

Report of the Directors

董事會報告書

The directors respectfully submit their annual report together with the audited financial statements for the year ended 31 December 2011.

PRINCIPAL ACTIVITIES

The principal activity of Company is investment holding. The principal activities of the Company's subsidiaries are the underwriting of direct life insurance business in the PRC, direct property and casualty insurance business in the PRC and in Hong Kong and all classes of global reinsurance business. Apart from these core businesses, the Group also carries on operations in pensions, assets management and insurance intermediaries. The principal activities and other particulars of the subsidiaries are set out in note 17 of the consolidated financial statements.

The analyses of the principal activities of the operations of the Company and its subsidiaries during the financial year are set out in note 3 of the consolidated financial statements.

The directors believe that an analysis of the profit contributions from each geographical area is not required for a proper appraisal of its businesses.

MAJOR INSURANCE CUSTOMERS

The information in respect of the Group's gross premiums written and policy fees attributable to major insurance customers during the financial year is as follows:

董事會全人謹將截至二零一一年十二月三十一日止年度的年報及經審核財務報表呈覽。

主要業務

本公司的主要業務是投資控股。本公司之附屬公司的主要從事中國的直接人壽保險業務、中國及香港的直接財產保險業務及各類全球再保險業務。除了此等核心業務外，本集團也從事養老保險、資產管理及保險中介業務。附屬公司的主要業務及其他資料載於綜合財務報表附註17。

本公司及其附屬公司於本財政年度的主要業務分析載於綜合財務報表附註3。

董事相信毋須分析各地區之溢利貢獻亦可對其業務作合理評估。

主要保險客戶

主要保險客戶於本財政年度佔本集團的毛承保保費及保單費收入的資料臚列如下：

		Percentage of the Group's total gross premiums written and policy fees 佔本集團毛承保保費及保單費收入總額的百分比
The largest insurance customer	最大保險客戶	1.2%
Five largest insurance customers in aggregate	五大保險客戶合計	2.7%

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MAJOR INSURANCE CUSTOMERS *(Continued)*

In the five largest insurance customers in aggregate, no gross premiums written and policy fees were connected parties of which the shareholder of the Company (which to the knowledge of the directors own more than 5.0% of the Company's share capital) had an interest.

At no time during the Year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors own more than 5.0% of the Company's share capital) had any interest in these major insurance customers.

CONSOLIDATED FINANCIAL STATEMENTS

The profit of the Group for the year ended 31 December 2011 and the state of the Company's and the Group's affairs at that date are set out in the consolidated financial statements on pages 125 to 301.

No interim dividend was declared during the Year (2010: Nil). The directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2011 (2010: Nil).

FIXED ASSETS

Details of the movements in fixed assets are set out in note 15 of the consolidated financial statements.

SHARE CAPITAL

During the Year, shares were issued upon the exercise of options under the Company's share option scheme. Details of the movements in share capital of the Company during the Year are set out in note 37 of the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Year, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities.

RESERVES

Details of the movements in reserves of the Company and the Group during the Year are set out in note 38 of the consolidated financial statements.

主要保險客戶 (續)

在五大保險客戶的總額內並無從本公司關連人士收取的毛承保保費及保單費收入。本公司關連人士是本公司股東(據董事所知持有本公司股本5.0%以上)擁有權益。

本公司的董事、其聯繫人士或任何股東(據董事所知持有本公司股本5.0%以上)均沒有於年內任何時間擁有這些主要保險客戶的任何權益。

綜合財務報表

本集團截至二零一一年十二月三十一日止年度的溢利和本公司及本集團於該日的財務狀況載於第125至301頁的綜合財務報表內。

本年度內並無宣派中期股息(二零一零年:無)。董事會不建議派發截至二零一一年十二月三十一日止年度末期股息(二零一零年:無)。

固定資產

固定資產的變動詳情載於綜合財務報表附註15。

股本

於年內本公司根據本公司認股權計劃所行使之認股權發行股份。有關本公司於年內股本變動的詳情載於綜合財務報表附註37。

購買、出售或贖回本公司的上市證券

本公司或任何其附屬公司於年內概無購入、出售或贖回任何本公司的上市證券。

儲備

本公司及本集團於年內儲備變動的詳情載於綜合財務報表附註38。

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DISTRIBUTABLE RESERVES

As at 31 December 2011, the Company's reserve available for distribution amounted to HK\$223.31 million (2010: Nil). In addition, the Company's share premium account of HK\$9,053.22 million as at 31 December 2011 (2010: HK\$9,046.78 million) may be distributed in the form of fully paid bonus shares.

DONATIONS

During the Year, the Group made charitable donations of HK\$0.44 million (2010: HK\$5.03 million).

DIRECTORS

The directors during the Year and up to the date of this annual report were:

Executive directors

Lin Fan
Song Shuguang
Xie Yiqun
Peng Wei
Ng Yu Lam Kenneth
Shen Koping Michael
Lau Siu Mun Sammy

Non-executive directors

Li Tao
Wu Jiesi*
Che Shujian*
Lee Kong Wai Conway*

* Independent

可分配儲備

於二零一一年十二月三十一日，本公司可供分配的儲備合共為2.2331億港元（二零一零年：無）。此外，本公司於二零一一年十二月三十一日有為數90.5322億港元（二零一零年：90.4678億港元）的股本溢價賬可以繳足紅股的形式作出分配。

捐款

於本年度內，本集團作出44萬港元（二零一零年：503萬港元）的慈善捐款。

董事會

於本年度及截至本年報之日的董事如下：

執行董事

林帆
宋曙光
謝一群
彭偉
吳俞霖
沈可平
劉少文

非執行董事

李濤
武捷思*
車書劍*
李港衛*

* 獨立

Report of the Directors

董事會報告書

DIRECTORS (Continued)

In accordance with Article 97 of the Company's articles of association, Messrs. Xie Yiqun, Shen Koping Michael, Che Shujian and Lee Kong Wai Conway, shall retire and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

The proposed appointments will not have any specific term, but will be subject to retirement by rotation and re-election at the Company's Annual General Meeting in accordance with the Company's articles of association.

Subject to the approval of the shareholders at the Company's Annual General Meeting, the emoluments of the directors will be determined by the Remuneration Committee and the Board of Directors of the Company.

CONFIRMATION OF INDEPENDENCE

The Company has received annual confirmation from each of the independent non-executive directors in regards to their independence from the Company and considers that each of the independent non-executive directors is independent from the Company.

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

In accordance with Rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) between 26 August 2011 (being the date of approval of the Company's Interim Report 2011 and 19 March 2012 (being the date of approval of the Company's 2011 Annual Report) as set out below:

Position held with the Company and other members of the Group and relationships with the controlling shareholders of the Company

Mr. Lin Fan ceased to be the chairman of CTPI (HK) and Mr. Peng Wei ceased to be the deputy chairman and director of CTPI (HK) with effect from 15 September 2011.

董事會 (續)

根據本公司的組織章程細則條文第97條，謝一群先生、沈可平先生、車書劍先生及李港衛先生將於即將召開的股東週年大會退任，而他們均符合資格及願膺選連任。

以上所建議的委任均無指定期限，但須按本公司的組織章程細則，在本公司股東週年大會輪值告退及膺選連任。

董事酬金將由本公司的薪酬委員會及董事會訂定，惟仍需股東在本公司股東週年大會上批准。

獨立性的確認

本公司已取得各獨立非執行董事每年確認其獨立性的確認函。本公司亦認為每位獨立非執行董事，確屬獨立於本公司的人士。

董事資料的變動

根據上市規則第13.51B(1)條，於二零一一年八月二十六日（為通過本公司二零一一年中期報告當日）至二零一二年三月十九日（為通過本公司二零一一年年報當日）期間，董事按第13.51(2)條第(a)至(e)段及第(g)段規定披露資料的變動如下：

有關於本公司及本集團內其他公司擔當職位及與本公司控股股東之關係的變動

於二零一一年九月十五日，林帆先生辭任中國太平香港之董事長職務及彭偉先生辭任中國太平香港之副董事長及董事職務。

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CHANGES TO INFORMATION IN RESPECT OF DIRECTORS *(Continued)*

Position held with the Company and other members of the Group and relationships with the controlling shareholders of the Company *(Continued)*

Mr. Li Tao was appointed as a director of TPAM with effect from 27 October 2011.

Mr. Song Shuguang ceased to be the chairman of TPL and Mr. Peng Wei was appointed as the chairman of TPL with effect from 14 November 2011

Mr. Peng Wei ceased to be the chairman and director of TPI with effect from 15 November 2011.

Mr. Li Tao ceased to be the Chairman of the Board of Supervisors of TPP with effect from 8 December 2011.

Mr. Li Tao was appointed as a Company Secretary of TPG with effect from 29 December 2011.

Experience including other directorships in listed companies and major appointments

Dr. Wu Jiesi ceased to be a independent non-executive director of China Merchants Bank Co., Ltd. with effect from 18 July 2011.

Mr. Lee Kong Wai Conway was appointed as an independent non-executive director of Citic Securities Company Limited, a company listed in the Hong Kong Stock Exchange and the Shanghai Stock Exchange, since 14 November 2011 and ceased to be an independent non-executive director of Sino Vanadium Inc. upon its delisting on Toronto Stock Exchange Venture Exchange from 12 December 2011.

董事資料的變動 (續)

有關於本公司及本集團內其他公司擔當職位及與本公司控股股東之關係的變動 (續)

於二零一一年十月二十七日，李濤先生獲委任為太平資產之董事。

於二零一一年十一月十四日，宋曙光先生辭任太平人壽之董事長職務及彭偉先生獲委任為太平人壽之董事長。

於二零一一年十一月十五日，彭偉先生辭任太平財險之董事長及董事職務。

於二零一一年十二月八日，李濤先生辭任太平養老之監事職務。

於二零一一年十二月二十九日，李濤先生獲委任為中國太平集團之董事會秘書。

有關擔任其他上市公司董事職務及主要任命的變動

於二零一一年七月十八日，武捷思博士辭任招商銀行股份有限公司之獨立非執行董事職務。

於二零一一年十一月十四日，李港衛先生獲委任為中信證券股份有限公司，一家於香港交易所及上海證券交易所上市的公司，之獨立非執行董事及於二零一一年十二月十二日，李港衛先生辭任Sino Vanadium Inc，一家於同日在多倫多創業交易所撤銷上市地位之公司，之獨立非執行董事職務。

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CHANGES TO INFORMATION IN RESPECT OF DIRECTORS *(Continued)*

董事資料的變動 (續)

Changes in Director's emoluments

董事酬金變化

Name of directors 董事名稱	Revised salary per annum 調整後之每年薪金	Effective date 生效日期
Ng Yu Lam Kenneth 吳俞霖	HKD1,999,140	01/07/2011
Lau Siu Mun Sammy 劉少文	HKD1,456,000	01/07/2011
Shen Koping Michael 沈可平	HKD1,508,000	01/01/2012

Other than those disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

除上述外，本公司董事並無其他資料需根據上市規則第13.51B(1)條作出披露。

DIRECTORS' SERVICE CONTRACTS

董事的服務合約

Messrs. Ng Yu Lam Kenneth and Lau Siu Mun Sammy have entered into service contracts with the Company on 29 May 2000 for an initial period of three years commencing from 1 April 2000. Mr. Shen Koping Michael has entered into a service contract with the Company on 23 July 2002 for an initial period of two years commencing from 15 July 2002, the service contract has been renewed on 19 December 2011 for an initial period of two years commencing from 1 January 2012. The respective contracts shall continue after their respective initial periods unless and until terminated by either party to such contracts by giving three months' written notice to the other party.

吳俞霖先生及劉少文先生已於二零零零年五月二十九日與本公司簽訂服務合約，任期由二零零零年四月一日開始，初步為期三年。沈可平先生於二零零二年七月二十三日與本公司訂立服務合約，任期由二零零二年七月十五日開始，初步為期二年，該服務合約已於二零一一年十二月十九日更新，生效日期由二零一二年一月一日開始，初步為期二年。除非及直至上述合約的任何一方透過向其他方發出三個月的書面通知而終止合約，否則，相關服務合約會在其各自的初步任期結束後獲得續期。

No director proposed for re-election at the forthcoming Annual General Meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

擬於即將召開的股東週年大會中候選連任的董事概無與本公司或任何其附屬公司訂立於一年內不可在不予賠款（一般法定賠款除外）的情況下終止尚未屆滿的服務合約。

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DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

董事及最高行政人員的股份、相關股份及債權證的權益及淡倉

As at 31 December 2011, the interests or short positions of the directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

於二零一一年十二月三十一日，按證券及期貨條例第352條規定存置登記冊的記錄所載，或按上市公司董事進行證券交易的標準守則要求，已經知會本公司及聯交所，董事及最高行政人員在本公司及其相聯法團（根據證券及期貨條例第XV段的釋義）的股份、相關股份或債權證中擁有的權益及淡倉如下：

Long Positions in shares and underlying shares of the Company:

本公司股份及相關股份的好倉情況：

Name of directors	董事名稱	Shares		Underlying shares pursuant to share options	Awarded shares	Total interests	Percentage of issued share capital
		Beneficial Owner	Interest of Spouse				
		實益擁有人	配偶的權益	根據認股權的相關股份 (Note 1) (註1)	獎授股份 (Note 2) (註2)	總權益	佔已發行股份 %
Lin Fan	林帆	770,000	–	3,200,000	–	3,970,000	0.23
Song Shuguang	宋曙光	10,000	–	800,000	–	810,000	0.05
Xie Yiqun	謝一群	–	–	500,000	–	500,000	0.03
Peng Wei	彭偉	70,000	–	400,000	–	470,000	0.03
Ng Yu Lam, Kenneth	吳俞霖	3,148,000	693,000	500,000	30,400	4,371,400	0.26
Shen Koping, Michael	沈可平	4,301,000	–	1,925,000	–	6,226,000	0.37
Lau Siu Mun, Sammy	劉少文	1,694,200	–	300,000	21,000	2,015,200	0.12
Li Tao	李濤	130,000	–	–	–	130,000	0.01

Notes:

註：

- (1) These figures represent interests of options granted to the directors under the Share Option Scheme of the Company adopted on 23 January 2003 to acquire shares of the Company, further details of which are set out in the section "Share Option Scheme".
- (2) These figures represent interests of awarded shares granted to the directors under the Employees' Share Award Scheme of the Company adopted on 10 September 2007, details of which are set out in the section "Share Award Scheme".

- (1) 此乃根據於本公司二零零三年一月二十三日採納之認股權計劃授予董事的認股權可認購本公司的股份份數，詳情載於「認股權計劃」文內。
- (2) 此乃根據於本公司二零零七年九月十日採納之僱員股份獎勵計劃授予董事的獎授股份，詳情載於「股份獎勵計劃」文內。

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DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Save as disclosed above:

- (A) none of the directors of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO); and
- (B) during the Year, no directors of the Company nor any of their spouses or children under the age of 18 years held any rights to subscribe for equity or debt securities of the Company nor had there been any exercise of any such rights by any of them.

SHARE OPTION SCHEME

The Company adopted the Old Scheme on 24 May 2000 whereby the directors of the Company were authorized, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for shares of the Company. The exercise price of options was determined by the board of directors and would not be less than the nominal value of the shares or 80.0% of the average of the closing prices of the shares on the Stock Exchange for the five business days immediately preceding the date on which an option is offered. The options are exercisable for a period of ten years commencing from the date on which an option is accepted.

No employee shall be granted an option, which, if exercised in full, would result in such employee becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued to him under all options previously granted to him which have been exercised and issuable to him under all the options previously granted to him which are for the time being subsisting and unexercised, would exceed 25.0% of the aggregate number of shares for the time being issued and issuable under the Old Scheme.

董事及最高行政人員的股份、相關股份及債權證的權益及淡倉 (續)

除上述者外：

- (A) 並無任何董事擁有本公司或任何相聯法團（根據證券及期貨條例第XV段的釋義）任何股份、相關股份或債權證的權益或淡倉；與及
- (B) 在本年度，並無任何董事或任何他們的配偶或未滿十八歲的子女擁有權利認購本公司的股本或債務證券，亦並無任何上述人士行使任何此等權利。

認股權計劃

本公司於二零零零年五月二十四日採納舊計劃。根據舊計劃，本公司董事有權酌情邀請本集團僱員（包括本集團內任何公司的董事）接納可認購本公司股份的認股權。認股權行使價由董事會釐定，惟不會低於股份面值或授出認股權日期前五個交易日股份在聯交所的平均收市價80.0%。認股權可於接納當日起計十年內行使。

倘賦予僱員認股權，而其全數行使該等認股權後可認購的股份數量，連同已行使其先前獲賦予的所有認股權而已向其發行的股份，以及根據先前授出而當時仍有效及未行使的認股權可向其發行的股份合計，超過當時根據舊計劃已發行及可發行的股份總數25.0%，則不得再賦予該僱員認股權。

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SHARE OPTION SCHEME (Continued)

The maximum number of shares in respect of which options may be granted under the Old Scheme may not (when aggregated with shares subject to any other employee share option scheme) exceed in nominal 10.0% of the issued share capital of the Company from time to time, excluding for this purpose any shares which have been duly allotted and issued pursuant to the Old Scheme.

At the extraordinary general meeting of the Company held on 7 January 2003, the shareholders of the Company approved the adoption of the New Scheme and the termination of the Old Scheme. The New Scheme is in line with the prevailing requirements of Chapter 17 of the Listing Rules in relation to share option schemes. All options granted under the Old Scheme shall continue to be valid and exercisable in accordance with the terms of the Old Scheme.

The purpose of the New Scheme is for the Company to attract, retain and motivate participants to strive for the future development and expansion of the Group and to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the eligible participants and for such other purposes as may be approved from time to time.

Eligible participants of the New Scheme include any executive or non-executive directors of the Group or any employees (whether full-time or part-time) of the Group; any discretionary objects of a discretionary trust established by any employees, executive or non-executive directors of the Group; any consultants and professional advisers to the Group; any chief executives or substantial shareholders of the Company; any associates of director, chief executive or substantial shareholder of the Company; and any employees of substantial shareholders of the Company, as absolutely determined by the Board of Directors.

The New Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further options will be granted but in respect of all options which remain exercisable at the end of the period, the provisions of the New Scheme shall remain in full force and effect. The remaining life of the New Scheme as at 31 December 2011 was 1 year.

認股權計劃(續)

根據舊計劃授出的認股權所涉及股份面值，連同根據任何其他僱員認股權計劃所涉及股份合計，不得超過本公司不時的已發行股本10.0%（就此而言，不包括根據舊計劃正式配發及發行的任何股份）。

於本公司在二零零三年一月七日舉行的股東特別大會上，本公司股東批准採納新計劃，並終止舊計劃。新計劃符合上市規則第十七章有關認股權計劃當時的規定。根據舊計劃授出的所有認股權將繼續有效，並可根據舊計劃的條款行使。

新計劃旨在吸引、挽留及激勵合資格的參與者，致力推動本集團日後的發展及擴充，並為本公司提供靈活的方法，以鼓勵、獎賞、酬謝、補償合資格的參與者及／或為合資格的參與者提供利益，以及為不時批准的其他目的而設。

新計劃之合資格參與者包括董事會可全權決定之本集團之任何執行或非執行董事或任何僱員（不論全職或兼職）；本集團任何僱員、執行或非執行董事所設立之全權信託之全權受益人；本集團之任何顧問及專業顧問；本公司任何行政總裁或主要股東；本公司董事、行政總裁或主要股東之任何聯繫人士；及本公司主要股東之僱員。

新計劃的有效期限從採納日期起計為期十年，在該期間後，將不會再授出任何認股權，惟就於期限結束之時所有仍可行使的認股權而言，新計劃的條文將繼續全面有效。於二零一一年十二月三十一日，新計劃的餘下年期為一年。

Report of the Directors

董事會報告書

SHARE OPTION SCHEME (Continued)

The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share option schemes of the Company shall not in aggregate exceed 10.0% of the total number of Shares in issue as at the Adoption Date, which was 132,533,159 Shares. As at the date of this annual report, a total of 75,444,159 Shares (representing approximately 4.4% of the issued share capital of the Company as at the date of this annual report) are available for grant under the New Scheme. Together with the outstanding share options granted under the New Scheme of 12,442,000 Shares as at the date of this annual report, a total of 87,886,159 Shares (representing approximately 5.2% of the issued share capital of the Company as at the date of this annual report) are available for issue.

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option schemes of the Company must not exceed 30.0% of the total number of Shares in issue from time to time (or such higher percentage as may be allowed under the Listing Rules).

The total number of shares issued and to be issued upon exercise of the options granted to each participant in any 12-month period up to and including the Grant Date shall not exceed 1.0% of the total number of Shares in issue. Where any further grant of options to a participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such participant in the 12-month period up to and including the date of such further grant to be in aggregate over 1.0% of the Shares in issue, such further grant must be separately approved by the shareholders of the Company in a general meeting with such participant and his associates abstaining from voting.

The period under which an option may be exercised will be determined by the board of directors at its discretion, save that the period shall commence on the date of acceptance by the Grantee and expire not later than 10 years after the date of acceptance. The amount payable on acceptance of an option is HK\$1.00. The full amount of the Subscription Price shall be paid on exercise of an option.

認股權計劃(續)

根據新計劃及本公司任何其他認股權計劃授出的所有認股權在行使時可予發行的股份總數，合共不得超過於採納日期已發行股份總數的10.0%，即132,533,159股股份。於本年報日期，合共75,444,159股股份（於本年報日期佔本公司已發行股本約4.4%）可按新計劃授出。連同於本年報日期根據新計劃仍未行使已授出認股權之12,442,000股股份，合共87,886,159股股份（於本年報日期佔本公司已發行股本約5.2%）可供發行。

根據新計劃及本公司任何其他認股權計劃已授出但仍未行使的所有認股權於行使時可予發行的股份最高數目，不得超過不時已發行股份總數的30%（或上市規則可能允許的較高百分率）。

在任何十二個月期間（直至及包括授出日期）所授予每位參與者的認股權在行使時已發行及將發行的股份總數，不得超過已發行股份總數的1.0%。倘進一步授出認股權予一名參與者將導致任何十二個月期間（直至及包括進一步授出該等認股權的日期），已授予及將授予該參與者的所有的認股權在行使時，已發行及將發行的股份超過已發行股份總數1.0%，則進一步授出的認股權必須獲本公司股東於股東大會上另行批准，而該參與者及其聯繫人士須放棄投票。

可行使認股權的期限將由董事會酌情決定，惟該期限應於承授人接納日期開始，而到期日不得多於從接納日期起計之十年期。接納一份認股權應付的款項為1.00港元。行使價的全數款項需於行使認股權時支付。

Report of the Directors

董事會報告書

SHARE OPTION SCHEME (Continued)

The Subscription Price in respect of each Share issued pursuant to the exercise of options granted under the New Scheme shall be determined by the board of directors with a price at least the highest of:

- the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day;
- a price being the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Business Days immediately preceding the Offer Date; and
- the nominal value of a Share.

As of 31 December 2011, the directors and employees of the Company had the following interests in options to subscribe for shares of the Company (market value per share at 31 December 2011 was HK\$14.40) granted at nominal consideration under the Old Scheme and the New Scheme, respectively. Each unit of option gives the holder the right to subscribe for one share.

認股權計劃(續)

根據新計劃授出的認股權在行使時發行的每股股份的行使價由董事會釐定，而該價格最少應為（以最高者為準）：

- 於提呈日期（必須為營業日）股份在聯交所每日報表所報的收市價；
- 緊接提呈日期前五個營業日股份在聯交所每日報表所報的平均收市價；及
- 股份的面值。

於二零一一年十二月三十一日，本公司的董事及僱員分別根據舊計劃及新計劃以名義價款獲賦予可認購本公司股份（於二零一一年十二月三十一日每股市價為14.40港元）的認股權中擁有以下權益。每份認股權賦予持有人認購一股股份的權利。

Directors 董事	No. of options outstanding at the beginning of the Year 於年初未行使的認股權數目	No. of options outstanding at the end of the Year 於年末未行使的認股權數目	Date granted 賦予日期	Period during which options exercisable 可行使認股權期間	No. of options granted during the Year 年內已授出的認股權數目	No. of shares acquired in exercise of options during the Year 年內行使認股權購入的股份數目	No. of options cancelled/reclassified during the Year 年內取消/重新分類的認股權數目	Price per share to be paid on exercise of options 行使認股權時應付的每股股價	¹ Market value per share at date of grant of options during the Year ¹ 於年內授出認股權日期的每股價格	² Market value per share on exercise of options during the Year ² 於年內行使認股權日期的每股價格
Lin Fan 林帆	700,000	700,000	12/9/2002	12/9/2002-11/09/2002	-	-	-	HK\$3.225	-	-
	2,500,000	2,500,000	02/11/2005	23/11/2005-22/11/2015	-	-	-	HK\$2.875	-	-
Song Shuguang 宋曙光	800,000	800,000	02/11/2005	23/11/2005-22/11/2015	-	-	-	HK\$2.875	-	-
Xie Yiqun 謝一群	500,000	500,000	02/11/2005	23/11/2005-22/11/2015	-	-	-	HK\$2.875	-	-
Peng Wei 彭偉	400,000	400,000	02/11/2005	23/11/2005-22/11/2015	-	-	-	HK\$2.875	-	-
Ng Yu Lam, Kenneth 吳俞霖	400,000	-	12/09/2002	12/09/2002-11/09/2012	-	400,000	-	HK\$3.225	-	HK\$19.68
	1,000,000	500,000	02/11/2005	23/11/2005-22/11/2015	-	500,000	-	HK\$2.875	-	HK\$15.38

Report of the Directors

董事會報告書

SHARE OPTION SCHEME (Continued)

認股權計劃 (續)

Directors 董事	No. of options outstanding at the beginning of the Year 於年初未行使的認股權數目	No. of options outstanding at the end of the Year 於年末未行使的認股權數目	Date granted 賦予日期	Period during which options exercisable 可行使認股權期間	No. of options granted during the Year 年內已授出的認股權數目	No. of shares acquired in exercise of options during the Year 年內行使認股權購入的股份數目	No. of options cancelled/reclassified during the Year 年內取消/重新分類認股權數目	Price per share to be paid on exercise of options 行使認股權時應付的每股股價	¹ Market value per share at date of grant of options during the Year ¹ 於年內授出認股權日期的每股價格	² Market value per share on exercise of options during the Year ² 於年內行使認股權日期的每股價格
Shen Koping, Michael 沈可平	175,000	175,000	29/12/2006	29/12/2006-28/12/2016	-	-	-	HK\$9.800	-	-
	175,000	175,000	29/06/2007	29/06/2007-28/06/2017	-	-	-	HK\$14.220	-	-
	175,000	175,000	31/12/2007	31/12/2007-30/12/2017	-	-	-	HK\$21.400	-	-
	175,000	175,000	30/06/2008	30/06/2008-29/06/2018	-	-	-	HK\$19.316	-	-
	175,000	175,000	31/12/2008	31/12/2008-30/12/2018	-	-	-	HK\$11.920	-	-
	350,000	350,000	31/12/2009	31/12/2009-30/12/2019	-	-	-	HK\$25.10	-	-
	175,000	175,000	30/06/2010	30/06/2010-29/06/2020	-	-	-	HK\$25.91	-	-
	175,000	175,000	31/12/2010	31/12/2010-30/12/2020	-	-	-	HK\$24.18	-	-
	-	175,000	30/06/2011	30/06/2011-29/06/2021	175,000	-	-	HK\$17.58	HK\$17.36	-
	-	175,000	30/12/2011	30/12/2011-29/12/2021	175,000	-	-	HK\$14.728	HK\$14.40	-
Lau Siu Mun, Sammy 劉少文	600,000	300,000	02/11/2005	23/11/2005-22/11/2015	-	300,000	-	HK\$2.875	-	HK\$19.403
Employees 僱員	4,477,000	4,017,000	02/11/2005	23/11/2005-27/11/2015	-	460,000	-	HK\$2.875	-	HK\$22.428
	800,000	800,000	26/02/2007	26/02/2007-25/02/2017	-	-	-	HK\$9.490	-	-

Notes:

- ¹ Being the closing price quoted on the Stock Exchange immediately before the dates on which the options were granted during the Year.
- ² Being the weighted average closing price quoted on the Stock Exchange immediately before the dates on which the options were exercised during the Year.

註:

- ¹ 年內緊接認股權授出日期前於聯交所所報的收市價。
- ² 年內緊接認股權行使日期前於聯交所所報的加權平均收市價。

The assumptions used in estimating the fair value of the Company's share options granted during the Year are provided in note 40(a)(v) to the consolidated financial statements.

有關於年度內授出本公司認股權的公允價值及假設載於綜合財務報表附註40(a)(v)。

Share options were granted as part of a service condition. This service condition does not take into account the fair value measurement of the share options to be granted. There were no market conditions associated with the share options granted.

認股權的授予為服務條件之一。該服務條件並未納入計算授出認股權的公允價值。並無市場條件與授予認股權有關。

Apart from the foregoing, at no time during the Year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors or chief executives of the Company or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

除上述者外，本公司、任何其控股公司、附屬公司或同系附屬公司均沒有在本年度任何時間參與任何安排，致使本公司董事或最高行政人員或任何他們的配偶或未滿十八歲的子女，可以透過收購本公司或任何其他法團的股份或債權證而獲益。

Report of the Directors

董事會報告書

SHARE AWARD SCHEME

- (A) The Share Award Scheme of the Company was adopted by the board of directors (the “Board”) on 10 September 2007 (“Adoption Date”). Unless terminated earlier by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date, and after such period no new award of Shares shall be granted. A summary of some of the principal terms of the Share Award Scheme is set out in section (B) below.
- (B) The purpose of the Share Award Scheme is to recognize and reward certain employees (including without limitation an employee who is also a director) of the Group and TPG and its subsidiaries for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group. The Share Award Scheme intends to provide long-term compensation and incentives such that current employees are incentivized to remain in the Group and TPG and its subsidiaries, and suitable professional recruits are attracted to join the Group and TPG and its subsidiaries, to further assist in the development of the Group.

Under the Share Award Scheme, the Board or a committee (which consists of at least the chief executive officer and a director of the Company) delegated with the power of the Board may, from time to time, at its absolute discretion and subject to such terms and conditions as it may think fit select an employee for participation in the Share Award Scheme and determine the number of shares to be awarded. The Board shall not grant any award of shares which would result in the total number of shares which are the subject of awards of shares granted by the Board under the Share Award Scheme (but not counting any which have lapsed or have been forfeited) to represent in aggregate over 10% of the issued share capital of the Company as at the date of such grant. No award shall be granted to any selected employee which would result in the maximum number of awarded shares which are the subject of the awards of shares granted to such selected employee (including any which have lapsed or have been forfeited) under the Share Award Scheme in the 12-month period up to and including the date of such grant to represent in aggregate over 1% of the issued share capital of the Company as at the date of such grant.

股份獎勵計劃

- (A) 董事會已於二零零七年九月十日（「採納日」）採納本公司的股份獎勵計劃。除非董事會提早終止計劃，否則，股份獎勵計劃由採納日期起十年內有效，於該期間後不得獎授新股份。以下(B)點總結股份獎勵計劃的主要條款。
- (B) 股份獎勵計劃旨在肯定及表揚本集團及中國太平集團及其附屬公司若干僱員（包括身為董事的僱員）的貢獻，並給予長期鼓勵，讓他們繼續為本集團的持續營運及發展效力。現擬根據股份獎勵計劃提供長期薪酬及鼓勵，藉此吸引現有僱員留效本集團及中國太平集團及其附屬公司，並招徠合適的專業人才加盟本集團及中國太平集團及其附屬公司，進一步協助本集團的發展。

根據股份獎勵計劃，董事會或獲授予董事會權力的委員會（最少包含行政總裁及本公司一名董事）可不時全權酌情按照其認為合適的該等條款及條件，揀選僱員參與股份獎勵計劃作為入選僱員，並釐定將予獎授的股份數目。倘獎授將導致董事會根據股份獎勵計劃授出的股份（但不計任何已失效或已沒收的股份）合計超過本公司在有關授出日期當日已發行股本的10%，董事會將不會進行有關獎授。倘向任何入選僱員獎授股份，將導致該入選僱員於截至及包括有關授出日期止十二個月內根據股份獎勵計劃獲授出的獎授股份（包括任何已失效或已沒收的股份）數目上限超過授出日期本公司已發行股本的1.0%，則不得進行有關獎授。

Report of the Directors

董事會報告書

SHARE AWARD SCHEME (Continued)

股份獎勵計劃(續)

(C) As at 31 December 2011, the net total number of shares held under Share Award Scheme is 1,555,400 shares (2010: 4,403,000 shares). As at 31 December 2011, 604,000 shares were awarded to selected employees (2010: 3,465,800 shares) subject to the terms of the Share Award Scheme, but have not yet vested in such selected employees.

(C) 於二零一一年十二月三十一日，根據股份獎勵計劃持有之股份淨額為1,555,400股（二零一零年：4,403,000股）。於二零一一年十二月三十一日，當中604,000股已根據股份獎勵計劃的條款獎授但未歸屬予選定僱員（二零一零年：3,465,800股）。

Details of the Shares awarded to the Directors are set out below:

董事獲獎授股份的資料臚列如下：

Name of Directors 董事名稱	Date of award 獎授日期 (Note 1) (註1)	Number of awarded shares 獎授 股份數目	Historical acquisition cost 歷史 購入成本	Average fair value per share 每股平均 公允價值 (Note 2) (註2)	Number of shares 股份數目		Period during which awarded shares to be vested 可獲歸屬獎授 股份之期間
					Lapsed during the Year 於本年度 內失效	As at 31 December 2011 於二零一一年 十二月三十一日	
Ng Yu Lam, Kenneth 吳俞霖	11/11/2010	30,400	HK\$23.10	HK\$28.85	-	30,400	31/12/2012- 30/12/2017
Lau Siu Mun, Sammy 劉少文	11/11/2010	21,000	HK\$23.10	HK\$28.85	-	21,000	31/12/2012- 30/12/2017

Notes:

註：

(1) The date of award refers to the date on which the selected employees agree to undertake to hold the awarded shares on the terms on which they are granted and agree to be bound by the rules of the Share Award Scheme.

(1) 獎授日是指選定僱員同意承擔持有根據股份獎勵計劃獎授的股份，並受到該等條款約束當日。

(2) The average fair value of the awarded shares is based on the closing price at the date of award and any directly attributable incremental costs.

(2) 獎授股份每股平均公允價值是根據授出日的收市價及所有直接有關增量成本。

Report of the Directors

董事會報告書

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

主要股東及其他人士的股份及相關股份的權益及淡倉

As of 31 December 2011, the interests and short positions of the shareholders, other than a director or chief executive of the Company, in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company under Section 336 of SFO were as follows:

於二零一一年十二月三十一日，按證券及期貨條例第336條規定存置之登記冊的記錄所載不屬於本公司董事或最高行政人員的股東在本公司的股份及相關股份中擁有的權益及淡倉如下：

Substantial shareholders 主要股東	Capacity 身份	Number of ordinary shares 普通股股數	Long position/ short position 好倉／淡倉	Percentage of issued share capital 佔已發行股份百分比
TPG 中國太平集團	Interest of controlled corporation 控股公司權益	908,689,405 (Note 1) (註1)	Long Position 好倉	53.29
TPG (HK) 中國太平集團(香港)	643,425,705 shares as beneficial owner and 265,263,700 shares (Note 2) as interest of controlled corporation 643,425,705股為實益擁有人及265,263,700股(註2)為控股公司權益	908,689,405	Long Position 好倉	53.29
JP Morgan Chase & Co. 摩根大通	3,584,200 shares as beneficial owner, 5,277,400 shares as investment manager and 110,802,209 shares as custodian corporation/ approved lending agent 3,584,200股為實益擁有人，5,277,400股為投資經理及110,802,209股為保管人—法團／核准借出代理人	119,663,809	Long Position 好倉	7.02
	Beneficial owner 實益擁有人	2,061,000	Short Position 淡倉	0.12
Commonwealth Bank of Australia 澳洲聯邦銀行	Interest of controlled corporation 控股公司權益	87,234,600	Long Position 好倉	5.12

Notes:

註:

- (1) TPG's interest in the Company is held by TPG (HK), Easiwell Limited ("Easiwell"), Golden Win Development Limited ("Golden Win") and Manhold, all of which are wholly-owned subsidiaries of TPG.
- (2) 138,924,700 shares are held by Easiwell, 71,544,000 shares are held by Golden Win and 54,795,000 shares are held by Manhold.

- (1) 中國太平集團於本公司之權益由中國太平集團(香港)、易和有限公司(「易和」)、金和發展有限公司(「金和」)及汶豪持有，各公司均為中國太平集團之全資附屬公司。
- (2) 138,924,700股股份由易和持有，71,544,000股股份由金和持有及54,795,000股股份由汶豪持有。

Report of the Directors

董事會報告書

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

Save as disclosed above, the register required to be kept under section 336 of the SFO showed that the Company had not been notified of any interests or short positions in the Shares and underlying Shares of the Company as at 31 December 2011.

DIRECTORS' INTEREST IN CONTRACTS

No contract of significance to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries was a party in which a director of the Company had a material interest subsisted at the end of the Year or at any time during the Year.

CONNECTED TRANSACTIONS

During the Year, the Group entered into the following connected transactions with TPG and its subsidiaries ("TPG Group").

Supplemental Agreements in relation to transfer of equity interests in TPAM

On 28 December 2011, TPL, TPI and the Company entered into a supplemental agreement ("TPAM supplemental agreement") and TPA(HK) and Ageas entered into a supplemental agreement ("Ageas Supplemental Agreement") to amend the terms of the share transfer agreement for CTIH to purchase in aggregate a 60% equity interest in TPAM ("TPAM Share Transfer Agreement") and the terms of the share transfer agreement for TPA(HK) to sell a 12% equity interest in TPAM ("TPAM Ageas Agreement") respectively. Upon the execution of the supplemental agreements mentioned above, the TPAM share transfer agreement (as amended by the TPAM Supplemental Agreement) and the TPAM Ageas Agreement (as amended by the Ageas Supplemental Agreement) became unconditional. The details of the transaction were set out in the announcement of the Company dated 28 December 2011.

主要股東及其他人士的股份及相關股份的權益及淡倉 (續)

除上述者外，按《證券及期貨條例》第336條規定存置之登記冊的記錄所示，本公司並無接獲通知任何有關於二零一一年十二月三十一日在本公司的股份及相關股份中擁有的權益及淡倉。

董事在合約擁有的權益

本公司、任何其控股公司、附屬公司或同系附屬公司於年結時或本年度任何時間，均沒有訂立任何本公司董事擁有重大權益的重要合約。

關連交易

本集團於年內與中國太平集團及其附屬公司（「中國太平集團系」）訂立以下關連交易。

有關轉讓太平資產股權的補充協議

於二零一一年十二月二十八日，太平人壽、太平財險及本公司訂立補充協議（「太平資產補充協議」）及太平資產（香港）及富傑訂立補充協議（「Ageas補充協議」），分別修訂由中國太平控股購入太平資產合供60%股權的股權轉讓協議（「太平資產股權轉讓協議」）及由太平資產（香港）出售太平資產12%股權的股權轉讓協（「太平資產Ageas協議」）之條款。於簽訂上述兩份補充協議後，太平資產股權轉讓協議（經太平資產補充協議修訂）及太平資產Ageas協議（經Ageas補充協議修訂）已變為無條件。此交易之詳情請參閱本公司於二零一一年十二月二十八日之公告。

Report of the Directors

董事會報告書

CONNECTED TRANSACTIONS (Continued)

Termination of Acquiring Equity Interests in a PRC-incorporated company

On 29 April 2011, CTPI (HK), a subsidiary of the Company, and China Insurance Group Investment Company Limited (“CIGICL”) (an indirect wholly-owned subsidiary of TPG) entered into an agreement to terminate the share transfer agreement in relation to the acquisition of equity interest in the 深圳福田燃機電力有限公司 (Futian Gas Turbine Power Company Limited), due to the conditions precedent to share transfer agreement have not been met. The details of the transaction were set out in the announcement of the Company dated 29 April 2011.

CONTINUING CONNECTED TRANSACTIONS

A. Reinsurance Transaction

On 23 December 2008, TPre and TPG entered into a supplemental agreement to renew the term of the Reinsurance Agreement for three years from 1 January 2009 to 31 December 2011. Pursuant to the Reinsurance Agreement, TPre agrees, and TPG agrees to procure its subsidiaries, to enter into various reinsurance contracts with members of the TPG Group. Pursuant to the said reinsurance contracts, TPre acts as reinsurer and accepts risks in return for premium from such members of the TPG Group. The Reinsurance Transactions consist of both treaty and facultative business and the range of risks covered includes all lines of general reinsurance risks and certain classes of long term reinsurance risks on both a proportional and non-proportional basis. TPre will enter into the reinsurance contracts on the same basis as it accepts reinsurance business from other independent customers, and the terms and conditions of the reinsurance contracts, in which other independent third party reinsurers may also participate, will be negotiated on an arm's length basis and will be entered into on normal commercial terms. Under the reinsurance contracts, the Group will receive the agreed premiums on a quarterly basis or such other basis as may be agreed by the parties to the reinsurance contracts and pay commission to the TPG Group on a quarterly basis or such other basis as may be agreed by the parties to the reinsurance contracts. The premiums to be received by the Group and the commission payable to the TPG Group will be settled on a net basis.

關連交易 (續)

終止收購一間於中國成立的公司之股權

於二零一一年四月二十九日，因股份轉讓協議之先決條件未能達成，中國太平香港，本公司一間附屬公司，及中國保險集團投資有限公司（「中保投資」）（中國太平集團之間接全資附屬公司）訂立協議中止有關收購深圳福田燃機電力有限公司股權的股份轉讓協議。此交易之詳情請參閱本公司於二零一一年四月二十九日之公告。

持續關連交易

A. 再保險交易

於二零零八年十二月二十三日，太平再保險與中國太平集團簽訂補充協議，藉以更新再保險協議內之條款為期三年，由二零零九年一月一日起至二零一一年十二月三十一日止。根據再保險協議，太平再保險同意（而中國太平集團同意促使其附屬公司）與中國太平集團系的成員訂定各種的再保險合約。根據此等再保險合約，通過收取保費，太平再保險會以再保人的身份承擔中國太平集團系成員的風險。再保險交易包括合約及臨時性再保險業務，而承保範圍包括全線一般再保險業務按比例及非比例的風險，亦包括某類別的長期再保險風險。太平再保險接納此等再保險業務的合約條款及條件與其他獨立第三者的再保險業務條款相同。而再保險合約的條款及條件（其他獨立第三者亦可據此參與），均經過正常基礎協商及按一般商業條款達成。根據再保險合約，本集團將每季（或再保險合約各訂約方同意的其他基準）收取已同意之保費及每季（或再保險合約各訂約方同意的其他基準）繳付佣金予中國太平集團系。本集團所收取的保費及應付中國太平集團系之佣金將會以淨額結算。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

A. Reinsurance Transaction (Continued)

It is expected that the amount of gross premium income ceded by TPG Group and underwritten by TPRe and the commission expenses payable by the Group in respect of the Reinsurance Transactions for each of the financial year ended 31 December from 2009 to 2011 will not exceed HK\$300 million and HK\$100 million, respectively (2006-2008: HK\$504 million and HK\$154.37 million respectively).

The proposed cap of the amount of gross premium income and commission expenses described above are determined by reference to the historical value of such transactions and the projected value on new business that are likely to be procured.

Since the applicable percentage ratios are, on an annual basis, more than 0.1% but less than 5%, the Continuing Connected Transactions are only subject to reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the gross premiums written and the commission expenses paid in respect of business ceded by related companies was HK\$284.89 million (2010: HK\$254.79 million) and HK\$99.00 million (2010: HK\$75.32 million) respectively.

持續關連交易 (續)

A. 再保險交易 (續)

預計由二零零九年至二零一一年截至十二月三十一日止的每個財政年度由中國太平集團系分入並由太平再保險承保的再保險交易保費收入毛額及由本集團支付有關再保險交易的佣金支出將分別不會超過3.00億港元及1.00億港元(二零零六年至二零零八年:分別為5.04億港元及1.5437億港元)。

上述建議的保費總收入及佣金支出上限是參考過往交易所產生的金額及計入可能獲得的新業務將會帶來的預計金額。

由於適用的百份比率,逐年計算會多於0.1%但少於5%,根據上市規則第14A,有關該等持續關連交易,祇需要遵守申報及公告的規定,惟可獲豁免獨立股東批准的規定。

於年內關連公司分出業務的毛承保保費總額及佣金支出分別為2.8489億港元(二零一零年:2.5479億港元)及9,900萬港元(二零一零年:7,532萬港元)。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

B. Investment Management Services Provided by TPA (HK)

On 23 December 2008, TPA (HK) and TPG entered into a supplemental agreement to renew the term of the Master Investment Management Services Agreement for three years from 1 January 2009 to 31 December 2011. Pursuant to the Master Investment Management Agreement, TPA (HK) agrees, and TPG agrees to procure its subsidiaries, to enter into various investment management agreements with the TPG Group. Pursuant to the investment management agreements, TPA (HK) provides investment advice and investment management services to relevant members of the TPG Group in managing the Trust Fund. TPA (HK) will receive from the TPG Group management fees, performance bonus fees and other fees for its investment management services per annum for each investment management agreement (together, the “**Management Fees**”) in cash and such Management Fees will be calculated on the basis of (a) a certain percentage, to be fixed by reference to market standards, of the net asset value of the Trust Fund; and/or (b) a performance bonus fee representing a certain percentage, to be fixed by reference to market standards, of the amount of net investment return at the end of the relevant calendar year in excess of an amount equivalent to a certain percentage of the daily average balance of the settler’s subscription monies or the increase in the net asset value of the relevant Trust Fund managed by TPA (HK); and/or (c) such other bases as may be agreed by the parties to the investment management agreement.

It is expected that the Management Fees to be received by the Group in respect of investment management services provided by TPA (HK) for each of the financial years ending 31 December from the financial years ended 31 December 2009, 2010 and 2011 will not exceed HK\$30.50 million, HK\$35.10 million and HK\$40.30 million respectively (2006-2008: HK\$4.80 million). The proposed cap is determined by reference to the historical values of such transactions and the projected values on new business to be procured.

持續關連交易 (續)

B. 由太平資產(香港)提供的投資管理服務

於二零零八年十二月二十三日，太平資產(香港)與中國太平集團簽訂補充協議，藉以更新投資管理服務協議內之條款為期三年，由二零零九年一月一日起至二零一一年十二月三十一日止。根據投資管理主協議，太平資產(香港)同意(而中國太平集團同意促使其附屬公司)與中國太平集團系訂定各種投資管理服務協議。根據投資管理服務協議，太平資產(香港)向中國太平集團系相關成員為其信託基金提供投資意見及投資管理服務。太平資產(香港)為中國太平集團系提供投資管理服務，每年會以現金按每一份投資管理協議收取管理費、表現花紅及其他收費(統稱「管理費」)。管理費是 (a) 參考市場標準釐訂，按每項信託基金資產淨值之若干比率來計算；及/或 (b) 表現花紅，參考市場標準釐訂，根據太平資產(香港)所管理的有關信託基金於每個曆年結束時之投資回報淨值之若干比率，高出相當於創立人認購款項每日平均結餘之若干比率或有關信託基金之資產淨值增加；及/或 (c) 經投資管理協議的訂約方同意的其他基準。

預計由二零零九年、二零一零年及二零一一年截至十二月三十一日止的每個財政年度本集團將可以收到有關由太平資產(香港)提供的投資管理服務的管理費不會分別超過3,050萬港元、3,510萬港元及4,030萬港元(二零零六年至二零零八年：480萬港元)。此建議的上限是參考過往交易所產生的金額及計入可能獲得的新業務將會帶來的預計金額。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

B. Investment Management Services Provided by TPA (HK) (Continued)

Since the applicable percentage ratios are, on an annual basis, more than 0.1% but less than 5%, the Continuing Connected Transactions are only subject to reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the Management Fees to be received by the Group in respect of investment management services provided by TPA (HK) was HK\$5.38 million (2010: HK\$5.32 million).

C. Provision of Training Fees

On 23 December 2008, the Company and TPG entered into a supplemental agreement to renew the term of the Training Services Agreement for three years from 1 January 2009 to 31 December 2011. The training department of the TPG Group will provide training services to directors, employees, agents and sales representatives of members of the Group. Such training services include the provision of training to staff, training materials and information and organization of training-related seminars and activities on basic insurance knowledge, risk management, presentation skills, and other areas. The Group will pay training fees to TPG in respect of the training services provided (the "Training Fees") in cash. At the commencement of each financial year, TPG will notify the Group on the projected amount of Training Fees payable by the Group by reference to the planned training activities to be conducted in that financial year and the proportion to be shared by the Group. Prior to 31 March of each financial year, the Group shall pay to TPG the Training Fees in advance (the "Advance Payment"). At the end of the relevant financial year, if the Advance Payment is insufficient to cover the actual Training Fees incurred during that financial year, the Group will pay the shortfall within 90 days from the end of the respective financial year. On the other hand, if the Advance Payment is more than the actual Training Fees incurred, the surplus will, at the discretion of TPG, be refunded to the Company or be brought forward to the next financial year as part of the Advance Payment for the next financial year. The Training Fees to be charged by the TPG Group will be based on the number of persons from the Group who receive the training services as a proportion to the total number of persons who receive the training services and/or other reasonable bases as may be determined by the Company and TPG.

持續關連交易 (續)

B. 由太平資產(香港)提供的投資管理服務 (續)

由於適用的百份比率，逐年計算會多於0.1%但少於5%，根據上市規則第14A，有關該等持續關連交易，祇需要遵守申報及公告的規定，惟可獲豁免獨立股東批准的規定。

本集團於年內有關由太平資產(香港)提供的投資管理服務所收取的管理費為538萬港元(二零一零年：532萬港元)。

C. 提供培訓服務

於二零零八年十二月二十三日，本公司與中國太平集團簽訂補充協議，藉以更新培訓服務協議內之條款為期三年，由二零零九年一月一日起至二零一一年十二月三十一日止。中國太平集團系的培訓部將會為本集團成員之董事、僱員、代理人及營業代表提供培訓服務。培訓服務包括提供員工培訓、培訓教材、培訓信息與及組織相關的培訓會議和活動。培訓內容將包括基本保險知識、風險管理、表達技巧及其他範圍。本集團會按獲得的培訓服務以現金繳付培訓費予中國太平集團(「培訓費」)。中國太平集團會在每個財政年度期初，通知本集團需預付的培訓服務預付款。此筆預付款項是根據該年度計劃舉行的培訓活動及本集團將要分攤的比例。在每年三月三十一日之前，本集團需預繳培訓費(「預付款」)。如在該財政年度末，預付款不足夠支付當年實際發生數，本集團需在90日內繳付差額。若預付款多於實際發生數，中國太平集團可以選擇把餘額退回，或轉為下一個財政年度預付款的一部份。中國太平集團系的培訓費收取，將按本集團參與人數佔接受培訓的總人數的比例及／或其他經本公司及中國太平集團確定為合理的基準釐定。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

C. Provision of Training Fees

It is expected that the Training Fees to be paid by the Group pursuant to the Training Services Agreement for each of the financial year ending 31 December 2009 to 2011 will not exceed HK\$16 million (2006-2008: HK\$5.08 million). The proposed cap is determined by reference to the historical values of such transactions and the projected increase of the number of directors, employees, agents and sales representatives of the members of the Group who will receive the training services.

Since the applicable percentage ratios are, on an annual basis, more than 0.1% but less than 5%, the Continuing Connected Transactions are only subject to reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the fees paid to the TPG Group in respect of the training services were HK\$9.64 million (2010: HK\$12.31 million).

D. Sharing of Back Office Services

On 23 November 2009, the Company entered into a Back Office Services Framework Agreement with Taiping Financial Service Centre (Shanghai) Company Limited ("TPFSC (Shanghai)") pursuant to which TPFSC (Shanghai) and its subsidiaries and associates (excluding the Group) ("TPFSC (Shanghai) Group") agreed to provide and the Group agreed to obtain the Back Office Services at a consideration determined on a cost sharing basis. The Back Office Services provided by TPFSC (Shanghai) Group under the Back Office Services Framework Agreement include (i) operating services including the underwriting and issuance of new policies, renewal and maintenance of in-force policies, claims handling and settlement and telephone enquiry services etc.; and (ii) information technology services including systems operation and maintenance and systems development.

持續關連交易 (續)

C. 提供培訓服務

預計由二零零九年至二零一一年截至十二月三十一日止的每個財政年度本集團根據培訓服務協議將要支付的培訓費不會超過1,600萬港元(二零零六至二零零八年:508萬港元)。此建議的上限是參考過往交易所支付的金額及預計本集團成員的董事、僱員、代理人及營業代表等接受培訓服務的人數將會有所增加。

由於適用的百份比率，逐年計算會多於0.1%但少於5%，根據上市規則第14A，有關該等持續關連交易，祇需要遵守申報及公告的規定，惟可獲豁免獨立股東批准的規定。

於年內支付給中國太平集團系的培訓服務費用為964萬港元(二零一零年:1,231萬港元)。

D. 共享後援運營服務

於二零零九年十一月二十三日，本公司與太平共享金融服務(上海)有限公司(「太平共享服務中心(上海)」)訂立後援運營服務框架協議，據此，太平共享服務中心(上海)及其附屬公司與聯繫人(本集團除外)(「太平共享服務中心(上海)集團」)同意提供而本集團同意接受後援運營服務，作價按成本共享基準釐定。太平共享服務中心(上海)集團根據後援運營服務框架協議將向本集團提供之後援運營服務，其中包括(i)運營服務，包括承保及出單作業、保全作業、理賠作業及電話諮詢服務等；及(ii)資訊科技服務，包括系統開發、操作及保養。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

D. Sharing of Back Office Services (Continued)

The TPFSC (Shanghai) Group will, according to the levels and items of services to be provided by the TPFSC (Shanghai) Group and upon consultation with its customers (including the Group), jointly determine with its customers (including the Group) the estimated annual costs of, and service items to be provided by, the TPFSC (Shanghai) Group. The TPFSC (Shanghai) Group will then provide the cost sharing proposal to the Group for its consent. The actual fees payable by the Group will be determined on a cost sharing basis and be based on the actual volume of Back Office Services provided by the TPFSC (Shanghai) Group to the Group and the entire operational costs of the TPFSC (Shanghai) Group (including any tax incurred by the TPFSC (Shanghai) Group) for providing the Back Office Services. The TPFSC (Shanghai) Group further undertakes that the fees chargeable to the Group for the Back Office Services will not exceed the estimated annual amounts for 3 years (2010 to 2012) as approved by the Company and TPFSC (Shanghai). The Company's prior written consent is required for any adjustment of such annual amounts.

Members of the Group and the TPFSC (Shanghai) Group will have the rights to enter into separate and definitive agreements from time to time to provide for the detailed terms of each single transaction in accordance with the principles set out in the Back Office Services Framework Agreement.

持續關連交易 (續)

D. 共享後援運營服務 (續)

太平共享服務中心(上海)集團將按照太平共享服務中心(上海)集團即將提供服務之水平及項目,並在向其客戶(包括本集團)諮詢後,與其客戶(包括本集團)共同釐定太平共享服務中心(上海)集團之估計年度成本及即將提供之服務項目。太平共享服務中心(上海)集團屆時將向本集團提供成本分攤計劃書,供本集團同意。本集團應付之實際年度費用,將按成本分攤基準釐定,並以太平共享服務中心(上海)集團向本集團提供後援運營服務之項目數量,以及太平共享服務中心(上海)集團與提供後援運營服務有關之全部營運成本(包括太平共享服務中心(上海)集團所產生之任何稅項)為基準。太平共享服務中心(上海)集團進一步承諾,本集團就後援運營服務之應付款將不超過經本公司及太平共享服務中心(上海)審批之三年(二零一零年至二零一二年)估計年度金額。該等年度金額若有任何調整,須經本公司事先以書面同意。

本集團及太平共享服務中心(上海)集團之成員公司將有權不時訂立個別最終協議,按照後援運營服務框架協議所載原則,規定各宗單一交易之詳細條款。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

D. Sharing of Back Office Services (Continued)

It is expected that the value of back office services provided by TPFSC (Shanghai) Group for each of the financial year ending 31 December 2010, 2011 and 2012 will not exceed HK\$234.67 million, HK\$333.05 million and HK\$402.78 million respectively. The aforesaid projected annual caps in respect of the Back Office Services are set by the Directors by reference to (i) the expected level of Back Office Services to be required by the Group with reference to the historical services requirements of the Group; (ii) the estimated costs to be incurred by the TPFSC (Shanghai) Group in providing the Back Office Services with reference to the historical costs incurred by the Group in operating the Back Office Services through members of the Group and the anticipated expansion of the Group's businesses; and (iii) the expected appreciation of the Renminbi. The service fee was agreed between the TPFSC (Shanghai) Group and the Group after arm's length negotiations.

Since the applicable percentage ratios are, on an annual basis, more than 0.1% but less than 5%, the Continuing Connected Transactions are only subject to reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the value of back office services paid to TPFSC (Shanghai) Group was HK\$214.36 million (2010: HK\$133.97 million).

持續關連交易 (續)

D. 共享後援運營服務 (續)

預計由二零一零年、二零一一年及二零一二年截至十二月三十一日止的每個財政年度太平共享服務中心(上海)集團提供後援運營服務不會超過分別為2.3467億港元、3.3305億港元及4.0278億港元。有關後援運營服務之上述預期年度上限，乃董事參考下列各項後設定：(i)參考本集團過往需求而預期本集團對後援運營服務需求的水平；(ii)經考慮本集團過往透過本集團之成員公司進行後援運營服務所產生之歷史成本及本集團業務之預估擴張情況，太平共享服務中心(上海)集團提供後援運營服務時估計將會產生之成本；及(iii)預期人民幣升值。服務費乃太平共享服務中心(上海)集團與本集團經公平磋商後議定。

由於適用的百份比率，逐年計算會多於0.1%但少於5%，根據上市規則第14A，有關該等持續關連交易，祇需要遵守申報及公告的規定，惟可獲豁免獨立股東批准的規定。

於年內支付予太平共享服務中心(上海)集團的後援運營服務費用為2.1436億港元(二零一零年：1.3397億港元)。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

E. Sharing of Internal Audit Services

On 23 November 2009, the Company entered into the Internal Audit Services Framework Agreement with TPG pursuant to which the TPG Group agreed to provide and the Group agreed to obtain the Internal Audit Services at a consideration determined on a cost sharing basis. The Internal Audit Service provided by TPG Group to the Group under the Internal Audit Services Framework Agreement include without limitation internal audit services.

The TPG Group will, according to the levels and items of services to be provided by the TPG Group and upon consultation with its customers (including the Group), jointly determine with its customers (including the Group) the estimated annual costs of, and service items to be provided by, the TPG Group. The TPG Group will then provide the cost sharing proposal to the Group for its consent. The actual fees payable by the Group will be determined on a cost sharing basis and be based on the actual volume of Internal Audit Services provided by the TPG Group to the Group and the entire operational costs of the TPG Group (including any tax incurred by the TPG Group) for providing the Internal Audit Services. The TPG Group further undertakes that the fees chargeable to the Group for the Internal Audit Services will not exceed the estimated annual amounts for 3 years (2010 to 2012) as approved by the Company and TPG. The Company's prior written consent is required for any adjustment of such annual amounts.

持續關連交易 (續)

E. 共享內部審計服務

於二零零九年十一月二十三日，本公司與中國太平集團訂立內部審計服務框架協議，據此，中國太平集團系同意提供而本集團同意接受內部審計服務，作價按成本共享基準釐定。中國太平集團系根據內部審計服務框架協議將向本集團提供之內部審計服務，包括但不限於內部審計服務。

中國太平集團系將按照中國太平集團系即將提供服務之水平及項目，並在向其客戶（包括本集團）諮詢後，與其客戶（包括本集團）共同釐定中國太平集團系之估計年度成本及即將提供之服務項目。中國太平集團系屆時將向本集團提供成本分攤計劃書，供本集團同意。本集團應付之實際年度費用，將按成本分攤基準釐定，並以中國太平集團系向本集團提供內部審計服務之項目數量，以及中國太平集團系與提供內部審計服務有關之全部營運成本（包括中國太平集團系所產生之任何稅項）為基準。中國太平集團系進一步承諾，本集團就內部審計服務之應付款將不超過經本公司及中國太平集團審批之三年（二零一零年至二零一二年）估計年度金額。該等年度金額若有任何調整，須經本公司事先以書面同意。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

E. Sharing of Internal Audit Services (Continued)

Members of the Group and the TPG Group will have the rights to enter into separate and definitive agreements from time to time to provide for the detailed terms of each single transaction in accordance with the principles set out in the Internal Audit Services Framework Agreement.

It is expected that the value of internal audit services provided by TPG Group for each of the financial year ending 31 December 2010, 2011 and 2012 will not exceed HK\$45.39 million, HK\$50.38 million and HK\$55.02 million respectively. The aforesaid projected annual caps in respect of the Internal Audit Services are set by the Directors by reference to (i) the expected level of Internal Audit Services to be required by the Group with reference to the historical services requirements of the Group; (ii) the estimated costs to be incurred by the TPG Group in providing the Internal Audit Services with reference to the historical costs incurred by the Group in operating the Internal Audit Services through members of the Group and the anticipated expansion of the Group's businesses; and (iii) the expected appreciation of the Renminbi. The service fee was agreed between the TPG Group and the Group after arm's length negotiations.

Since the applicable percentage ratios are, on an annual basis, more than 0.1% but less than 5%, the Continuing Connected Transactions are only subject to reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the value of internal audit services paid to TPG Group was HK\$48.80 million (2010: HK\$33.05 million).

持續關連交易 (續)

E. 共享內部審計服務 (續)

本集團及中國太平集團系之成員公司將有權不時訂立個別最終協議，按照內部審計服務框架協議所載原則，規定各宗單一交易之詳細條款。

預計由二零一零年、二零一一年及二零一二年截至十二月三十一日止的每個財政年度中國太平集團系提供內部審計服務不會超過分別為4,539萬港元、5,038萬港元及5,502萬港元。有關內部審計服務之上述預期年度上限，乃董事參考下列各項後設定：(i)參考本集團過往需求而預期本集團對內部審計服務需求的水平；(ii)經考慮本集團過往透過本集團之成員公司進行內部審計服務所產生之歷史成本及本集團業務之預估擴張情況，中國太平集團系提供內部審計服務時估計將會產生之成本；及(iii)預期人民幣升值。服務費乃中國太平集團系與本集團經公平磋商後議定。

由於適用的百份比率，逐年計算會多於0.1%但少於5%，根據上市規則第14A，有關該等持續關連交易，祇需要遵守申報及公告的規定，惟可獲豁免獨立股東批准的規定。

於年內支付予中國太平集團系的內部審計服務費用為4,880萬港元（二零一零年：3,305萬港元）。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

F. Insurance Cross Selling within the Group and Investment Management Services provided by TPAM

Reference is made to the announcements published by the Company on 1 December 2011 in relation to continuing connected transactions setting out the details of the continuing connected transactions of insurance cross selling within the Group and investment management services provided by TPAM.

No proposed cap of the amount of investment management services fee income of TPAM and the insurance agency services fee income of TPP and TPL was disclosed in previous announcement(s) for the year ended 31 December 2011, and therefore the auditor would not be able to confirm whether or not the relevant transactions have exceeded the disclosed cap as required under Rule 14A.38(4) of the Listing Rules.

(i) Insurance Agency Service provided by TPL

Since 2006, TPL has been providing insurance agency services to TPP and TPI. Pursuant to certain agency service contracts with TPP and TPI, TPL acted as an agent for TPP and TPI in selling their insurance products and in return received agency fees calculated mainly based on a certain percentage of the insurance premiums for the insurance products distributed by TPL on behalf of TPP or TPI.

Since the applicable percentage ratios are, on an annual basis, more than 0.1% but less than 5%, the Continuing Connected Transactions are only subject to reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the value of insurance agency service fee received by TPL was HK\$81.22 million.

持續關連交易 (續)

F. 集團內的保險交叉銷售服務及由太平資產提供的投資管理服務

茲提述本公司於二零一一年十二月一日刊發關於持續關連交易的公告，當中載列有關集團內的保險交叉銷售及由太平資產提供的投資管理服務的持續關連交易詳情。

由於先前的公告並無披露由太平資產提供的投資管理服務及由太平人壽及太平養老提供的保險銷售代理服務截至二零一一年十二月三十一日止年度的上限金額，因此，核數師不會根據上市規則第14A.38(4)條的規則確認相關的交易是否超過已披露的上限。

(i) 由太平人壽提供的保險銷售代理服務

自二零零六年起，太平人壽為太平養老及太平財險提供保險銷售代理服務。根據若干與太平養老及太平財險簽訂之銷售代理服務合同，太平人壽作為太平養老及太平財險的代理人銷售其保險產品並收取代理手續費，代理手續費主要以太平人壽按銷售代理服務合同代太平養老及太平財險所分銷保險產品的保費之若干百分比計算。

由於適用的百份比率，逐年計算會多於0.1%但少於5%，根據上市規則第14A，有關該等持續關連交易，祇需要遵守申報及公告的規定，惟可獲豁免獨立股東批准的規定。

於年內太平人壽收取的保險代理服務費用為8,122萬港元。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

F. Insurance Cross Selling within the Group and Investment Management Services provided by TPAM (Continued)

(ii) Insurance Agency Service provided by TPP

Since 2007, TPP has been providing insurance agency services to TPL and TPI. Pursuant to certain agency service contracts with TPL and TPI, TPP acted as an agent for TPL and TPI in selling their insurance products and in return received agency fees calculated mainly based on (a) a certain percentage of the insurance premiums for the insurance products distributed by TPP on behalf of TPL or TPI and/or (b) such other bases agreed by the parties to the agency service contracts.

Since the applicable percentage ratios are, on an annual basis, more than 0.1% but less than 5%, the Continuing Connected Transactions are only subject to reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the value of insurance agency service fee received by TPP was HK\$134.84 million.

(iii) Investment Management Service provided by TPAM

Since 2006, TPAM has been providing investment management services to TPL, TPP, TPI and TPre Beijing. Pursuant to the relevant investment management contracts, TPAM provided investment advice and investment management services to TPL, TPP, TPI and TPre Beijing respectively and in return received management fees calculated based on (a) a certain percentage of the net asset value of the RMB Trust Fund; and/or (b) such other bases agreed by the parties to the relevant investment management contract.

持續關連交易 (續)

F. 集團內的保險交叉銷售服務及由太平資產提供的投資管理服務 (續)

(ii) 由太平養老提供的保險銷售代理服務

自二零零七年起，太平養老為太平人壽及太平財險提供保險銷售代理服務。根據若干與太平人壽及太平財險簽訂之銷售代理服務合同，太平養老作為太平人壽及太平財險的代理人銷售其保險產品並收取代理手續費，代理手續費主要按(a)太平養老代太平人壽及太平財險所分銷保險產品的保費之若干百分比計算；及／或(b)經銷售代理服務合同各訂約方同意的其他基準釐定。

由於適用的百分比率，逐年計算會多於0.1%但少於5%，根據上市規則第14A，有關該等持續關連交易，祇需要遵守申報及公告的規定，惟可獲豁免獨立股東批准的規定。

於年內太平養老收取的保險代理服務費用為1.3484億港元。

(iii) 由太平資產提供的投資管理服務

自二零零六年起，太平資產為太平人壽、太平養老、太平財險及太平再保險北京分公司提供投資管理服務。根據相關的投資管理合同，太平資產分別向太平人壽、太平養老、太平財險及太平再保險北京分公司提供投資意見及投資管理服務並收取管理費，管理費按(a)人民幣信託基金資產淨值之若干百分比計算；及／或(b)經相關投資管理合同各訂約方同意的其他基準釐定。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

F. Insurance Cross Selling within the Group and Investment Management Services provided by TPAM (Continued)

(iii) Investment Management Service provided by TPAM (Continued)

Since the applicable percentage ratios are, on an annual basis, more than 0.1% but less than 5%, the Continuing Connected Transactions are only subject to reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

During the Year, the Management Fees to be received by the Group in respect of investment management services provided by TPAM was HK\$124.81 million.

The independent non-executive directors of the Company have reviewed and confirmed that the continuing connected transactions in paragraphs A to F above were conducted in following manner:

- (i) entered into by the Group in the ordinary and usual course of its business;
- (ii) entered into on normal commercial terms or on terms no less favourable than terms available to or from independent third parties
- (iii) entered into in accordance with the terms of the relevant agreements governing such transactions and on terms that are fair and reasonable so far as the shareholders of the Company as a whole are concerned.

持續關連交易 (續)

F. 集團內的保險交叉銷售服務及由太平資產提供的投資管理服務 (續)

(iii) 由太平資產提供的投資管理服務 (續)

由於適用的百份比率，逐年計算會多於0.1%但少於5%，根據上市規則第14A，有關該等持續關連交易，祇需要遵守申報及公告的規定，惟可獲豁免獨立股東批准的規定。

本集團於年內有關由太平資產提供的投資管理服務所收取的管理費為1.2481億港元。

獨立非執行董事已作出檢討，並確認載於以上A至F段的持續關連交易乃按以下方式進行：

- (i) 本集團於日常及一般業務當中訂立；
- (ii) 按一般商業條款進行，或根據不遜於給予或獲自獨立第三方的條款；
- (iii) 根據規管該等交易的協議條款訂立及訂立條款對本公司股東整體而言乃屬公平合理。

Report of the Directors

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his modified letter containing his findings and conclusions, which is extracted as below, in respect of the continuing connected transactions disclosed by the Group in pages 106 to 118 of the Annual Report in accordance with Main Board Listing Rule 14A.38. A copy of the auditor's letter has been provided by the Company to The Stock Exchange of Hong Kong Limited.

"The Company has not established and announced maximum aggregate annual values in respect of the investment management services fee income of TPAM, and the insurance agency services fee income of TPP and TPL for the year ended 31 December 2011, and accordingly we have not performed the procedures described in Main Board Listing Rule 14A.38(4) with respect to these transactions. Our conclusion is not qualified in respect of this matter."

INTEREST BEARING NOTES

Particulars of the interest bearing notes of the Company and the Group as at 31 December 2011 are set out in note 32 to the consolidated financial statements.

FIVE YEAR SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 304 to 305.

持續關連交易 (續)

本公司核數師獲委聘按照香港會計師公會頒布的香港鑒證業務準則第3000號下之「非審核或審閱過往財務資料之鑒證工作」規定，並參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，審查本集團之持續關連交易。根據上市規則第14A.38條，核數師已就本集團於年報第106至118頁所披露的持續關連交易之審查結果及結論，發出非標準無保留意見函件，並節錄如下。本公司已將有關函件之副本提交予香港聯合交易所有限公司。

「貴公司並沒有設立及刊發有關由太平資產的投資管理服務費收入及由太平人壽及太平養老的保險銷售代理服務費收入截至二零一一年十二月三十一日止年度的年度上限金額，因此，我們並未有就這些交易進行上市規則第14A.38(4)條規則所述的程序。我們就此事項的結論並非保留意見。」

需付息票據

本集團及本公司於二零一一年十二月三十一日有關需付息票據的摘要載於綜合財務報表附註32。

五年概要

本集團於過去五個財務年度的業績及資產與負債概要載於第304至305頁。

Report of the Directors

董事會報告書

RETIREMENT SCHEMES

Particulars of the retirement schemes are set out in note 39 to the consolidated financial statements.

CORPORATE GOVERNANCE

Information on the Company's corporate governance practices during the Year under review is set out in the "Corporate Governance Report" of the Company's 2011 annual report.

AUDIT COMMITTEE

Further information on the composition of the Audit Committee and the work performed by the Audit Committee during the Year under review is set out in the Company's 2011 annual report under the section headed "Audit Committee" in the Corporate Governance Report.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its directors, as at the date of this report, there is sufficient public float, as not less than 25.0% of the Company's issued shares are held by the public.

AUDITOR

Messrs. Deloitte Touche Tohmatsu shall retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs. Deloitte Touche Tohmatsu as auditor of the Company is to be proposed at the forthcoming annual general meeting.

By order of the Board
Song Shuguang
Director

Hong Kong, 19 March 2012

退休計劃

有關該等退休計劃的摘要載於綜合財務報表附註39。

企業管治

有關本年度的本公司企業管治常規的資料載於本公司二零一一年年報「企業管治報告書」之內文。

審核委員會

有關審核委員會的成員組合及本年度的工作詳載於本公司二零一一年年報企業管治報告書標題「審核委員會」一段之內文。

公眾持股量

在本報告刊發之日，根據本公司取得的公開資料及就董事所知悉，本公司的公眾持股量是足夠的，此乃因為公眾持股量並不少於本公司已發行股本的25.0%。

核數師

德勤關黃陳方會計師行即將告退，併合符資格及願膺選續聘。由德勤關黃陳方會計師行續聘為本公司核數師的決議，將於即將召開的股東週年大會上提出。

承董事會命
董事
宋曙光

香港，二零一二年三月十九日