreed that you will not rely on any information other than that contained in this prospectus, the application forms and any formal announcements made by us in Hong Kong with respect to the Global Offering.