

# Management Review and Analysis

## 管理層回顧和分析

### KEY OPERATING RESULTS

1. Complete and full meeting of all objectives.
  - Gross premiums written was at HK\$85,464.15 million, increasing by 41.7%
  - Total assets broke through HK\$315,000 million, increasing by 25.1% since the beginning of 2013
  - Total assets under management broke through HK\$251,900 million, increasing by 34.0% since the beginning of 2013
  - Net profit was at HK\$2,211.14 million, increasing by 19.4%
  - Net profit attributable to the shareholders was at HK\$1,530.07 million, increasing 16.3% compared to Last Year
  - If the new share proportions and calculations after the restructuring and asset acquisitions are applied for the full year, then the net profit attributable to the shareholders would be HK\$1,930.77 million, increasing 47.3% compared to Last Year
2. The life insurance operations have advanced to a higher level. At the same time as outperforming the market and competing at an advanced level, the development potential at TPL continues to grow. TPL's gross premiums grew 44.9% from last year, allowing its market share to reach 4.8%, ranking as the seventh largest life insurer in the PRC. New business value of the life insurance business increased by 36.6%. Embedded value increased by 55.0%.
3. The property casualty insurance operations in the PRC have been operating under strict management. At the same time as outperforming the market and competing at an advanced level, TPI significantly increased its overall management levels. TPI's premium volume crossed the RMB10 billion threshold for the first time, and its market share ranking increased to eighth in the industry.
4. Rapid development at the pension operations. In 2013, TPP achieved breakeven and profitability for the first time.

### 主要經營成果

- 一、全面達成目標
  - 保費收入854.6415億港元，同比增長41.7%
  - 總資產突破3,150.00億港元，較二零一三年初增長25.1%
  - 管理資產突破2,519.00億港元，較二零一三年初增長34.0%
  - 淨利潤22.1114億港元，同比增長19.4%
  - 股東應佔淨利潤15.3007億港元，比去年增長16.3%
  - 如二零一三年全年按注入後新股權比例並表計算，股東應佔淨利潤為19.3077億港元，比去年增長47.3%
- 二、壽險業務經營管理逐步「上層次」，在跑贏大市爭先進位的同時，發展後勁不斷增強。太平人壽總保費收入同比增長44.9%，市場份額達4.8%，市場排名第7位。壽險新業務價值增長36.6%，內含價值增長55.0%。
- 三、境內產險業務著力「強管理」，在跑贏大市爭先進位的同時，整體管理水平顯著提高。保費規模首次邁上百億臺階，市場排名上升到第8位。
- 四、養老業務迎來「快發展」，二零一三年首次實現打平盈利。

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### KEY OPERATING RESULTS (Continued)

5. Broadened thinking at the asset management operations. The Group's investment yield steadily increased in 2013, producing a result significantly better than Last Year. The market ranking of enterprise annuities rose sharply higher. Equities investment returns were among the leaders in the industry.
6. The overseas operations had steady progress, and their profit contributions continue to rise.

### Significant Accomplishments in 2013

1. TPG's restructuring and injection of high quality assets is essentially complete. CTIH will now more fully share in the high growth benefits of our operations in the PRC. Also, overall decision-making efficiency, corporate governance levels, and overall financial strength have all been greatly improved.
2. Our high level strategic relationship development has achieved breakthroughs. In 2013, the Group successfully signed agreements with 23 strategic clients, including the Shandong Municipal Government, Bank of China, and China Unicom, effectively allowing the Group to advance its businesses and promote financial innovation.
3. We achieved important progress in certain high quality investment projects. These investments will not only improve and stabilize the Group's future investment income, but will also enhance the Group's brand name in the years to come.
4. While steadily growing its operations, the Group also continued to increase its strategic investments. In 2013, we invested significant resources into our life insurance individual agency organization. As a result, TPL's agents increased from 57,860 at the beginning of 2013 to 112,796 at the year end. As the new agents matured and gained experience, their productivity gradually improved, allowing our per capita production to continue to be better than our peers.

### 主要經營成果(續)

- 五、資產管理業務不斷「闖思路」。投資收益率穩步提升，遠超去年同期水平，企業年金市場排名大幅上升，權益投連帳戶收益率達到行業領先水平。
- 六、境外業務穩中有進，盈利貢獻不斷提升。

### 二零一三年取得的重大進展

- 一、集團優質資產基本上完成整體注入，中國太平控股將更能分享以境內壽險為代表的高增長紅利。另一方面，整體決策效率、公司治理水平、整體財務實力均得到較大提升。
- 二、總對總戰略合作取得突破，二零一三年共成功簽約包含山東省政府、中國銀行和聯通在內的23家戰略客戶，有效帶動業務增長和綜合金融創新。
- 三、優質投資項目取得重要進展，在穩定未來投資收益的同時有效提升了公司品牌形象。
- 四、在業績穩步增長的同時，公司繼續加大戰略投入，在二零一三年，我們對壽險個人代理組織發展投入大量資源，業務員數量從二零一三年初的57,860人增長至年末112,796人，而且隨着新代理人漸趨成熟，產能逐步釋放，人均產能仍然優於同業。

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### KEY OPERATING RESULTS *(Continued)*

#### Status of Restructuring

As of 31 December 2013, CTIH has completed the acquisition of the main target assets for the restructuring, which have been incorporated into the Company's 2013 financial statements. The assets which have already been injected are equivalent to about 85% of the total consideration. Outside of these already injected assets, CTIH has obtained the approval of the SFC to be a substantial shareholder of TPFH in January of this year, which is equivalent to 4% of the total consideration. For the three overseas companies — TP Singapore, TP Indonesia, and TP UK – we expect to receive approval from their respective local regulators during the first half of this year. Regarding the delivery schedule of the shares, as of today, CTIH has issued 724,135,576 consideration shares to TPG. CTIH will seek to complete the process for the remaining approximately 139 million consideration shares during the first half of this year.

### CONSOLIDATED FINANCIAL RESULTS

#### Application of Merger Accounting for the group restructuring:

On 27 May 2013, CTIH entered into a framework agreement whereby the Company conditionally agreed to acquire certain assets and interests from TPG and TPG (HK). CTIH has already issued new shares as the form of payment for the consideration. In terms of the accounting treatment, the acquisition of such assets and interests can be categorized into two types to be accounted for:

**Type I Assets:** These assets were the additional equity interests of existing subsidiaries including a 25.05% stake in TPL, a 38.79% stake in TPI, a 4% stake in TPP and a 20% stake in TPAM, as well as individual assets and liabilities owned by TPG and TPG (HK).

**Type II Assets:** These assets in the transactions were the equity interests of subsidiaries, certain own-used properties and equipment owned by TPG and TPG (HK).

### 主要經營成果 (續)

#### 改組情況

公司已於二零一三年十二月三十一日完成主要目標資產的注入，並已合併到太平控股二零一三年的財務報表。已注入資產的規模，約相當於總代價85%。上述注入資產之外，太平控股已於今年1月取得香港證監會批准成為太平金控之主要股東，相當於總代價4%。太平新加坡、太平印尼、太平英國三家海外產險公司，預計在今年上半年取得當地監管機構的批准。關於股份交割進度，截至今日，太平控股已向太平集團發行7.24億股代價股份，餘下約1.39億股代價股份，爭取在今年上半年完成。

#### 綜合財務表現

#### 於集團重組使用合併會計法：

二零一三年五月二十七日，中國太平控股簽署框架協議，同意收購中國太平集團和中國太平集團（香港）的資產和股權，中國太平控股以發行新股形式支付對價。就會計處理而設，上述資產及股權收購可分為以下兩種類型進行入賬：

**第一類資產：**該類資產為現有子公司的額外權益，包括太平人壽的25.05%股份、太平財險的38.79%股份、太平養老的4%股份和太平資產的20%股份，以及中國太平集團和中國太平集團（香港）的持有的零星資產及負債。

**第二類資產：**該類資產為中國太平集團和中國太平集團（香港）持有之子公司的權益、自用物業以及設備。

# Management Review and Analysis

## 管理層回顧和分析

### CONSOLIDATED FINANCIAL RESULTS *(Continued)*

#### Application of Merger Accounting for the group restructuring: *(Continued)*

Except for TP Singapore, TP UK, TP Indonesia, and TPFH (included in the Type II Assets) and certain individual properties in the PRC (included in Type I Assets), all of the conditions precedents for the transactions were completed during the fourth quarter of 2013. Those assets and interests whose conditions precedents for the transactions were completed are deemed to be vested to CTIH during the fourth quarter of 2013. In terms of the consideration of the transaction, 85% of the assets under the transaction were vested and consolidated in CTIH for the year ended 31 December 2013. The consolidation treatment of the Type I Assets and Type II Assets in the accounts of CTIH for the year ended 31 December 2013 are as follows:

**Type I Assets:** Immediately after the conditions precedents were completed in November 2013, the results of TPL, TPI, TPAM and TPP were consolidated in CTIH based on the new ownership percentages (which were 75.1%, 100%, 80% and 100%, respectively). The individual assets and liabilities were consolidated in CTIH at the time of completion of the conditions precedents. No restatement of prior year figures were required.

**Type II Assets:** Since the assets were both under the common control of TPG (HK) and TPG before and after the transaction, the Group has applied Accounting Guideline No. 5 "Merger Accounting for Common Control Combinations". Under the principles of merger accounting, these acquisitions were accounted for as though the businesses have always been carried out by the Group. Accordingly, the prior year consolidated figures have been restated as if they had been consolidated in the Group throughout the prior years presented. As at 31 December 2013, the main assets consolidated in CTIH under the Type II Assets were TP Macau, TPIH, and Dragon Jade.

### 綜合財務表現 (續)

#### 於集團重組使用合併會計法：(續)

除太平新加坡、太平英國、太平印尼、太平金融控股（均屬第二類資產）和中國境內零星物業（屬第一類資產）外，交易的所有先決條件已於二零一三年第四季度完成。完成交易先決條件的資產和股權被視為在二零一三年第四季度歸屬及合併到中國太平控股，規模相當於交易總對價的85%。第一類資產和第二類資產通過以下方式合併到中國太平控股二零一三年賬上：

**第一類資產：**二零一三年十一月完成先決條件後，太平人壽、太平財險、太平資產和太平養老按中國太平控股持有的新股權比例（即分別為75.1%、100%、80%和100%）進行合併。完成先決條件的同時，零星資產及負債併入中國太平控股賬上。二零一二年數字無須重列。

**第二類資產：**由於該類資產在交易前後均由中國太平集團和中國太平集團（香港）同一控制，本集團應用會計指引第5號「共同控制合併之合併會計處理」，根據合併會計的原則，該類資產的記帳被視作一直由本集團持有，據此，前一年的合併數字已相應重列，等同過往各年均已與中國太平控股合併。截至二零一三年十二月三十一日，已合併到中國太平控股的第二類資產主要為太平澳門、太平投資控股和龍璧等。

# Management Review and Analysis

## 管理層回顧和分析

### CONSOLIDATED FINANCIAL RESULTS (Continued)

### 綜合財務表現(續)

The financial highlights of the Group for the Year were as follows:

本集團年內重點財務表現如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|  |            | 2013             | 2012<br>(Restated)<br>(重列) | Change<br>變化     |
|--|------------|------------------|----------------------------|------------------|
| Gross premiums written                 | 毛承保保費      | <b>85,464.15</b> | 60,320.19                  | +41.7%           |
| Profit from operations before taxation | 除稅前經營溢利    | <b>2,556.80</b>  | 1,750.03                   | +46.1%           |
| Profit from operations after taxation  | 除稅後經營溢利    | <b>2,211.14</b>  | 1,852.55                   | +19.4%           |
| Net profit attributable to the owners  | 股東應佔溢利淨額   | <b>1,530.07</b>  | 1,315.54                   | +16.3%           |
| Basic earnings per share (HK\$)        | 每股基本盈利(港元) | <b>0.775</b>     | 0.695                      | +0.080 dollar 元  |
| Final dividend proposed                | 派發末期股息建議   | –                | –                          | –                |
| Total equity                           | 總權益        | <b>23,850.84</b> | 23,340.96                  | +2.2%            |
| – Per share (HK\$)                     | – 每股(港元)   | <b>9.779</b>     | 12.314                     | –2.535 dollars 元 |
| Owners' equity                         | 股東應佔權益     | <b>19,847.24</b> | 16,307.73                  | +21.7%           |
| – Per share (HK\$)                     | – 每股(港元)   | <b>8.137</b>     | 8.604                      | –0.467 dollar 元  |
| Group embedded value                   | 總內含價值      | <b>47,666.93</b> | 37,656.14                  | +26.6%           |
| – Per share (HK\$)                     | – 每股(港元)   | <b>19.544</b>    | 22.074                     | –2.530 dollars 元 |
| Owners' group embedded value           | 股東應佔總內含價值  | <b>37,536.53</b> | 22,171.96                  | +69.3%           |
| – Per share (HK\$)                     | – 每股(港元)   | <b>15.390</b>    | 12.997                     | +2.393 dollars 元 |

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## 管理層回顧和分析

### CONSOLIDATED FINANCIAL RESULTS (Continued)

The figures below are the results of the respective companies from their operations, before intra-group eliminations.

The net operating profit/(loss) by each business line is summarized below:

For the year ended 31 December, HK\$ million

### 綜合財務表現(續)

以下數字為集團內部對銷前，各公司的營運業績。

按各業務分類之經營淨溢利／(虧損)概述如下：

截至十二月三十一日止年度，百萬港元

|  |                 | 2013     | 2012<br>(Restated)<br>(重列) | Change<br>變化 |
|--|-----------------|----------|----------------------------|--------------|
| Life insurance   | 人壽保險            | 1,293.78 | 862.91                     | +49.9%       |
| PRC property and casualty insurance                      | 境內財產保險          | 341.99   | 239.45                     | +42.8%       |
| Overseas property and casualty insurance and reinsurance | 境外財產保險及再保險      | 731.91   | 716.85                     | +2.1%        |
| Pension and group life insurance                         | 養老及團體人壽保險       | 2.43     | (128.58)                   | —            |
| Asset management   | 資產管理            | 29.05    | 31.70                      | -8.4%        |
| Others <sup>1</sup>                                      | 其他 <sup>1</sup> | (188.02) | 130.22                     | —            |
| Net profit from operations                               | 經營淨溢利           | 2,211.14 | 1,852.55                   | +19.4%       |
| Non-controlling interests                                | 非控股股東權益         | (681.07) | (537.01)                   | +26.8%       |
| Net profit attributable to the owners                    | 股東應佔溢利淨額        | 1,530.07 | 1,315.54                   | +16.3%       |

<sup>1</sup> Others mainly include the operating results of the holding company, TPeC, TPIH and consolidation adjustments.

<sup>1</sup> 其他主要包括中國太平控股本部、太平電商、太平投資控股等經營成果，以及合併調整。

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## 管理層回顧和分析

### CONSOLIDATED FINANCIAL RESULTS (Continued)

### 綜合財務表現(續)

The following analysis shows the movement of the total equity of the Group.

以下為本集團總權益變化分析。

HK\$ million

百萬港元

|  |                        | 2013              | 2012<br>(Restated)<br>(重列) |
|--|------------------------|-------------------|----------------------------|
| Total equity as at 1 January, as previously reported   | 於一月一日之總權益，如前呈報         | 20,992.42         | 17,028.99                  |
| Effect of application of merger accounting   | 使用合併會計法之影響             | 2,348.54          | 2,070.19                   |
| Total equity as at 1 January, as restated  | 於一月一日之總權益，重列後          | <b>23,340.96</b>  | 19,099.18                  |
| Net operating profit recognized in statement of profit or loss                                   | 確認於損益表之經營溢利淨額          | 2,211.14          | 1,852.55                   |
| Net changes in AFS investment reserve  | 可供出售投資儲備變化淨額           | <b>(1,630.25)</b> | 2,097.30                   |
| Revaluation gain arising from reclassification of own-use properties into investment properties  | 因自用物業重新分類為投資物業而產生之重估收益 | 32.41             | 37.11                      |
| Exchange gain arising from translation of financial statements of subsidiaries outside Hong Kong | 因換算香港以外地區附屬公司財務報表的匯兌收益 | 627.19            | 2.55                       |
| Acquisition of target assets (including liabilities)   | 購入目標資產(含負債)            | <b>(2,794.15)</b> | -                          |
| Deemed disposal of partial interest in a subsidiary  | 應當出售附屬公司部份權益之收益        | 15.69             | -                          |
| Capital contribution made to subsidiaries by its non-controlling shareholder                     | 由附屬公司之非控股股東向其注入資本      | 2,047.86          | 238.42                     |
| Other movements  | 其他變動                   | <b>(0.01)</b>     | 13.85                      |
| Total equity as at 31 December   | 於十二月三十一日之總權益           | <b>23,850.84</b>  | 23,340.96                  |
| Attributable to:   | 應佔：                    |                   |                            |
| Owners of the Company  | 本公司股東權益                | 19,847.24         | 16,307.73                  |
| Non-controlling interests  | 非控股股東權益                | 4,003.60          | 7,033.23                   |
|  |                        | <b>23,850.84</b>  | 23,340.96                  |

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### CONSOLIDATED FINANCIAL RESULTS (Continued)

The **gross premiums written** for the Year increased by 41.7% to HK\$85,464.15 million from (*Restated*) HK\$60,320.19 million in the Last Year. Premium growth continued to be strong in the life insurance business and the property and casualty insurance business in the PRC.

The **net operating profit** for the Year was HK\$2,211.14 million (2012 (*Restated*): HK\$1,852.55 million). The higher net operating profit was due to the higher earnings at the life insurance, property and casualty insurance businesses in the PRC and reinsurance business. The net operating profit attributable to the owners for the Year was HK\$1,530.07 million (2012 (*Restated*): HK\$1,315.54 million).

The **life insurance business** produced a net operating profit of HK\$1,293.78 million (2012: HK\$862.91 million), increasing by 49.9% over Last Year.

The **PRC property and casualty insurance business** produced a net operating profit of HK\$341.99 million (2012: HK\$239.45 million), increasing by 42.8% over Last Year.

The **overseas property and casualty insurance business and the reinsurance business** incurred a net operating profit of HK\$731.91 million (2012: HK\$716.85 million), increasing by 2.1% over Last Year.

The **pension and group life insurance businesses** turned around from operating losses to profitability, and incurred a net operating profit of HK\$2.43 million (2012: operating loss of HK\$128.58 million).

### 綜合財務表現(續)

於本年度，毛承保保費由去年(重列)603.2019億港元增加41.7%至854.6415億港元。內地的人壽保險業務及財產保險業務保費收入保持強勁增長。

於本年度，經營溢利淨額為22.1114億港元(二零一二年(重列)：18.5255億港元)。內地的人壽保險、財產保險業務及再保險業務錄得較高盈利。年內股東應佔經營溢利淨額為15.3007億港元(二零一二年(重列)：13.1554億港元)。

人壽保險業務的經營溢利淨額為12.9378億港元(二零一二年：8.6291億港元)，較去年上升49.9%。

境內財產保險業務的經營溢利淨額為3.4199億港元(二零一二年：2.3945億港元)，較去年上升42.8%。

境外財產保險及再保險產生經營溢利淨額7.3191億港元(二零一二年：7.1685億港元)，較去年上升2.1%。

養老及團體人壽保險業務轉虧為盈，產生經營溢利淨額243萬港元(二零一二年：經營虧損1.2858億港元)。



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## 管理層回顧和分析

### CONSOLIDATED INVESTMENT PERFORMANCE

### 綜合投資表現

#### Consolidated investment assets

#### 綜合投資資產

The total investments of the Group are summarized as follows:

本集團的投資總值概述如下：

At 31 December, HK\$ million

於十二月三十一日，百萬港元

|                        |         | 2013       | % of Total<br>佔總額百分比 | 2012<br>(Restated)<br>(重列) | % of Total<br>佔總額百分比 |
|------------------------|---------|------------|----------------------|----------------------------|----------------------|
| Debt securities        | 債務證券    | 146,315.50 | 52.1%                | 122,161.70                 | 54.0%                |
| Debt schemes           | 債權計劃    | 30,728.10  | 10.9%                | 20,611.64                  | 9.1%                 |
| Equity securities      | 股本證券    | 11,191.05  | 4.0%                 | 7,909.87                   | 3.5%                 |
| Investment funds       | 投資基金    | 7,981.25   | 2.8%                 | 9,375.38                   | 4.2%                 |
| Cash and bank deposits | 現金及銀行存款 | 71,951.87  | 25.6%                | 57,004.87                  | 25.2%                |
| Investment properties  | 投資物業    | 12,692.23  | 4.6%                 | 9,068.16                   | 4.0%                 |
| Total investments      | 投資總額    | 280,860.00 | 100.0%               | 226,131.62                 | 100.0%               |

The investments in securities are classified as Held-to-Maturity (“HTM”), Available-for-Sale (“AFS”), Held for Trading (“HFT”), Designated at Fair Value Through Profit or Loss (“DVPL”) and Loans and Receivables (“LR”). The detailed breakdown by such classifications for the total investment portfolio of the Group was as follows:

證券投資被歸類為持有至到期日、可供出售、持有作交易用途、指定為通過損益以反映公允價值及貸款及應收款項。本集團總投資組合按此歸類的分佈概述如下：

At 31 December 2013, HK\$ million

於二零一三年十二月三十一日，百萬港元

|                   |      | HTM<br>持有至到期日 | AFS<br>可供出售 | HFT/DVPL<br>持有作<br>交易用途/<br>指定為通過<br>損益以反映<br>公允價值 | LR<br>貸款及<br>應收款項 | Total<br>總額 |
|-------------------|------|---------------|-------------|--|-------------------|-------------|
| Debt securities   | 債務證券 | 103,652.24    | 38,322.51   | 295.45   | 4,045.30          | 146,315.50  |
| Debt schemes      | 債權計劃 | –             | –           | –  | 30,728.10         | 30,728.10   |
| Equity securities | 股本證券 | –             | 11,152.18   | 38.87  | –                 | 11,191.05   |
| Investment funds  | 投資基金 | –             | 6,746.89    | 610.25   | 624.11            | 7,981.25    |
|                   |      | 103,652.24    | 56,221.58   | 944.57   | 35,397.51         | 196,215.90  |

# Management Review and Analysis

## 管理層回顧和分析

### CONSOLIDATED INVESTMENT PERFORMANCE (Continued)

### 綜合投資表現 (續)

#### Consolidated investment assets (Continued)

#### 綜合投資資產 (續)

At 31 December 2012 (Restated), HK\$ million

於二零一二年十二月三十一日 (重列),  
百萬港元

|                        | HTM<br>持有至到期日 | AFS<br>可供出售 | HFT/DVPL<br>持有作<br>交易用途/<br>指定為通過<br>損益以反映<br>公允價值 | LR<br>貸款及<br>應收款項 | Total<br>總額 |
|------------------------|---------------|-------------|--|-------------------|-------------|
| Debt securities 債務證券   | 92,139.32     | 27,635.50   | 863.32   | 1,523.56          | 122,161.70  |
| Debt schemes 債權計劃      | –             | –           | –  | 20,611.64         | 20,611.64   |
| Equity securities 股本證券 | –             | 7,871.87    | 38.00  | –                 | 7,909.87    |
| Investment funds 投資基金  | –             | 8,427.33    | 948.05   | –                 | 9,375.38    |
|                        | 92,139.32     | 43,934.70   | 1,849.37   | 22,135.20         | 160,058.59  |

As at 31 December 2013, 96.9% of the Group's investments in debt securities from banks and other financial institutions had a credit rating of A or above (2012: 95.8%), while for debt securities from corporate entities, 97.4% had a credit rating of A or above (2012: 97.3%). The credit ratings for debt securities issued in the PRC refer to domestic credit ratings, while the rest of the ratings refer to international ratings.

於二零一三年十二月三十一日，本集團持有之銀行及其他金融機構債務證券有96.9%的信用評級為A或以上(二零一二年：95.8%)，而企業實體債務證券有97.4%的信用評級為A或以上(二零一二年：97.3%)。在中國發行的債務證券為當地的信用評級，而其他的評級為國際信用評級。

The percentages of the Group's total investments held by each business segment in terms of carrying values at the end of the reporting period were as follows:

於報告期末各業務分類佔本集團投資總額賬面值之百分比如下：

|                                      |  | 2013   | 2012<br>(Restated)<br>(重列) |
|--------------------------------------|--|--------|----------------------------|
| Life insurance 人壽保險                  |  | 83.7%  | 84.9%                      |
| Property and casualty insurance 財產保險 |  | 7.7%   | 6.8%                       |
| Reinsurance 再保險                      |  | 3.0%   | 3.3%                       |
| Other businesses 其他業務                |  | 5.6%   | 5.0%                       |
|                                      |  | 100.0% | 100.0%                     |

# Management Review and Analysis

## 管理層回顧和分析

### CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

#### Consolidated investment income

The total investment income of the Group on a pre-tax basis recognized in the consolidated statement of profit or loss was as follows:

For the year ended 31 December, HK\$ million

### 綜合投資表現 (續)

#### 綜合投資收入

本集團確認於綜合損益表內之稅前總投資收入概述如下：

截至十二月三十一日止年度，百萬港元

|   |                       | 2013      | 2012<br>(Restated)<br>(重列) | Change<br>變化 |
|---|-----------------------|-----------|----------------------------|--------------|
| Net debt investment income <sup>1</sup>               | 債務類投資淨收入 <sup>1</sup> | 7,936.89  | 6,019.98                   | +31.8%       |
| Net realized and unrealized investment gains/(losses) | 已實現及未實現投資收益/(虧損)      | 1,003.87  | (1,980.02)                 | -            |
| Other investment income <sup>2</sup>                  | 其他投資收入 <sup>2</sup>   | 2,185.45  | 2,571.59                   | -15.0%       |
| Total investment income                               | 總投資收入                 | 11,126.21 | 6,611.55                   | +68.3%       |
| Total investment yield                                | 總投資收益率                | 5.1%      | 3.6%                       | +1.5pts 點    |

1 Net debt investment income mainly consists of interest income from debt securities and debt schemes.

2 Other investment income mainly consists of interest income from bank deposits, and dividend income from equities and investment funds.

1 債務類投資淨收入是債券投資及債權計劃產生的利息收入。

2 其他投資收入主要包括銀行存款利息、權益類投資及投資基金的分紅等。

The total investment income of the Group recognized in the consolidated statement of profit or loss increased by 68.3% to HK\$11,126.21 million in the Year from HK\$6,611.55 million in the Last Year. The Group's continued emphasis on high allocations to fixed income and bank deposits allowed the Group to generate higher net investment income. As a result, the total investment yield for the consolidated investment portfolio improved to 5.1% (2012 (Restated): 3.6%).

本集團確認於綜合損益表內的總投資收入由去年的66.1155億港元上升68.3%至本年度的111.2621億港元。本集團持有較多的固定收入證券及銀行存款，確保穩定的投資收入。二零一三年綜合投資組合的總投資收益率增加至5.1%（二零一二年（重列）：3.6%）。

# Management Review and Analysis

## 管理層回顧和分析

### CONSOLIDATED INVESTMENT PERFORMANCE (Continued)

### 綜合投資表現 (續)

#### Consolidated investment income (Continued)

#### 綜合投資收入 (續)

The details of the Group's investment income/(loss) on a pre-tax basis are summarized as follows:

本集團稅前投資收入／(虧損)之分析概述如下：

For the year ended 31 December 2013, HK\$ million

截至二零一三年十二月三十一日止年度，  
百萬港元

|  | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                            |                          |   |   |  |                    | Unrealized gains/<br>(losses)<br>recognized<br>in the fair<br>value<br>reserve<br>於公允價值<br>儲備內確認<br>之未實現<br>收益／<br>(虧損) | Grand<br>total<br>總額 |
|--|---|----------------------------|--------------------------|---|---|--|--------------------|---|----------------------|
|  | Net investment income<br>淨投資收入  |                            |                          | Net<br>realized<br>gains/<br>(losses)<br>已實現<br>收益／<br>(虧損)淨額 | Net<br>unrealized<br>gains/<br>(losses)<br>未實現<br>收益／<br>(虧損)淨額 | Net<br>impairment<br>gains/<br>(losses)<br>減值收益／<br>(虧損)淨額 | Sub<br>total<br>小計 |   |                      |
|  | Interest<br>income/<br>(expense)<br>利息收入／<br>(支出)                       | Dividend<br>income<br>股息收入 | Rental<br>income<br>租金收入 |   |   |  |                    |   |                      |
| <b>Debt securities</b>   | <b>債務證券</b>   |                            |                          |   |   |  |                    |   |                      |
| HTM  | 5,180.46  | -                          | -                        | -   | -   | -  | 5,180.46           | -   | 5,180.46             |
| AFS  | 1,179.95  | -                          | -                        | 50.54   | -   | -  | 1,230.49           | (2,555.00)  | (1,324.51)           |
| HFT/DVPL   |   |                            |                          |   |   |  |                    |   |                      |
|  | 23.67   | -                          | -                        | 10.38   | (15.78)   | -  | 18.27              | -   | 18.27                |
| LR   | 96.93   | -                          | -                        | -   | -   | -  | 96.93              | -   | 96.93                |
| <b>Debt schemes</b>  | <b>債權計劃</b>   |                            |                          |   |   |  |                    |   |                      |
| LR   | 1,455.88  | -                          | -                        | -   | -   | -  | 1,455.88           | -   | 1,455.88             |
| <b>Equity securities</b>   | <b>股本證券</b>   |                            |                          |   |   |  |                    |   |                      |
| AFS  | -   | 278.31                     | -                        | 204.83  | -   | (77.91)  | 405.23             | 37.25   | 442.48               |
| HFT  | -   | 1.25                       | -                        | 1.38  | (0.60)  | -  | 2.03               | -   | 2.03                 |
| <b>Investment funds</b>  | <b>投資基金</b>   |                            |                          |   |   |  |                    |   |                      |
| AFS  | -   | 273.39                     | -                        | 117.16  | -   | (231.36)   | 159.19             | 394.75  | 553.94               |
| HFT  | -   | 17.33                      | -                        | 0.18  | 1.96  | -  | 19.47              | -   | 19.47                |
| <b>Cash and bank deposits</b>  | <b>現金及銀行存款</b>  |                            |                          |   |   |  |                    |   |                      |
| Investment properties  | -   | -                          | 395.38                   | -   | 933.71  | -  | 1,329.09           | -   | 1,329.09             |
| <b>Securities sold/<br/>purchased under<br/>repurchase/resale<br/>agreements</b> | <b>賣出回購／<br/>買入返售證券</b>   |                            |                          |   |   |  |                    |   |                      |
|  | (1,068.45)  | -                          | -                        | -   | -   | -  | (1,068.45)         | -   | (1,068.45)           |
| <b>Others</b>  | <b>其他</b>   |                            |                          |   |   |  |                    |   |                      |
|  | -   | -                          | -                        | 3.21  | 6.17  | -  | 9.38               | -   | 9.38                 |
|  | 9,156.68  | 570.28                     | 395.38                   | 387.68  | 925.46  | (309.27)   | 11,126.21          | (2,123.00)  | 9,003.21             |

# Management Review and Analysis

## 管理層回顧和分析

### CONSOLIDATED INVESTMENT PERFORMANCE

### 綜合投資表現 (續)

(Continued)

#### Consolidated investment income (Continued)

#### 綜合投資收入 (續)

For the year ended 31 December 2012 (Restated), HK\$ million

截至二零一二年十二月三十一日止年度 (重列) · 百萬港元

|  |                                     | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                         |                       |   |   |  | Unrealized gains/ (losses) recognized in the fair value reserve<br>於公允價值儲備內確認之未實現收益/ (虧損) | Grand total<br>總額 |                 |
|--|-------------------------------------|---|-------------------------|-----------------------|---|---|--|---|-------------------|-----------------|
|  |                                     | Net investment income<br>淨投資收入  |                         |                       | Net realized gains/ (losses)<br>已實現收益/ (虧損)淨額 | Net unrealized gains/ (losses)<br>未實現收益/ (虧損)淨額 | Net impairment gains/ (losses)<br>減值收益/ (虧損)淨額 |   |                   | Sub total<br>小計 |
|  |                                     | Interest income/ (expense)<br>利息收入/ (支出)                                | Dividend income<br>股息收入 | Rental income<br>租金收入 |   |   |  |   |                   |                 |
| <b>Debt securities</b>   | <b>債務證券</b>                         |   |                         |                       |   |   |  |   |                   |                 |
| HTM  | 持有至到期日                              | 3,985.38  | -                       | -                     | -   | -   | -  | 3,985.38  | -                 | 3,985.38        |
| AFS  | 可供出售                                | 1,136.50  | -                       | -                     | 53.32   | -   | -  | 1,189.82  | 14.56             | 1,204.38        |
| HFT/DVPL   | 持有作交易用途<br>/ 指定為通過<br>損益以反映<br>公允價值 | 30.99   | -                       | -                     | 5.28  | 19.73   | -  | 56.00   | -                 | 56.00           |
| LR   | 貸款及應收款項                             | 63.71   | -                       | -                     | -   | -   | -  | 63.71   | -                 | 63.71           |
| <b>Debt schemes</b>  | <b>債權計劃</b>                         |   |                         |                       |   |   |  |   |                   |                 |
| LR   | 貸款及應收款項                             | 803.40  | -                       | -                     | -   | -   | -  | 803.40  | -                 | 803.40          |
| <b>Equity securities</b>   | <b>股本證券</b>                         |   |                         |                       |   |   |  |   |                   |                 |
| AFS  | 可供出售                                | -   | 172.68                  | -                     | (1,036.14)                                    | -   | (571.76)                                       | (1,435.22)  | 2,024.91          | 589.69          |
| HFT  | 持有作交易用途                             | -   | 2.51                    | -                     | (7.21)  | 18.69   | -  | 13.99   | -                 | 13.99           |
| <b>Investment funds</b>  | <b>投資基金</b>                         |   |                         |                       |   |   |  |   |                   |                 |
| AFS  | 可供出售                                | -   | 709.49                  | -                     | (140.35)                                      | -   | (1,150.73)                                     | (581.59)  | 669.71            | 88.12           |
| HFT  | 持有作交易用途                             | -   | 5.43                    | -                     | (0.09)  | 0.19  | -  | 5.53  | -                 | 5.53            |
| <b>Cash and bank deposits</b>  | <b>現金及銀行存款</b>                      | 1,960.08  | -                       | -                     | -   | -   | -  | 1,960.08  | -                 | 1,960.08        |
| <b>Investment properties</b>   | <b>投資物業</b>                         | -   | -                       | 300.64                | 4.30  | 820.67  | -  | 1,125.61  | -                 | 1,125.61        |
| <b>Securities sold/<br/>purchased under<br/>repurchase/resale<br/>agreements</b> | <b>賣出回購/<br/>買入返售證券</b>             | (579.24)  | -                       | -                     | -   | -   | -  | (579.24)  | -                 | (579.24)        |
| <b>Others</b>  | <b>其他</b>                           | -   | -                       | -                     | (29.86)                                       | 33.94   | -  | 4.08  | -                 | 4.08            |
|  |                                     | 7,400.82  | 890.11                  | 300.64                | (1,150.75)                                    | 893.22  | (1,722.49)                                     | 6,611.55  | 2,709.18          | 9,320.73        |

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS

The Group's life insurance segment is operated by TPL, which is a PRC-incorporated company and was 75.10% owned by the Group since November 2013. TPL is principally engaged in the underwriting of life insurance policies in Mainland China.

The figures below are the results of TPL from its operations, before intra-group eliminations.

The key financial data of the life insurance business is summarized below:

For the year ended 31 December, HK\$ million

### 人壽保險業務

本集團之人壽保險業務由太平人壽經營，太平人壽是在中國註冊成立之公司，於二零一三年十一月起，本集團擁有75.10%權益。太平人壽主要在內地從事承保人壽保險業務。

以下數字為集團內部對銷前，太平人壽的營運業績。

人壽保險業務之主要財務數據概述如下：

截至十二月三十一日止年度，百萬港元

|   |               | 2013               | 2012        | Change<br>變化 |
|---|---------------|--------------------|-------------|--------------|
| Gross premiums written and premium deposits                       | 毛承保保費及保費存款    | <b>65,374.06</b>   | 45,478.38   | +43.7%       |
| Less: Premium deposits of universal life products                 | 減：萬能壽險產品之保費存款 | <b>92.23</b>       | 280.36      | -67.1%       |
| Premium deposits of unit-linked products                          | 投資連結產品之保費存款   | <b>66.77</b>       | 118.96      | -43.9%       |
| Premium deposits of other products                                | 其他產品之保費存款     | <b>307.35</b>      | 271.61      | +13.2%       |
| Gross premiums written recognized in statement of profit or loss  | 確認於損益表之毛承保保費  | <b>64,907.71</b>   | 44,807.45   | +44.9%       |
| Policy fees   | 保單費收入         | <b>91.99</b>       | 145.11      | -36.6%       |
| Net premiums written and policy fees                              | 淨承保保費及保單費收入   | <b>64,696.02</b>   | 44,759.17   | +44.5%       |
| Net earned premiums and policy fees                               | 已賺取保費及保單費收入淨額 | <b>64,654.98</b>   | 44,779.67   | +44.4%       |
| Net policyholders' benefits                                       | 保單持有人利益淨額     | <b>(12,357.44)</b> | (8,682.97)  | +42.3%       |
| Net commission expenses   | 佣金支出淨額        | <b>(6,287.12)</b>  | (3,941.25)  | +59.5%       |
| Change in life insurance contract liabilities, net of reinsurance | 壽險合約負債變化，減再保險 | <b>(46,208.18)</b> | (30,166.19) | +53.2%       |
| Total investment income   | 總投資收入         | <b>8,797.52</b>    | 4,651.18    | +89.1%       |
| Administrative and other expenses                                 | 行政及其他費用       | <b>(7,587.38)</b>  | (6,075.58)  | +24.9%       |
| Finance costs   | 財務費用          | <b>(418.40)</b>    | (443.21)    | -5.6%        |
| Profit from operation before taxation                             | 除稅前經營溢利       | <b>1,402.48</b>    | 546.32      | +1.5 times 倍 |
| Profit from operation after taxation                              | 除稅後經營溢利       | <b>1,293.78</b>    | 862.91      | +49.9%       |
| Profit from operation attributable to the owners                  | 股東應佔經營溢利      | <b>689.82</b>      | 431.31      | +59.9%       |

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務(續)

The key operational data of the life insurance business is summarized below:

人壽保險業務之主要經營數據概述如下：

|  |                            | 2013             | 2012      | Change<br>變化 |
|--|----------------------------|------------------|-----------|--------------|
| Market share <sup>1</sup>                    | 市場份額 <sup>1</sup>          | <b>4.8%</b>      | 3.7%      | + 1.1 pts 點  |
| Number of provincial branches                | 省級分公司數目                    | <b>34</b>        | 34        | -            |
| Number of sub-branches and marketing centers | 支公司及市場推廣中心數目               | <b>926</b>       | 856       | +70          |
| Number of customers                          | 客戶數目                       |                  |           |              |
| – Individual                                 | – 個人                       | <b>6,968,292</b> | 6,556,334 | +411,958     |
| – Corporate                                  | – 公司                       | <b>1,599</b>     | 2,599     | -1,000       |
| Distribution network                         | 分銷網絡                       |                  |           |              |
| – Number of individual agents                | – 個人代理數目                   | <b>112,796</b>   | 57,860    | +54,936      |
| – Number of bancassurance outlets            | – 銀行保險銷售網點數目               | <b>27,847</b>    | 22,105    | +5,742       |
| Agent monthly productivity (HK\$)            | 代理每月產能 (港元)                | <b>13,482</b>    | 9,866     | +3,616       |
| Persistency ratios                           | 第13個月之保費繼續率 <sup>2</sup>   |                  |           |              |
| – 13th month <sup>2</sup>                    |                            |                  |           |              |
| – Individual                                 | – 個人                       | <b>92.9%</b>     | 92.3%     | +0.6 pt 點    |
| – Bancassurance                              | – 銀行保險                     | <b>92.3%</b>     | 92.9%     | -0.6 pt 點    |
| Compound persistency ratios                  | 第25個月之保費複合繼續率 <sup>2</sup> |                  |           |              |
| – 25th month <sup>2</sup>                    |                            |                  |           |              |
| – Individual                                 | – 個人                       | <b>88.4%</b>     | 88.5%     | -0.1 pt 點    |
| – Bancassurance                              | – 銀行保險                     | <b>89.6%</b>     | 90.2%     | -0.6 pt 點    |

<sup>1</sup> Based on premiums as published by the CIRC.

<sup>1</sup> 據中國保監會刊發之保費計算。

<sup>2</sup> Based on the amount of premiums.

<sup>2</sup> 按保費金額。

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務 (續)

#### Operating Profit

#### 經營溢利

The life insurance business produced a net operating profit of HK\$1,293.78 million during the Year (2012: HK\$862.91 million), representing an increase of 49.9% compared to Last Year.

本年度內，人壽保險業務之經營溢利淨額為12.9378億港元（二零一二年：8.6291億港元），較去年上升49.9%。

#### Gross Premiums Written and Premium Deposits

#### 毛承保保費及保費存款

TPL's gross premiums written recognized in the consolidated statement of profit or loss increased by 44.9% to HK\$64,907.71 million from HK\$44,807.45 million in the Last Year. This growth was primarily driven by continued strength in the individual agency force channel, and higher levels of single premium sales in the bancassurance channel.

太平人壽確認於綜合損益表內的毛承保保費由去年之448.0745億港元上升44.9%至649.0771億港元。此增長主要由個人代理隊伍持續壯大和銀行保險躉繳產品銷售額上升所帶動。

TPL's gross premiums written and premium deposits by line of business were as follows:

太平人壽按業務劃分之毛承保保費及保費存款如下：

For the year ended 31 December 2013, HK\$ million

截至二零一三年十二月三十一日止年度，百萬港元

|                             |                   | Gross premiums written recognized in the consolidated statement of profit or loss<br>確認於綜合損益表內之毛承保保費 | Premium deposits of universal life products<br>萬能壽險產品之保費存款 | Premium deposits of unit-linked products<br>投資連結產品之保費存款 | Premium deposits of other products<br>其他產品之保費存款 | Total<br>總額      | % of Total<br>佔總額百分比 |
|-----------------------------|-------------------|--|--|---|---|------------------|----------------------|
| Individual                  | 個人代理              | 28,524.21  | 16.86  | 22.73   | 198.33  | 28,762.13        | 44.0%                |
| Bancassurance               | 銀行保險              | 34,900.56  | 9.76   | 44.04   | 1.65  | 34,956.01        | 53.5%                |
| Group                       | 團體                | 53.52  | 65.61  | -   | 107.37  | 226.50           | 0.3%                 |
| Other Channels <sup>1</sup> | 多元銷售 <sup>1</sup> | 1,429.42   | -  | -   | -   | 1,429.42         | 2.2%                 |
|                             |                   | <b>64,907.71</b>   | <b>92.23</b>   | <b>66.77</b>  | <b>307.35</b>                                   | <b>65,374.06</b> | <b>100.0%</b>        |

<sup>1</sup> Other Channels mainly consists of telemarketing.

<sup>1</sup> 多元銷售主要由電話營銷組成。



# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務(續)

For the year ended 31 December 2012, HK\$ million

截至二零一二年十二月三十一日止年度，  
百萬港元

|                             |                   | Gross premiums written recognized in the consolidated statement of profit or loss | Premium deposits of universal life products | Premium deposits of unit-linked products | Premium deposits of other products | Total     | % of Total |
|-----------------------------|-------------------|---|---|--|------------------------------------|-----------|------------|
|                             |                   | 確認於綜合損益表內之毛承保保費   | 萬能壽險產品之保費存款                                 | 投資連結產品之保費存款                              | 其他產品之保費存款                          | 總額        | 佔總額百分比     |
| Individual                  | 個人代理              | 18,243.19   | 266.21                                      | 37.85                                    | 184.32                             | 18,731.57 | 41.2%      |
| Bancassurance               | 銀行保險              | 25,399.47   | 14.15                                       | 81.11                                    | 1.62                               | 25,496.35 | 56.1%      |
| Group                       | 團體                | 147.59  | -   | -  | 85.67                              | 233.26    | 0.5%       |
| Other Channels <sup>1</sup> | 多元銷售 <sup>1</sup> | 1,017.20  | -   | -  | -                                  | 1,017.20  | 2.2%       |
|                             |                   | 44,807.45   | 280.36                                      | 118.96                                   | 271.61                             | 45,478.38 | 100.0%     |

<sup>1</sup> Other Channels mainly consists of telemarketing.

<sup>1</sup> 多元銷售主要由電話營銷組成。

Traditional product sales were strong in the individual agency distribution channel, increasing by 56.4% to HK\$28,524.21 million from HK\$18,243.19 million in the Last Year. This strong growth was primarily due to strong first year regular premium sales and continued high levels of persistency and renewals. In 2013, TPL invested significant resources into developing the individual agency force organization, and the number of TPL individual agents increased by 94.9% to 112,796 as of 31 December 2013 (2012: 57,860). As the new agents matured and gained experience, their productivity gradually improved, allowing our per capita production to continue to be better than our peers. Despite declining bank sales for the entire life insurance industry, premiums from the bank distribution channel increased by 37.4%. Despite the difficult environment, regular premium sales still outperformed the market.

傳統產品的銷售在個人代理分銷渠道方面表現強勁，由去年的182.4319億港元上升56.4%至285.2421億港元。如此強勁的增長主要是由於期繳產品首年保費以及續保率均維持在高水平。於二零一三年，太平人壽對個人代理組織發展投入大量資源，於二零一三年十二月三十一日個人代理隊伍增加94.9%至112,796人（二零一二年：57,860人）。隨著新代理人漸趨成熟，產能逐步釋放，人均產能仍然優於同業。儘管整體人壽保險市場的銀行保險銷售下跌，太平人壽銀行保險渠道保費增幅達37.4%。即使在困難的營銷環境下，期繳保費收入仍能跑贏大市。

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務 (續)

During the Year, TPL continued to focus on the sales of products with regular premium features. The detailed breakdown of TPL's single premium products and regular premium products by line of business is summarized as follows:

於本年度內，太平人壽持續著重具期繳保費特色之產品銷售。太平人壽的躉繳保費產品及期繳保費產品的詳細分析如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

#### Individual

#### 個人

|                 |      | 2013             | % of Total<br>佔總額百分比 | 2012             | % of Total<br>佔總額百分比 |
|-----------------|------|------------------|----------------------|------------------|----------------------|
| Single Premium  | 躉繳保費 | 3,029.64         | 10.6%                | 42.38            | 0.2%                 |
| Regular Premium | 期繳保費 |                  |                      |                  |                      |
| - First Year    | - 首年 | 7,941.82         | 27.8%                | 4,420.01         | 24.2%                |
| - Renewal Year  | - 續年 | 17,552.75        | 61.6%                | 13,780.80        | 75.6%                |
|                 |      | <b>28,524.21</b> | <b>100.0%</b>        | <b>18,243.19</b> | <b>100.0%</b>        |

#### Bancassurance

#### 銀行保險

|                 |      | 2013             | % of Total<br>佔總額百分比 | 2012             | % of Total<br>佔總額百分比 |
|-----------------|------|------------------|----------------------|------------------|----------------------|
| Single Premium  | 躉繳保費 | 18,871.88        | 54.1%                | 11,116.80        | 43.8%                |
| Regular Premium | 期繳保費 |                  |                      |                  |                      |
| - First Year    | - 首年 | 2,038.16         | 5.8%                 | 2,387.75         | 9.4%                 |
| - Renewal Year  | - 續年 | 13,990.52        | 40.1%                | 11,894.92        | 46.8%                |
|                 |      | <b>34,900.56</b> | <b>100.0%</b>        | <b>25,399.47</b> | <b>100.0%</b>        |

#### Group

#### 團體

|                         |      | 2013         | % of Total<br>佔總額百分比 | 2012          | % of Total<br>佔總額百分比 |
|-------------------------|------|--------------|----------------------|---------------|----------------------|
| Employee Benefit ("EB") | 僱員福利 | 53.52        | 100.0%               | 147.59        | 100.0%               |
| Annuity                 | 年金   | -            | -                    | -             | -                    |
|                         |      | <b>53.52</b> | <b>100.0%</b>        | <b>147.59</b> | <b>100.0%</b>        |

#### Other Channels

#### 多元銷售

|                 |      | 2013            | % of Total<br>佔總額百分比 | 2012            | % of Total<br>佔總額百分比 |
|-----------------|------|-----------------|----------------------|-----------------|----------------------|
| Single Premium  | 躉繳保費 | 0.11            | 0.1%                 | -               | -                    |
| Regular Premium | 期繳保費 |                 |                      |                 |                      |
| - First Year    | - 首年 | 528.02          | 36.9%                | 459.37          | 45.2%                |
| - Renewal Year  | - 續年 | 901.29          | 63.0%                | 557.83          | 54.8%                |
|                 |      | <b>1,429.42</b> | <b>100.0%</b>        | <b>1,017.20</b> | <b>100.0%</b>        |

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務 (續)

For the individual first year regular premium, the premium by payment term and feature were as follows:

個人代理銷售期繳新單保費按繳費年期及產品形態分類載列如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

#### Individual first year regular premium – by payment term

#### 個人首年期繳保費－按繳費期

|             |        | 2013            | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|-------------|--------|-----------------|----------------------|----------|----------------------|
| 3-9 years   | 3-9年   | 2,458.94        | 31.0%                | 887.38   | 20.1%                |
| 10-19 years | 10-19年 | 2,203.99        | 27.8%                | 1,007.27 | 22.8%                |
| 20-29 years | 20-29年 | 2,999.16        | 37.7%                | 2,294.27 | 51.9%                |
| 30 years+   | 30年+   | 279.73          | 3.5%                 | 231.09   | 5.2%                 |
|             |        | <b>7,941.82</b> | <b>100.0%</b>        | 4,420.01 | 100.0%               |

#### Individual first year regular premium – by feature

#### 個人首年期繳保費－按產品形態

|                      |       | 2013            | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|----------------------|-------|-----------------|----------------------|----------|----------------------|
| Short term savings   | 短期儲蓄型 | 187.91          | 2.4%                 | 348.02   | 7.9%                 |
| Long term savings    | 長期儲蓄型 | 4,463.60        | 56.2%                | 2,132.61 | 48.2%                |
| Long term protection | 長期保障型 | 2,790.86        | 35.1%                | 1,524.48 | 34.5%                |
| Others               | 其他    | 499.45          | 6.3%                 | 414.90   | 9.4%                 |
|                      |       | <b>7,941.82</b> | <b>100.0%</b>        | 4,420.01 | 100.0%               |

For the bancassurance first year regular premium, the premium by payment term was as follows:

銀行保險首年期繳，按繳費年期劃分的保費分佈如下：

#### Bancassurance first year regular premium – by payment term

#### 銀行保險首年期繳保費－按繳費期

|               |        | 2013            | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|---------------|--------|-----------------|----------------------|----------|----------------------|
| 5 – 9 years   | 5-9年   | 518.34          | 25.4%                | 424.61   | 17.8%                |
| 10 – 14 years | 10-14年 | 1,475.78        | 72.4%                | 1,949.04 | 81.6%                |
| Others        | 其他     | 44.04           | 2.2%                 | 14.10    | 0.6%                 |
|               |        | <b>2,038.16</b> | <b>100.0%</b>        | 2,387.75 | 100.0%               |

## Management Review and Analysis

### 管理層回顧和分析

#### LIFE INSURANCE BUSINESS (Continued)

#### 人壽保險業務(續)

TPL's gross premiums written by product structure were as follows:

太平人壽按產品結構的毛承保保費分佈如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|                                |           | 2013             | % of Total<br>佔總額百分比 | 2012             | % of Total<br>佔總額百分比 |
|--------------------------------|-----------|------------------|----------------------|------------------|----------------------|
| Participating                  | 分紅保險      | 59,753.49        | 91.8%                | 41,060.07        | 91.5%                |
| Long-term health               | 長期健康險     | 2,517.15         | 3.9%                 | 1,741.36         | 3.9%                 |
| Traditional life               | 傳統壽險      | 1,632.27         | 2.5%                 | 1,189.14         | 2.7%                 |
| Accident and short-term health | 意外和短期健康險  | 1,003.46         | 1.5%                 | 813.97           | 1.8%                 |
| Annuity                        | 年金保險      | 0.01             | 0.1%                 | 0.92             | 0.1%                 |
| Investment-linked              | 投資連結保險    | 1.28             | 0.1%                 | 2.05             | 0.1%                 |
| Universal life                 | 萬能壽險      | 0.05             | 0.1%                 | (0.06)           | -0.1%                |
| <b>Total</b>                   | <b>總額</b> | <b>64,907.71</b> | <b>100.0%</b>        | <b>44,807.45</b> | <b>100.0%</b>        |

TPL's gross premiums written by region were as follows:

太平人壽按區域的毛承保保費分佈如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|              |           | 2013             | % of Total<br>佔總額百分比 | 2012             | % of Total<br>佔總額百分比 |
|--------------|-----------|------------------|----------------------|------------------|----------------------|
| Sichuan      | 四川        | 7,428.05         | 11.4%                | 4,988.53         | 11.1%                |
| Guangdong    | 廣東        | 5,185.75         | 8.0%                 | 3,936.90         | 8.8%                 |
| Shandong     | 山東        | 5,824.78         | 9.0%                 | 3,805.09         | 8.5%                 |
| Beijing      | 北京        | 4,238.54         | 6.5%                 | 2,956.27         | 6.6%                 |
| Henan        | 河南        | 3,698.54         | 5.7%                 | 2,798.96         | 6.2%                 |
| Others       | 其他        | 38,532.05        | 59.4%                | 26,321.70        | 58.8%                |
| <b>Total</b> | <b>總額</b> | <b>64,907.71</b> | <b>100.0%</b>        | <b>44,807.45</b> | <b>100.0%</b>        |

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

#### Highlights on Embedded Value

TPL's strong growth in sales in the individual agency force channel and its strong focus on quality and profitability resulted in strong increases in the embedded value and new business value. The embedded value of TPL (expressed in terms of HKD) increased 55.0% to HK\$45,390 million from HK\$29,286 million at the end of Last Year. The new business value after cost of capital for the Year increased to HK\$3,148 million from HK\$2,304 million at the end of Last Year, representing a growth of 36.6%. These latest actuarial figures of TPL are disclosed below in the section titled "Embedded Value of TPL".

#### Investment Performance

The composition of investments held by TPL was as follows:

At 31 December, HK\$ million

|                        |         | 2013       | % of Total<br>佔總額百分比 | 2012       | % of Total<br>佔總額百分比 |
|------------------------|---------|------------|----------------------|------------|----------------------|
| Debt securities        | 債務證券    | 129,971.77 | 55.3%                | 108,769.46 | 56.7%                |
| Debt schemes           | 債權計劃    | 27,077.91  | 11.5%                | 19,748.76  | 10.3%                |
| Equity securities      | 股本證券    | 9,870.78   | 4.2%                 | 7,372.51   | 3.8%                 |
| Investment funds       | 投資基金    | 7,031.20   | 3.0%                 | 8,731.25   | 4.5%                 |
| Cash and bank deposits | 現金及銀行存款 | 57,907.16  | 24.6%                | 44,693.42  | 23.3%                |
| Investment properties  | 投資物業    | 3,203.37   | 1.4%                 | 2,601.22   | 1.4%                 |
| Total investments      | 投資總額    | 235,062.19 | 100.0%               | 191,916.62 | 100.0%               |

During the Year, TPL continued to be very cautious in its asset allocation for its investment portfolio. Equity investments were maintained at a relatively low percentage of the asset allocation, while debt securities, debt schemes and cash and bank deposits constituted a combined total of approximately 91.4% of the total invested assets as at 31 December 2013 (2012: 90.3%).

### 人壽保險業務 (續)

#### 內含價值摘要

太平人壽個人銷售隊伍強勁的銷售及其注重質量和盈利能力的策略，使太平人壽之內含價值及新業務價值大幅提升。太平人壽之內含價值（以港元折算）由去年底之292.86億港元增加55.0%至453.90億港元。本年度之新業務價值為31.48億港元，較去年之23.04億港元，增長36.6%。這些太平人壽的最新精算數據於「太平人壽之內含價值」一文內披露。

#### 投資表現

太平人壽所持之投資組合如下：

於十二月三十一日，百萬港元

於本年度內，太平人壽對於其投資組合的資產配置仍然十分審慎。股本投資維持在資產配置的一個較低百分比，而債務證券、債權計劃、現金及銀行存款於二零一三年十二月三十一日合共佔投資資產總額約91.4%（二零一二年：90.3%）。

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務 (續)

The classification of TPL's investments in securities under HTM, AFS, HFT and LR was as follows:

太平人壽歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項的證券投資如下：

At 31 December 2013, HK\$ million

於二零一三年十二月三十一日，百萬港元

|                   |      | HTM<br>持有至到期日    | AFS<br>可供出售      | HFT<br>持有作<br>交易用途 | LR<br>貸款及<br>應收款項 | Total<br>總額       |
|-------------------|------|------------------|------------------|--------------------|-------------------|-------------------|
| Debt securities   | 債務證券 | 97,858.89        | 30,212.24        | 28.44              | 1,872.20          | 129,971.77        |
| Debt schemes      | 債權計劃 | -                | -                | -                  | 27,077.91         | 27,077.91         |
| Equity securities | 股本證券 | -                | 9,870.78         | -                  | -                 | 9,870.78          |
| Investment funds  | 投資基金 | -                | 6,458.92         | 572.28             | -                 | 7,031.20          |
|                   |      | <b>97,858.89</b> | <b>46,541.94</b> | <b>600.72</b>      | <b>28,950.11</b>  | <b>173,951.66</b> |

At 31 December 2012, HK\$ million

於二零一二年十二月三十一日，百萬港元

|                   |      | HTM<br>持有至到期日    | AFS<br>可供出售      | HFT<br>持有作<br>交易用途 | LR<br>貸款及<br>應收款項 | Total<br>總額       |
|-------------------|------|------------------|------------------|--------------------|-------------------|-------------------|
| Debt securities   | 債務證券 | 87,660.70        | 20,794.27        | -                  | 314.49            | 108,769.46        |
| Debt schemes      | 債權計劃 | -                | -                | -                  | 19,748.76         | 19,748.76         |
| Equity securities | 股本證券 | -                | 7,372.51         | -                  | -                 | 7,372.51          |
| Investment funds  | 投資基金 | -                | 7,817.94         | 913.31             | -                 | 8,731.25          |
|                   |      | <b>87,660.70</b> | <b>35,984.72</b> | <b>913.31</b>      | <b>20,063.25</b>  | <b>144,621.98</b> |

The debt securities classified by type and class were as follows:

債務證券按類別分類如下：

At 31 December, HK\$ million

於十二月三十一日，百萬港元

|  |           | 2013              | 2012              |
|--|-----------|-------------------|-------------------|
| Governments and central banks          | 政府及中央銀行   | 32,039.70         | 32,014.37         |
| Banks and other financial institutions | 銀行及其他金融機構 | 60,635.60         | 51,648.59         |
| Corporate entities                     | 企業實體      | 37,296.47         | 25,106.50         |
|  |           | <b>129,971.77</b> | <b>108,769.46</b> |

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務 (續)

The total investment income and the investment yield of TPL on a pre-tax basis recognized in the consolidated statement of profit or loss were as follows:

太平人壽確認於綜合損益表內之稅前總投資收入及稅前投資收益率概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|   |                       | 2013     | 2012       | Change<br>變化 |
|---|-----------------------|----------|------------|--------------|
| Net debt investment income <sup>1</sup>               | 債務類投資淨收入 <sup>1</sup> | 7,054.47 | 5,352.39   | +31.8%       |
| Net realized and unrealized investment gains/(losses) | 已實現及未實現投資收益／(虧損)      | 305.55   | (2,632.99) | –            |
| Other investment income <sup>2</sup>                  | 其他投資收入 <sup>2</sup>   | 1,437.50 | 1,931.78   | –25.6%       |
| Total investment income                               | 總投資收入                 | 8,797.52 | 4,651.18   | +89.1%       |

<sup>1</sup> Net debt investment income mainly consists of interest income from debt securities and debt schemes.

<sup>1</sup> 債務類投資淨收入是債券投資及債權計劃產生的利息收入。

<sup>2</sup> Other investment income mainly consists of interest income from bank deposits, and dividend income from equities and investment funds.

<sup>2</sup> 其他投資收入主要包括銀行存款利息、權益類投資及投資基金的分紅等。

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務(續)

The details of TPL's investment income/(loss) on a pre-tax basis were as follows:

太平人壽稅前投資收入/(虧損)之分析如下:

For the year ended 31 December 2013, HK\$ million

截至二零一三年十二月三十一日止年度，  
百萬港元

|  |                 | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                         |                       |   |   | Unrealized gains/(losses) recognized in the fair value reserve<br>於公允價值儲備內確認之未實現收益/(虧損) |                 | Grand total<br>總額 |
|--|-----------------|---|-------------------------|-----------------------|---|---|---|-----------------|-------------------|
| Net investment income<br>淨投資收入   |                 | Interest income/(expense)<br>利息收入/(支出)                                  | Dividend income<br>股息收入 | Rental income<br>租金收入 | Net realized gains/(losses)<br>已實現收益/(虧損)淨額 | Net unrealized gains/(losses)<br>未實現收益/(虧損)淨額 | Net impairment gains/(losses)<br>減值收益/(虧損)淨額  | Sub total<br>小計 |                   |
| Debt securities  | 債務證券            |   |                         |                       |   |   |   |                 |                   |
| HTM  | 持有至到期日          | 4,914.15  | -                       | -                     | -   | -   | -   | 4,914.15        | -                 |
| AFS  | 可供出售            | 786.54  | -                       | -                     | 39.22                                       | -   | -   | 825.76          | (2,271.36)        |
| HFT  | 持有作交易用途         | 0.10  | -                       | -                     | 9.51  | (1.36)  | -   | 8.25            | -                 |
| LR   | 貸款及應收款項         | 25.58   | -                       | -                     | -   | -   | -   | 25.58           | -                 |
| Debt schemes   | 債權計劃            |   |                         |                       |   |   |   |                 |                   |
| LR   | 貸款及應收款項         | 1,328.10  | -                       | -                     | -   | -   | -   | 1,328.10        | -                 |
| Equity securities  | 股本證券            |   |                         |                       |   |   |   |                 |                   |
| AFS  | 可供出售            | -   | 249.86                  | -                     | 161.59                                      | -   | (77.90)   | 333.55          | (9.40)            |
| Investment funds   | 投資基金            |   |                         |                       |   |   |   |                 |                   |
| AFS  | 可供出售            | -   | 263.74                  | -                     | 111.29                                      | -   | (231.36)  | 143.67          | 362.40            |
| HFT  | 持有作交易用途         | -   | 13.29                   | -                     | -   | -   | -   | 13.29           | -                 |
| Cash and bank deposits   | 現金及銀行存款         | 1,901.09  | -                       | -                     | -   | -   | -   | 1,901.09        | -                 |
| Investment properties  | 投資物業            | -   | -                       | 56.43                 | -   | 294.56  | -   | 350.99          | -                 |
| Securities sold/<br>purchased under<br>repurchase/resale<br>agreements | 賣出回購/<br>買入返售證券 | (1,046.91)  | -                       | -                     | -   | -   | -   | (1,046.91)      | -                 |
|  |                 | 7,908.65  | 526.89                  | 56.43                 | 321.61                                      | 293.20  | (309.26)  | 8,797.52        | (1,918.36)        |
|  |                 |   |                         |                       |   |   |   |                 | 6,879.16          |



# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務 (續)

For the year ended 31 December 2012, HK\$ million

截至二零一二年十二月三十一日止年度，百萬港元

|  |                         | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                            |                          |   |   |  | Unrealized gains/<br>(losses)<br>recognized<br>in the<br>fair value<br>reserve<br>於公允價值<br>儲備內確認 | Grand<br>total<br>總額 |
|--|-------------------------|---|----------------------------|--------------------------|---|---|--|--|----------------------|
|  |                         | Net investment income<br>淨投資收入  |                            |                          | Net<br>realized<br>gains/<br>(losses)<br>已實現<br>收益/<br>(虧損)淨額 | Net<br>unrealized<br>gains/<br>(losses)<br>未實現<br>收益/<br>(虧損)淨額 | Net<br>impairment<br>gains/<br>(losses)<br>減值收益/<br>(虧損)淨額 | Sub<br>total<br>小計   |                      |
|  |                         | Interest<br>income/<br>(expense)<br>利息收入/<br>(支出)                       | Dividend<br>income<br>股息收入 | Rental<br>income<br>租金收入 |   |   |  |  |                      |
| <b>Debt securities</b>   | <b>債務證券</b>             |   |                            |                          |   |   |  |  |                      |
| HTM  | 持有至到期日                  | 3,756.03  | -                          | -                        | -   | -   | -  | 3,756.03   | -                    |
| AFS  | 可供出售                    | 818.97  | -                          | -                        | 4.17  | -   | -  | 823.14   | (220.27)             |
| HFT  | 持有作交易用途                 | 0.01  | -                          | -                        | 2.38  | -   | -  | 2.39   | -                    |
| LR   | 貸款及應收款項                 | 17.94   | -                          | -                        | -   | -   | -  | 17.94  | -                    |
| <b>Debt schemes</b>  | <b>債權計劃</b>             |   |                            |                          |   |   |  |  |                      |
| LR   | 貸款及應收款項                 | 759.44  | -                          | -                        | -   | -   | -  | 759.44   | -                    |
| <b>Equity securities</b>   | <b>股本證券</b>             |   |                            |                          |   |   |  |  |                      |
| AFS  | 可供出售                    | -   | 147.74                     | -                        | (959.21)  | -   | (552.59)   | (1,364.06)   | 1,864.67             |
| <b>Investment funds</b>  | <b>投資基金</b>             |   |                            |                          |   |   |  |  |                      |
| AFS  | 可供出售                    | -   | 699.17                     | -                        | (82.43)   | -   | (1,145.76)   | (529.02)   | 667.27               |
| HFT  | 持有作交易用途                 | -   | 0.97                       | -                        | -   | -   | -  | 0.97   | -                    |
| <b>Cash and bank deposits</b>  | <b>現金及銀行存款</b>          | 1,616.92  | -                          | -                        | -   | -   | -  | 1,616.92   | -                    |
| <b>Investment properties</b>   | <b>投資物業</b>             | -   | -                          | 44.66                    | -   | 100.45  | -  | 145.11   | -                    |
| <b>Securities sold/<br/>purchased under<br/>repurchase/resale<br/>agreements</b> | <b>賣出回購/<br/>買入返售證券</b> | (577.68)  | -                          | -                        | -   | -   | -  | (577.68)   | -                    |
|  |                         | 6,391.63  | 847.88                     | 44.66                    | (1,035.09)  | 100.45  | (1,698.35)   | 4,651.18   | 2,311.67             |
|  |                         |   |                            |                          |   |   |  |  | 6,962.85             |

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務 (續)

#### Net Policyholders' Benefits

#### 保單持有人利益淨額

The net policyholders' benefits of TPL are summarized as follows:

太平人壽之保單持有人利益淨額概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|   |            | 2013             | 2012     | Change<br>變化 |
|---|------------|------------------|----------|--------------|
| Net claims                                | 賠償淨額       | <b>729.67</b>    | 563.18   | +29.6%       |
| Surrenders                                | 退保額        | <b>6,363.35</b>  | 3,920.40 | +62.3%       |
| Annuity, dividends and maturity payments  | 年金、分紅及滿期給款 | <b>4,603.91</b>  | 3,107.74 | +48.1%       |
| Interest allocated to investment contract | 分配至投資合約之利益 | <b>660.51</b>    | 1,091.65 | -39.5%       |
|   |            | <b>12,357.44</b> | 8,682.97 | +42.3%       |

#### Administrative and Other Expenses

#### 行政及其他費用

The administrative and other expenses of TPL are summarized as follows:

太平人壽之行政及其他費用概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|                 |      | 2013            | 2012     | Change<br>變化 |
|-----------------|------|-----------------|----------|--------------|
| Staff costs     | 員工成本 | <b>4,266.62</b> | 3,419.31 | +24.8%       |
| Rental expenses | 租賃開支 | <b>421.17</b>   | 358.41   | +17.5%       |
| Others          | 其他   | <b>2,899.59</b> | 2,297.86 | +26.2%       |
|                 |      | <b>7,587.38</b> | 6,075.58 | +24.9%       |

# Management Review and Analysis

## 管理層回顧和分析

### LIFE INSURANCE BUSINESS (Continued)

### 人壽保險業務(續)

#### Financial Strength and Solvency Margin

#### 財務實力及償付能力

The solvency margin ratios of TPL under the CIRC regulations were as follows:

太平人壽按中國保監會規定之償付能力充足率如下：

At 31 December, RMB million

於十二月三十一日，百萬人民幣

|                                   |          | 2013   | 2012  |
|-----------------------------------|----------|--------|-------|
| Actual Solvency Margin            | 實際償付能力   | 11,151 | 9,167 |
| Minimum Statutory Solvency Margin | 最低法定償付能力 | 6,719  | 5,581 |
| Solvency Margin Ratio             | 償付能力充足率  | 166%   | 164%  |

In January 2014, the CIRC recognized the RMB3.8 billion in capital raising as solvency. TPL's solvency margin as of January 2014 was 205%.

於二零一四年一月，中國保監會認可38億人民幣的增資為償付能力。太平人壽於二零一四年一月的償付能力充足率為205%。

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI

### 境內財產保險業務—由太平財險營運

The Group's property and casualty insurance segment in the PRC is operated by TPI. TPI is a PRC-incorporated company and is 100% owned by the Group since November 2013. TPI is principally engaged in the underwriting of motor, marine and non-marine policies in Mainland China.

本集團之內地財產保險業務由太平財險營運。太平財險為中國註冊公司，於二零一三年十一月，本集團擁有100%權益。太平財險主要於內地從事承保車險、水險及非水險業務。

# Management Review and Analysis

## 管理層回顧和分析

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

The figures below are the results of TPI from its operations, before intra-group eliminations.

The key financial data of the property and casualty insurance business operated by TPI is summarized below:

For the year ended 31 December, HK\$ million

### 境內財產保險業務 – 由太平財險營運 (續)

以下數字為集團內部對銷前，太平財險的營運業績。

由太平財險經營之財產保險業務之主要財務數據概述如下：

截至十二月三十一日止年度，百萬港元

|  |                    | 2013       | 2012       | Change<br>變化 |
|--|--------------------|------------|------------|--------------|
| Gross premiums written                           | 毛承保保費              | 13,518.87  | 9,547.83   | +41.6%       |
| Net premiums written                             | 淨承保保費              | 11,497.42  | 8,018.44   | +43.4%       |
| Net earned premiums                              | 已賺取保費淨額            | 10,225.42  | 7,212.53   | +41.8%       |
| Net claims incurred                              | 賠款淨額               | (5,402.93) | (3,762.71) | +43.6%       |
| Underwriting expenses                            | 承保費用               | (4,287.82) | (3,293.96) | +30.2%       |
| Net commission expenses                          | 佣金支出淨額             | (515.34)   | (138.76)   | +2.7 time 倍  |
| Underwriting profit                              | 承保溢利               | 19.33      | 17.10      | +13.0%       |
| Total investment income                          | 總投資收入              | 454.74     | 288.01     | +57.9%       |
| Other gain and other income                      | 其他收益及其他收入          | 26.49      | 38.30      | -30.8%       |
| Other administrative expenses                    | 其他行政費用             | (118.73)   | (39.91)    | +2.0 time 倍  |
| Finance costs                                    | 財務費用               | (49.65)    | (54.35)    | -8.6%        |
| Profit from operation before taxation            | 除稅前經營溢利            | 332.18     | 249.15     | +33.3%       |
| Profit from operation after taxation             | 除稅後經營溢利            | 341.99     | 239.45     | +42.8%       |
| Profit from operation attributable to the owners | 股東應佔經營溢利           | 227.88     | 146.57     | +55.5%       |
| Retained ratio                                   | 自留比率               | 85.0%      | 84.0%      | +1.0 pt 點    |
| Earned premiums ratio                            | 已賺取保費率             | 75.6%      | 75.5%      | +0.1 pt 點    |
| Loss ratio <sup>1</sup>                          | 賠付率 <sup>1</sup>   | 52.8%      | 52.2%      | +0.6 pt 點    |
| Expense ratio <sup>1</sup>                       | 費用率 <sup>1</sup>   | 47.0%      | 47.6%      | -0.6 pt 點    |
| Combined ratio <sup>2</sup>                      | 綜合成本率 <sup>2</sup> | 99.8%      | 99.8%      | -            |

<sup>1</sup> Both the loss ratio and expense ratio are based on net earned premiums.

<sup>2</sup> The combined ratio is the sum of the loss ratio and the expense ratio.

<sup>1</sup> 賠付率及費用率均按已賺取保費淨額為基準計算。

<sup>2</sup> 綜合成本率為賠付率與費用率的總和。

# Management Review and Analysis

## 管理層回顧和分析

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

### 境內財產保險業務 – 由太平財險營運 (續)

The key operational data of the property and casualty insurance business operated by TPI is summarized below:

由太平財險經營之財產保險業務之主要經營數據概述如下：

|  |                        | 2013      | 2012      | Change<br>變化 |
|--|------------------------|-----------|-----------|--------------|
| Market share <sup>1</sup>                    | 市場份額 <sup>1</sup>      | 1.7%      | 1.4%      | +0.3 pt 點    |
| Number of provincial branches                | 省級分公司數目                | 29        | 28        | +1           |
| Number of sub-branches and marketing centers | 支公司及市場推廣中心數目           | 435       | 360       | +75          |
| Number of customers                          | 客戶數目                   |           |           |              |
| – Individual                                 | – 個人                   | 2,963,968 | 2,022,276 | +941,692     |
| – Corporate                                  | – 公司                   | 196,825   | 177,654   | +19,171      |
| Distribution network                         | 分銷網絡                   |           |           |              |
| – Number of direct sales representatives     | – 直接銷售代表數目             | 6,074     | 5,484     | + 590        |
| – Number of insurance agents <sup>2</sup>    | – 保險代理人數目 <sup>2</sup> | 13,809    | 12,684    | +1,125       |

<sup>1</sup> Based on premiums published by the CIRC.

<sup>1</sup> 據中國保監會刊發之保費計算。

<sup>2</sup> The number of insurance agents includes individual agents, professional agents and ancillary agents.

<sup>2</sup> 保險代理數量包括個人代理人、專業代理人 and 兼業代理人。

### Operating Profit

### 經營溢利

The property and casualty insurance business operated by TPI produced a net operating profit of HK\$341.99 million during the Year (2012: HK\$239.45 million).

本年度內，由太平財險經營之財產保險業務的經營溢利淨額為3.4199億港元（二零一二年：2.3945億港元）。

# Management Review and Analysis

## 管理層回顧和分析

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

### 境內財產保險業務 – 由太平財險營運 (續)

#### Gross Premiums Written

#### 毛承保保費

With the property and casualty insurance industry in the PRC growing at a solid rate of 17.2% in 2013, TPI's growth in gross premiums written exceeded the market, increasing by 41.6% to HK\$13,518.87 million from HK\$9,547.83 million in the Last Year. The detailed breakdown of TPI's gross premiums written was as follows:

於二零一三年，內地財產保險業整體市場強勁增長17.2%，太平財險的毛承保保費優於同業上升41.6%，由去年的95.4783億港元上升至135.1887億港元。太平財險毛承保保費分析如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

| Business Line<br>業務種類 |     | 2013             | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|-----------------------|-----|------------------|----------------------|----------|----------------------|
| Motor                 | 車險  | 11,130.03        | 82.3%                | 7,713.37 | 80.8%                |
| Marine                | 水險  | 274.33           | 2.0%                 | 220.35   | 2.3%                 |
| Non-marine            | 非水險 | 2,114.51         | 15.7%                | 1,614.11 | 16.9%                |
|                       |     | <b>13,518.87</b> | <b>100.0%</b>        | 9,547.83 | 100.0%               |

TPI's gross premiums written by region were as follows:

太平財險按區域的毛承保保費分佈如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|           |    | 2013             | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|-----------|----|------------------|----------------------|----------|----------------------|
| Sichuan   | 四川 | 1,478.62         | 10.9%                | 1,183.98 | 12.4%                |
| Shenzhen  | 深圳 | 1,000.08         | 7.4%                 | 753.79   | 7.9%                 |
| Shanghai  | 上海 | 879.43           | 6.5%                 | 624.37   | 6.5%                 |
| Guangdong | 廣東 | 871.91           | 6.4%                 | 527.21   | 5.5%                 |
| Zhejiang  | 浙江 | 697.58           | 5.2%                 | 525.41   | 5.5%                 |
| Others    | 其他 | 8,591.25         | 63.6%                | 5,933.07 | 62.2%                |
| Total     | 總額 | <b>13,518.87</b> | <b>100.0%</b>        | 9,547.83 | 100.0%               |

# Management Review and Analysis

## 管理層回顧和分析

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

### 境內財產保險業務 – 由太平財險營運 (續)

#### Combined Ratio

#### 綜合成本率

TPI's expense ratio decreased to 47.0% from 47.6% in the Last Year primarily due to strengthened cost controls. The loss ratio slightly increased by 0.6 percentage points to 52.8% from 52.2% in the Last Year. TPI's combined ratio remained stable at 99.8% during the Year, as compared with the 99.8% in the Last Year. TPI's loss ratios, expense ratios and combined ratios were as follows:

太平財險的費用率在有效的成本控制下，由去年47.6%改善至47.0%。賠付率由去年的52.2%小幅上升0.6個百分點至52.8%。本年度內太平財險的綜合成本率為99.8%。太平財險之賠付率、費用率及綜合成本率情況如下：

For the year ended 31 December

截至十二月三十一日止年度

|                |       | 2013         | 2012  |
|----------------|-------|--------------|-------|
| Loss ratio     | 賠付率   | <b>52.8%</b> | 52.2% |
| Expense ratio  | 費用率   | <b>47.0%</b> | 47.6% |
| Combined ratio | 綜合成本率 | <b>99.8%</b> | 99.8% |

#### Investment Performance

#### 投資表現

The composition of investments held by TPI was as follows:

太平財險所持之投資組合如下：

At 31 December, HK\$ million

於十二月三十一日，百萬港元

|                        |         | 2013             | % of Total<br>佔總額百分比 | 2012      | % of Total<br>佔總額百分比 |
|------------------------|---------|------------------|----------------------|-----------|----------------------|
| Debt securities        | 債務證券    | <b>6,278.96</b>  | <b>39.0%</b>         | 4,601.99  | 44.9%                |
| Debt schemes           | 債權計劃    | <b>2,098.62</b>  | <b>13.0%</b>         | 730.92    | 7.1%                 |
| Equity securities      | 股本證券    | <b>638.25</b>    | <b>4.0%</b>          | 118.88    | 1.2%                 |
| Investment funds       | 投資基金    | <b>546.97</b>    | <b>3.5%</b>          | 320.55    | 3.1%                 |
| Cash and bank deposits | 現金及銀行存款 | <b>6,519.49</b>  | <b>40.5%</b>         | 4,473.15  | 43.7%                |
| Total invested assets  | 投資總額    | <b>16,082.29</b> | <b>100.00%</b>       | 10,245.49 | 100.0%               |

During the Year, TPI continued to be very cautious in its asset allocation for its investment portfolio. Equity investments were kept at a low percentage of the asset allocation, while debt securities, debt schemes and cash and bank deposits constituted a combined total of approximately 92.5% of the total invested assets as at 31 December 2013 (2012: 95.7%).

於本年度內，太平財險對於其投資組合的資產配置仍然十分審慎。股本投資在資產配置維持在一個較低百分比，而債務證券、債權計劃、現金及銀行存款於二零一三年十二月三十一日合共佔投資資產總額約92.5%（二零一二年：95.7%）。

## Management Review and Analysis

### 管理層回顧和分析

#### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

The classification of TPI's investments in securities under HTM, AFS, HFT, DVPL and LR was as follows:

At 31 December 2013, HK\$ million

|                   |      | HTM<br>持有至到期日 | AFS<br>可供出售 | HFT/DVPL<br>持有作<br>交易用途/<br>指定為通過<br>損益以反映<br>公允價值 | LR<br>貸款及<br>應收款項 | Total<br>總額 |
|-------------------|------|---------------|-------------|--|-------------------|-------------|
| Debt securities   | 債務證券 | 1,385.82      | 3,653.02    | –  | 1,240.12          | 6,278.96    |
| Debt schemes      | 債權計劃 | –             | –           | –  | 2,098.62          | 2,098.62    |
| Equity securities | 股本證券 | –             | 638.25      | –  | –                 | 638.25      |
| Investment funds  | 投資基金 | –             | 546.97      | –  | –                 | 546.97      |
|                   |      | 1,385.82      | 4,838.24    | –  | 3,338.74          | 9,562.80    |

#### 境內財產保險業務 – 由太平財險營運 (續)

太平財險歸類為持有至到期日、可供出售、持有作交易用途、指定為通過損益以反映公允價值及貸款及應收款項的證券投資如下：

於二零一三年十二月三十一日，百萬港元

At 31 December 2012, HK\$ million

|                   |      | HTM<br>持有至到期日 | AFS<br>可供出售 | HFT/DVPL<br>持有作<br>交易用途/<br>指定為通過<br>損益以反映<br>公允價值 | LR<br>貸款及<br>應收款項 | Total<br>總額 |
|-------------------|------|---------------|-------------|--|-------------------|-------------|
| Debt securities   | 債務證券 | 1,210.38      | 2,799.64    | 246.66   | 345.31            | 4,601.99    |
| Debt schemes      | 債權計劃 | –             | –           | –  | 730.92            | 730.92      |
| Equity securities | 股本證券 | –             | 118.88      | –  | –                 | 118.88      |
| Investment funds  | 投資基金 | –             | 320.55      | –  | –                 | 320.55      |
|                   |      | 1,210.38      | 3,239.07    | 246.66   | 1,076.23          | 5,772.34    |

於二零一二年十二月三十一日，百萬港元



# Management Review and Analysis

## 管理層回顧和分析

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

### 境內財產保險業務 – 由太平財險營運 (續)

The debt securities classified by type and class were as follows:

債務證券按類別分類如下：

At 31 December, HK\$ million

於十二月三十一日，百萬港元

|  |           | 2013            | 2012     |
|--|-----------|-----------------|----------|
| Governments and central banks          | 政府及中央銀行   | 292.53          | 591.59   |
| Banks and other financial institutions | 銀行及其他金融機構 | 1,501.97        | 1,739.83 |
| Corporate entities                     | 企業實體      | 4,484.46        | 2,270.57 |
|  |           | <b>6,278.96</b> | 4,601.99 |

The total investment income and the investment yield of TPI's investments on a pre-tax basis recognized in the consolidated statement of profit or loss were as follows:

太平財險確認於綜合損益表內之稅前總投資收入及稅前投資收益率概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|   |                       | 2013          | 2012    | Change<br>變化 |
|---|-----------------------|---------------|---------|--------------|
| Net debt investment income <sup>1</sup>       | 債務類投資淨收入 <sup>1</sup> | 327.62        | 226.77  | +44.5%       |
| Net realized and unrealized investment losses | 已實現及未實現投資虧損           | (46.50)       | (92.41) | -49.7%       |
| Other investment income <sup>2</sup>          | 其他投資收入 <sup>2</sup>   | 173.62        | 153.65  | +13.0%       |
| Total investment income                       | 總投資收入                 | <b>454.74</b> | 288.01  | +57.9%       |

<sup>1</sup> Net debt investment income mainly consists of interest income from debt securities and debt schemes.

<sup>1</sup> 債務類投資淨收入是債券投資及債權計劃產生的利息收入。

<sup>2</sup> Other investment income mainly consists of interest income from bank deposits, and dividend income from equities and investment funds.

<sup>2</sup> 其他投資收入主要包括銀行存款利息、權益類投資及投資基金的分紅等。

TPI's total investment income was HK\$454.74 million during the Year, representing a solid increase from the HK\$288.01 million in the Last Year. TPI's heavy weighting and allocation of assets in fixed income, bank deposits and cash resulted in a satisfactory yield for its investment portfolio.

本年內，太平財險錄得總投資收入4.5474億港元，較去年2.8801億港元穩步增加。太平財險的資產配置中，固定收入證券、銀行存款及現金的佔比較重，因此其投資組合取得令人滿意的成績。

# Management Review and Analysis

## 管理層回顧和分析

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

### 境內財產保險業務 – 由太平財險營運 (續)

The details of TPI's investment income/(loss) on a pre-tax basis were as follows:

太平財險稅前投資收入／(虧損)之詳細分析如下：

For the year ended 31 December 2013, HK\$ million

截至二零一三年十二月三十一日止年度，百萬港元

|   | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                         |   |   |  | Sub total<br>小計 | Unrealized gains/(losses) recognized in the fair value reserve<br>於公允價值儲備內確認之未實現收益／(虧損) | Grand total<br>總額 |
|---|---|-------------------------|---|---|--|-----------------|---|-------------------|
|   | Net investment income<br>淨投資收入  | Dividend income<br>股息收入 | Net realized gains/(losses)<br>已實現收益／(虧損)淨額 | Net unrealized gains/(losses)<br>未實現收益／(虧損)淨額 | Net impairment gains/(losses)<br>減值收益／(虧損)淨額 |                 |   |                   |
| <b>Debt securities</b>  | <b>債務證券</b>   |                         |   |   |  |                 |   |                   |
| HTM   | 持有至到期日  | 68.49                   | -   | -   | -  | 68.49           | -   | 68.49             |
| AFS   | 可供出售  | 145.93                  | -   | (17.89)                                       | -  | 128.04          | (81.20)   | 46.84             |
| HFT/DVPL  | 持有作交易用途<br>／指定為通過<br>損益以反映<br>公允價值                                      | 0.03                    | -   | (0.98)  | -  | (0.95)          | -   | (0.95)            |
| LR  | 貸款及應收款項   | 27.61                   | -   | -   | -  | 27.61           | -   | 27.61             |
| <b>Debt schemes</b>   | <b>債權計劃</b>   |                         |   |   |  |                 |   |                   |
| LR  | 貸款及應收款項   | 85.56                   | -   | -   | -  | 85.56           | -   | 85.56             |
| <b>Equity securities</b>  | <b>股本證券</b>   |                         |   |   |  |                 |   |                   |
| AFS   | 可供出售  | -                       | 6.53  | (32.65)                                       | -  | (26.12)         | 8.98  | (17.14)           |
| <b>Investment funds</b>   | <b>投資基金</b>   |                         |   |   |  |                 |   |                   |
| AFS   | 可供出售  | -                       | 6.49  | 5.02  | -  | 11.51           | 27.60   | 39.11             |
| HFT/DVPL  | 持有作交易用途<br>／指定為通過<br>損益以反映<br>公允價值                                      | -                       | 1.20  | -   | -  | 1.20            | -   | 1.20              |
| <b>Cash and bank deposits</b>                                       | <b>現金及銀行存款</b>  |                         |   |   |  |                 |   |                   |
|   |   | 167.71                  | -   | -   | -  | 167.71          | -   | 167.71            |
| <b>Securities sold/purchased under repurchase/resale agreements</b> | <b>賣出回購／買入返售證券</b>  |                         |   |   |  |                 |   |                   |
|   |   | (8.31)                  | -   | -   | -  | (8.31)          | -   | (8.31)            |
|   |   | 487.02                  | 14.22                                       | (46.50)                                       | -  | 454.74          | (44.62)   | 410.12            |

# Management Review and Analysis

## 管理層回顧和分析

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

### 境內財產保險業務 – 由太平財險營運 (續)

For the year ended 31 December 2012, HK\$ million

截至二零一二年十二月三十一日止年度，  
百萬港元

|  |                                    | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |   |   |  |                 | Unrealized gains/ (losses) recognized in the fair value reserve<br>於公允價值儲備內確認之未實現收益/ (虧損) | Grand total<br>總額 |
|--|------------------------------------|---|---|---|--|-----------------|---|-------------------|
|  |                                    | Net investment income<br>淨投資收入  | Net realized gains/ (losses)<br>已實現收益/ (虧損)淨額 | Net unrealized gains/ (losses)<br>未實現收益/ (虧損)淨額 | Net impairment gains/ (losses)<br>減值收益/ (虧損)淨額 | Sub total<br>小計 |   |                   |
|  |                                    | Interest income/ (expense)<br>利息收入/ (支出)                                | Dividend income<br>股息收入                       |   |  |                 |   |                   |
| <b>Debt securities</b>   | <b>債務證券</b>                        |   |   |   |  |                 |   |                   |
| HTM  | 持有至到期日                             | 43.48   | -   | -   | -  | 43.48           | -   | 43.48             |
| AFS  | 可供出售                               | 111.52  | -   | (3.88)  | -  | 107.64          | (6.27)  | 101.37            |
| HFT/DVPL   | 持有作交易用途<br>/指定為通過<br>損益以反映<br>公允價值 | 14.84   | -   | (1.16)  | 1.78   | 15.46           | -   | 15.46             |
| LR   | 貸款及應收款項                            | 18.81   | -   | -   | -  | 18.81           | -   | 18.81             |
| <b>Debt schemes</b>  | <b>債權計劃</b>                        |   |   |   |  |                 |   |                   |
| LR   | 貸款及應收款項                            | 38.12   | -   | -   | -  | 38.12           | -   | 38.12             |
| <b>Equity securities</b>   | <b>股本證券</b>                        |   |   |   |  |                 |   |                   |
| AFS  | 可供出售                               | -   | 5.32  | (24.22)   | (0.10)   | (19.00)         | 27.56   | 8.56              |
| <b>Investment funds</b>  | <b>投資基金</b>                        |   |   |   |  |                 |   |                   |
| AFS  | 可供出售                               | -   | 7.54  | (62.81)   | (2.02)   | (57.29)         | 7.78  | (49.51)           |
| <b>Cash and bank deposits</b>  | <b>現金及銀行存款</b>                     |   |   |   |  |                 |   |                   |
|  |                                    | 142.08  | -   | -   | -  | 142.08          | -   | 142.08            |
| <b>Securities sold/ purchased under repurchase/resale agreements</b> | <b>賣出回購/<br/>買入返售證券</b>            |   |   |   |  |                 |   |                   |
|  |                                    | (1.29)  | -   | -   | -  | (1.29)          | -   | (1.29)            |
|  |                                    | 367.56  | 12.86   | (92.07)   | 1.78   | 288.01          | 29.07   | 317.08            |

# Management Review and Analysis

## 管理層回顧和分析

### PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI (Continued)

境內財產保險業務 – 由太平財險營運 (續)

#### Underwriting and Other Administrative Expenses

承保及其他行政費用

The underwriting and administrative expenses of TPI are summarized as follows:

太平財險之承保及其他行政費用概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|                                     |           | 2013            | 2012            | Change<br>變化  |
|-------------------------------------|-----------|-----------------|-----------------|---------------|
| Staff costs                         | 員工成本      | 1,349.55        | 965.07          | +39.8%        |
| Rental expenses                     | 租賃開支      | 96.71           | 63.94           | +51.3%        |
| Business tax and additional charges | 營業稅金及附加費用 | 757.70          | 531.35          | +42.6%        |
| Others                              | 其他        | 2,202.59        | 1,775.10        | +24.1%        |
|                                     |           | <b>4,406.55</b> | <b>3,335.46</b> | <b>+32.1%</b> |

#### Financial Strength and Solvency Margin

財務實力及償付能力

The solvency margin ratios of TPI under the CIRC regulations were as follows:

太平財險按中國保監會規定之償付能力充足率如下：

At 31 December, RMB million

於十二月三十一日，百萬人民幣

|                                   |          | 2013        | 2012  |
|-----------------------------------|----------|-------------|-------|
| Actual Solvency Margin            | 實際償付能力   | 2,282       | 1,587 |
| Minimum Statutory Solvency Margin | 最低法定償付能力 | 1,374       | 976   |
| Solvency Margin Ratio             | 償付能力充足率  | <b>166%</b> | 163%  |

# Management Review and Analysis

## 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY CTPI (HK)

The Group's Hong Kong property and casualty insurance segment is operated by CTPI (HK). CTPI (HK) is a Hong Kong-incorporated company and is wholly-owned by the Group. CTPI (HK) is principally engaged in the underwriting of motor, marine and non-marine policies in Hong Kong.

The figures below are the results of CTPI (HK) from its operations, before intra-group eliminations.

The key financial data of the property and casualty insurance business operated in Hong Kong by CTPI (HK) is summarized below:

For the year ended 31 December, HK\$ million

### 境外財產保險業務 – 由太平香港營運

本集團之香港財產保險業務由太平香港營運。太平香港為香港註冊公司，並由本集團全資擁有。太平香港主要於香港從事承保車險、水險及非水險業務。

以下數字為集團內部對銷前，太平香港的營運業績。

由太平香港經營的香港財產保險業務之主要財務數據概述如下：

截至十二月三十一日止年度，百萬港元

|   |                    | 2013     | 2012     | Change<br>變化 |
|---|--------------------|----------|----------|--------------|
| Gross premiums written  | 毛承保保費              | 1,248.66 | 1,041.53 | +19.9%       |
| Reinsurance premiums written  | 再保險承保保費            | 533.37   | 426.04   | +25.2%       |
| Net premiums written  | 淨承保保費              | 1,336.41 | 1,087.14 | +22.9%       |
| Net earned premiums   | 已賺取保費淨額            | 1,329.92 | 894.52   | +48.7%       |
| Net claims incurred   | 賠款淨額               | (782.71) | (418.77) | +86.9%       |
| Underwriting expenses   | 承保費用               | (135.46) | (124.64) | +8.7%        |
| Net commission expenses   | 佣金支出淨額             | (382.37) | (330.43) | +15.7%       |
| Underwriting profit   | 承保溢利               | 29.38    | 20.68    | +42.1%       |
| Total investment income   | 總投資收入              | 295.73   | 546.80   | -45.9%       |
| Other gain and other income   | 其他收益及其他收入          | 13.54    | 13.20    | +2.6%        |
| Net exchange gain/(loss)  | 匯兌收益／(虧損)淨額        | 21.42    | (3.19)   | -            |
| Net impairment losses<br>write back of property                           | 物業減值回撥淨額           | -        | 14.34    | -            |
| Other administrative expenses   | 其他行政費用             | (39.22)  | (30.70)  | +27.8%       |
| Profit from operation before<br>taxation                                  | 除稅前經營溢利            | 320.85   | 561.13   | -42.8%       |
| Profit from operation after<br>taxation and attributable to the<br>owners | 除稅後及股東應佔經營溢利       | 282.00   | 531.46   | -46.9%       |
| Retained ratio  | 自留比率               | 75.0%    | 74.1%    | +0.9 pt 點    |
| Loss ratio <sup>1</sup>   | 賠付率 <sup>1</sup>   | 58.9%    | 46.8%    | +12.1 pts 點  |
| Expense ratio <sup>1</sup>  | 費用率 <sup>1</sup>   | 38.9%    | 50.9%    | -12.0 pts 點  |
| Combined ratio <sup>2</sup>   | 綜合成本率 <sup>2</sup> | 97.8%    | 97.7%    | +0.1 pt 點    |

<sup>1</sup> Both the loss ratio and expense ratio are based on net earned premiums.

<sup>2</sup> The combined ratio is the sum of the loss ratio and the expense ratio.

<sup>1</sup> 賠付率及費用率均按已賺取保費淨額為基準計算。

<sup>2</sup> 綜合成本率為賠付率與費用率的總和。

# Management Review and Analysis

## 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY CTPI (HK) (Continued)

#### Operating Profit

The property and casualty insurance business operated in Hong Kong by CTPI (HK) recorded a net operating profit attributable to the owners of HK\$282.00 million during the Year (2012: HK\$531.46 million). CTPI (HK) produced solid premium growth and underwriting profit in 2013. Net income decreased from Last Year primarily because of a substantial one-time real estate revaluation gain recognized in 2012.

#### Gross Premiums Written

Gross premiums written increased by 19.9% to HK\$1,248.66 million from HK\$1,041.53 million in the Last Year. During the Year, Hong Kong's continued economic strength and activity helped to grow the property and casualty insurance sector. The detailed breakdown of gross premiums written was as follows:

*For the year ended 31 December, HK\$ million*

| Business Line<br>業務種類 |     | % of Total      |               | % of Total |        |
|-----------------------|-----|-----------------|---------------|------------|--------|
|                       |     | 2013            | 佔總額百分比        | 2012       | 佔總額百分比 |
| Motor                 | 車險  | 277.82          | 22.2%         | 219.15     | 21.0%  |
| Marine                | 水險  | 237.24          | 19.0%         | 212.92     | 20.5%  |
| Non-marine            | 非水險 | 733.60          | 58.8%         | 609.46     | 58.5%  |
|                       |     | <b>1,248.66</b> | <b>100.0%</b> | 1,041.53   | 100.0% |

### 境外財產保險業務 – 由太平香港營運 (續)

#### 經營溢利

本年度內，太平香港的香港財產保險業務股東應佔溢利淨額為2.8200億港元（二零一二年：5.3146億港元），保費收入和承保盈利穩固增長。淨溢利下跌主要是由於二零一二年太平香港的盈利含投資物業一次性價值重估的收益。

#### 毛承保保費

直接業務毛承保保費由去年之10.4153億港元上升19.9%至12.4866億港元。於本年度內，香港經濟持續強勁及活躍，有助財產保險業的增長。直接業務毛承保保費分析如下：

*截至十二月三十一日止年度，百萬港元*

# Management Review and Analysis

## 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY CTPI (HK) (Continued)

境外財產保險業務 – 由太平香港營運 (續)

#### Net Claims Incurred and Combined Ratio

#### 淨賠款總額及綜合成本率

Net claims incurred increased by 86.9% to HK\$782.71 million from HK\$418.77 million in the Last Year. The expense ratio decreased to 38.9% from 50.9% in the Last Year. The loss ratios, expense ratios and combined ratios were as follows:

淨賠款總額由去年之4.1877億港元上升86.9%至7.8271億港元。費用率由去年的50.9%下降至38.9%。賠付率、費用率及綜合成本率情況如下：

For the year ended 31 December

截至十二月三十一日止年度

|                |       | 2013  | 2012  |
|----------------|-------|-------|-------|
| Loss ratio     | 賠付率   | 58.9% | 46.8% |
| Expense ratio  | 費用率   | 38.9% | 50.9% |
| Combined ratio | 綜合成本率 | 97.8% | 97.7% |

#### Investment Performance

#### 投資表現

The composition of investments was as follows:

投資組合情況如下：

At 31 December, HK\$ million

於十二月三十一日，百萬港元

|                        |         | 2013     | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|------------------------|---------|----------|----------------------|----------|----------------------|
| Debt securities        | 債務證券    | 1,828.53 | 37.0%                | 1,722.05 | 37.2%                |
| Equity securities      | 股本證券    | 271.28   | 5.5%                 | 151.42   | 3.3%                 |
| Investment funds       | 投資基金    | 366.79   | 7.5%                 | 99.90    | 2.2%                 |
| Cash and bank deposits | 現金及銀行存款 | 692.46   | 14.0%                | 919.08   | 19.8%                |
| Investment properties  | 投資物業    | 1,777.73 | 36.0%                | 1,739.92 | 37.5%                |
| Total invested assets  | 投資總額    | 4,936.79 | 100.0%               | 4,632.37 | 100.0%               |

# Management Review and Analysis

## 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY CTPI (HK) (Continued)

During the Year, CTPI (HK) continued to be very cautious in its asset allocation for its investment portfolio. Equity investments were maintained at a relatively low percentage of the asset allocation, while debt securities and cash and bank deposits constituted a combined total of approximately 51.0% of the total invested assets as at 31 December 2013 (2012: 57.0%).

The classification of investments in securities under HTM, AFS, HFT and LR was as follows:

At 31 December 2013, HK\$ million

|                        | HTM<br>持有至到期日 | AFS<br>可供出售 | HFT<br>持有作<br>交易用途 | LR<br>貸款及<br>應收款項 | Total<br>總額 |
|------------------------|---------------|-------------|--------------------|-------------------|-------------|
| Debt securities 債務證券   | 496.89        | 1,331.64    | –                  | –                 | 1,828.53    |
| Equity securities 股本證券 | –             | 271.28      | –                  | –                 | 271.28      |
| Investment funds 投資基金  | –             | 172.92      | –                  | 193.87            | 366.79      |
|                        | 496.89        | 1,775.84    | –                  | 193.87            | 2,466.60    |

At 31 December 2012, HK\$ million

|                        | HTM<br>持有至到期日 | AFS<br>可供出售 | HFT<br>持有作<br>交易用途 | LR<br>貸款及<br>應收款項 | Total<br>總額 |
|------------------------|---------------|-------------|--------------------|-------------------|-------------|
| Debt securities 債務證券   | –             | 1,722.05    | –                  | –                 | 1,722.05    |
| Equity securities 股本證券 | –             | 151.42      | –                  | –                 | 151.42      |
| Investment funds 投資基金  | –             | 99.90       | –                  | –                 | 99.90       |
|                        | –             | 1,973.37    | –                  | –                 | 1,973.37    |

### 境外財產保險業務 – 由太平香港營運 (續)

於本年度內，太平香港對於其投資組合的資產配置仍然十分審慎。股本投資維持在資產配置的一個較低百分比，而債務證券、現金及銀行存款於二零一三年十二月三十一日合共佔投資資產總額約51.0% (二零一二年：57.0%)。

歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項的證券投資如下：

於二零一三年十二月三十一日，百萬港元



# Management Review and Analysis

## 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY CTPI (HK) (Continued)

境外財產保險業務 – 由太平香港營運 (續)

The debt securities classified by type and class were as follows:

債務證券按類別分類如下：

At 31 December, HK\$ million

於十二月三十一日，百萬港元

|  |           | 2013            | 2012     |
|--|-----------|-----------------|----------|
| Governments and central banks          | 政府及中央銀行   | 5.19            | 5.33     |
| Banks and other financial institutions | 銀行及其他金融機構 | 1,139.10        | 1,250.45 |
| Corporate entities                     | 企業實體      | 684.24          | 466.27   |
|  |           | <b>1,828.53</b> | 1,722.05 |

The total investment income and the investment yield on a pre-tax basis recognized in the consolidated statement of profit or loss were as follows:

太平香港確認於綜合損益表內之稅前總投資收入及稅前投資收益率概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|  |                       | 2013          | 2012   | Change<br>變化 |
|--|-----------------------|---------------|--------|--------------|
| Net debt investment income <sup>1</sup>      | 債務類投資淨收入 <sup>1</sup> | 95.08         | 89.55  | +6.2%        |
| Net realized and unrealized investment gains | 已實現及未實現投資收益淨額         | 87.91         | 359.32 | -75.5%       |
| Other investment income <sup>2</sup>         | 其他投資收入 <sup>2</sup>   | 112.74        | 97.93  | +15.1%       |
| Total investment income                      | 總投資收入                 | <b>295.73</b> | 546.80 | -45.9%       |

1 Net debt investment income mainly consists of interest income from debt securities and debt schemes.

1 債務類投資淨收入是債券投資及債權計劃產生的利息收入。

2 Other investment income mainly consists of rental income.

2 其他投資收入主要包括租金收入等。

# Management Review and Analysis

## 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY CTPI (HK) (Continued)

### 境外財產保險業務 – 由太平香港營運 (續)

Total investment income was HK\$295.73 million for the Year, representing a decrease of 45.9% from HK\$546.80 million in the Last Year. CTPI (HK)'s investment property in Hong Kong experienced substantial positive one-time revaluation gains in 2012 due to the robust property market Last Year.

本年內錄得總投資收入2.9573億港元，較去年5.4680億港元下跌45.9%。受惠於二零一二年香港物業市場暢旺，香港的投資物業錄得較高的一次性重估收益。

The details of CTPI (HK)'s investment income/(loss) on a pre-tax basis were as follows:

太平香港稅前投資收入／(虧損)之詳細分析如下：

For the year ended 31 December 2013, HK\$ million

截至二零一三年十二月三十一日止年度，百萬港元

|                        |         | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                         |                       |   |   |  | Unrealized gains/(losses) recognized in the fair value reserve<br>於公允價值儲備內確認之未實現收益／(虧損) |         | Grand total<br>總額 |
|------------------------|---------|---|-------------------------|-----------------------|---|---|--|---|---------|-------------------|
|                        |         | Net investment income<br>淨投資收入  |                         |                       | Net realized gains/(losses)<br>已實現收益／(虧損)淨額 | Net unrealized gains/(losses)<br>未實現收益／(虧損)淨額 | Net impairment gains/(losses)<br>減值收益／(虧損)淨額 | Sub total<br>小計   |         |                   |
|                        |         | Interest income/(expense)<br>利息收入                                       | Dividend income<br>股息收入 | Rental income<br>租金收入 |   |   |  |   |         |                   |
| Debt securities        | 債務證券    |   |                         |                       |   |   |  |   |         |                   |
| HTM                    | 債務證券    | 4.39  | -                       | -                     | -   | -   | -  | 4.39  | -       | 4.39              |
| AFS                    | 持有至到期日  | 88.49   | -                       | -                     | 15.46                                       | -   | -  | 103.95  | (77.83) | 26.12             |
| LR                     | 可供出售    | 2.20  | -                       | -                     | -   | -   | -  | 2.20  | -       | 2.20              |
| Equity securities      | 貸款及應收款項 |   |                         |                       |   |   |  |   |         |                   |
| AFS                    | 股本證券    | -   | 13.57                   | -                     | 25.12                                       | -   | -  | 38.69   | 13.14   | 51.83             |
| Investment funds       | 可供出售    |   |                         |                       |   |   |  |   |         |                   |
| AFS                    | 投資基金    | -   | 1.10                    | -                     | 0.69  | -   | -  | 1.79  | (4.79)  | (3.00)            |
| Cash and bank deposits | 可供出售    | 8.13  | -                       | -                     | -   | -   | -  | 8.13  | -       | 8.13              |
| Investment properties  | 現金及銀行存款 | -   | -                       | 72.85                 | -   | 46.64   | -  | 119.49  | -       | 119.49            |
| Others                 | 投資物業    | 17.09   | -                       | -                     | -   | -   | -  | 17.09   | -       | 17.09             |
|                        |         | 120.30  | 14.67                   | 72.85                 | 41.27                                       | 46.64   | -  | 295.73  | (69.48) | 226.25            |

# Management Review and Analysis

## 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY CTPI (HK) (Continued)

境外財產保險業務 – 由太平香港營運 (續)

For the year ended 31 December 2012, HK\$ million

截至二零一二年十二月三十一日止年度，百  
萬港元

|                        | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                            |                          |   |   |  | Unrealized<br>gains/<br>(losses)<br>recognized<br>in the fair<br>value<br>reserve<br>於公允價值<br>儲備內確認 | Grand<br>total<br>總額 |                     |        |
|------------------------|---|----------------------------|--------------------------|---|---|--|---|----------------------|---------------------|--------|
|                        | Net investment income<br>淨投資收入  |                            |                          | Net<br>realized<br>gains/<br>(losses)<br>已實現<br>收益/<br>(虧損)淨額 | Net<br>unrealized<br>gains/<br>(losses)<br>未實現<br>收益/<br>(虧損)淨額 | Net<br>impairment<br>gains/<br>(losses)<br>減值收益/<br>(虧損)淨額 |   |                      | Sub<br>total<br>小計  |        |
|                        | Interest<br>income/<br>(expense)<br>利息收入                                | Dividend<br>income<br>股息收入 | Rental<br>income<br>租金收入 |   |   |  |   |                      | 之未實現<br>收益/<br>(虧損) |        |
| Debt securities        | 債務證券  |                            |                          |   |   |  |   |                      |                     |        |
| AFS                    | 可供出售  | 89.55                      | -                        | -   | 28.84   | -  | -   | 118.39               | 154.44              | 272.83 |
| Equity securities      | 股本證券  |                            |                          |   |   |  |   |                      |                     |        |
| AFS                    | 可供出售  | -                          | 8.00                     | -   | (4.29)  | -  | (1.89)  | 1.82                 | 39.35               | 41.17  |
| Investment funds       | 投資基金  |                            |                          |   |   |  |   |                      |                     |        |
| AFS                    | 可供出售  | -                          | 1.84                     | -   | 7.73  | -  | (2.95)  | 6.62                 | (5.13)              | 1.49   |
| Cash and bank deposits | 現金及銀行存款   | 12.60                      | -                        | -   | -   | -  | -   | 12.60                | -                   | 12.60  |
| Investment properties  | 投資物業  | -                          | -                        | 64.49   | -   | 331.88   | -   | 396.37               | -                   | 396.37 |
| Others                 | 其他  | 11.00                      | -                        | -   | -   | -  | -   | 11.00                | -                   | 11.00  |
|                        |   | 113.15                     | 9.84                     | 64.49   | 32.28   | 331.88   | (4.84)  | 546.80               | 188.66              | 735.46 |

### Underwriting and Other Administrative Expenses

承保及其他行政費用

The underwriting and other administrative expenses are summarized as follows:

承保及其他行政費用概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|                 |      | 2013   | 2012   | Change<br>變化 |
|-----------------|------|--------|--------|--------------|
| Staff costs     | 員工成本 | 120.33 | 108.73 | +10.7%       |
| Rental expenses | 租賃開支 | 0.77   | 0.60   | +28.3%       |
| Others          | 其他   | 53.58  | 46.01  | +16.5%       |
|                 |      | 174.68 | 155.34 | +12.5%       |

## Management Review and Analysis 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY CTPI (HK) (Continued)

#### Financial Strength and Solvency Margin

The solvency margin ratios of CTPI (HK) under the Hong Kong Insurance regulations were as follows:

At 31 December, HKD million

|                                   |          | 2013   | 2012   |
|-----------------------------------|----------|--------|--------|
| Actual Solvency Margin            | 實際償付能力   | 2,734  | 2,586  |
| Minimum Statutory Solvency Margin | 最低法定償付能力 | 159    | 139    |
| Solvency Margin Ratio             | 償付能力充足率  | 1,722% | 1,857% |

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TP MACAU

The Group's overseas property and casualty insurance segment is operated by TP Macau. TP Macau is registered under the Macau Insurance Ordinance as an insurer to underwrite general insurance business in Macau, including among others, Property, Liability, Construction All Risks, Motor, and Employee's Compensation.

### 境外財產保險業務 – 由太平香港營運 (續)

#### 財務實力及償付能力

太平香港按香港保險條例之償付能力充足率如下：

於十二月三十一日，百萬港元

### 境外財產保險業務 – 由太平澳門營運

本集團之海外財產保險業務由太平澳門營運。太平澳門為根據澳門保險活動管制法在澳門註冊公司，由本集團全資擁有。太平澳門主要於澳門經營一般保險業務，包括財產險、責任險、建築工程險、車險和勞工保險。

# Management Review and Analysis

## 管理層回顧和分析

### OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TP MACAU (Continued)

The figures below are the results of TP Macau from its operations, before intra-group eliminations.

The key financial data of the property and casualty insurance business operated overseas by TP Macau is summarized below:

For the year ended 31 December, HK\$ million

### 境外財產保險業務 – 由太平澳門營運 (續)

以下數字為集團內部對銷前，太平澳門的營運業績。

由太平澳門經營的海外財產保險業務之主要財務數據概述如下：

截至十二月三十一日止年度，百萬港元

|   |                    | 2013   | 2012   | Change<br>變化 |
|---|--------------------|--------|--------|--------------|
| Gross premiums written  | 毛承保保費              | 455.68 | 406.54 | +12.1%       |
| Net earned premiums   | 已賺取保費淨額            | 250.86 | 236.88 | +5.9%        |
| Profit from operation before taxation                               | 除稅前經營溢利            | 50.88  | 81.49  | -37.6%       |
| Profit from operation after taxation and attributable to the owners | 除稅後及股東應佔經營溢利       | 45.38  | 73.31  | -38.1%       |
| Retained ratio  | 自留比率               | 60.3%  | 63.8%  | -3.5 pts點    |
| Earned premiums ratio   | 已賺取保費率             | 54.3%  | 56.1%  | -1.8 pts點    |
| Loss ratio <sup>1</sup>   | 賠付率 <sup>1</sup>   | 46.5%  | 46.8%  | -0.3 pt點     |
| Expense ratio <sup>1</sup>  | 費用率 <sup>1</sup>   | 18.1%  | 16.8%  | +1.3 pts點    |
| Combined ratio <sup>2</sup>   | 綜合成本率 <sup>2</sup> | 64.6%  | 63.6%  | +1.0 pt點     |
| Solvency Margin Ratio   | 償付能力充足率            | 191.9% | 212.3% | -20.4 pts點   |

<sup>1</sup> Both the loss ratio and expense ratio are based on net earned premiums.

<sup>1</sup> 賠付率及費用率均按已賺取保費淨額為基準計算。

<sup>2</sup> The combined ratio is the sum of the loss ratio and the expense ratio.

<sup>2</sup> 綜合成本率為賠付率與費用率的總和。

### REINSURANCE BUSINESS

The Group's reinsurance business is operated by TPre. TPre is a Hong Kong-incorporated company and wholly-owned by the Group, and is mainly engaged in the underwriting of all classes of non-life reinsurance business around the globe, consisting mainly of short-tail, property reinsurance business in the Asia Pacific region. TPre also engages in the underwriting of certain classes of long term (life) reinsurance business. TPre has chosen not to engage in long-tail, liability reinsurance business from outside of Asia, such as from the United States and Europe.

### 再保險業務

本集團之再保險業務由本集團全資擁有之香港註冊公司太平再保險營運。太平再保險主要從事承保全球各類再保險業務，主要包括亞太地區的短尾財產再保險業務。太平再保險亦從事若干類別的長期（人壽）再保險業務。太平再保險選擇不承保亞洲以外如來自美國及歐洲的長尾責任險業務。

# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

The figures below are the results of TPRe from its operations, before intra-group eliminations.

The key financial data and key performance indicators of the reinsurance business are summarized below:

For the year ended 31 December, HK\$ million

### 再保險業務 (續)

以下數字為集團內部對銷前，太平再保險的營運業績。

再保險業務之主要財務數據及主要表現指標概述如下：

截至十二月三十一日止年度，百萬港元

|   |                    | 2013              | 2012       | Change<br>變化 |
|---|--------------------|-------------------|------------|--------------|
| Gross premiums written  | 毛承保保費              | <b>3,737.47</b>   | 3,435.30   | +8.8%        |
| Net premiums written  | 淨承保保費              | <b>3,389.98</b>   | 3,073.24   | +10.3%       |
| Net earned premiums   | 已賺取保費淨額            | <b>3,280.28</b>   | 2,994.50   | +9.5%        |
| Net claims incurred   | 賠款淨額               | <b>(2,070.70)</b> | (2,291.52) | -9.6%        |
| Underwriting expenses   | 承保費用               | <b>(114.82)</b>   | (75.04)    | +53.0%       |
| Net commission expenses   | 佣金支出淨額             | <b>(980.24)</b>   | (835.77)   | +17.3%       |
| Underwriting Gain/(loss)  | 承保溢利／(虧損)          | <b>114.52</b>     | (207.83)   | -            |
| Total investment income   | 總投資收入              | <b>381.58</b>     | 328.49     | +16.2%       |
| Other gain/(losses) and other income                                | 其他收益／(虧損)及其他收入     | <b>0.66</b>       | (1.69)     | -            |
| Net exchange (loss)/gain  | 匯兌(虧損)／收益淨額        | <b>(48.63)</b>    | 25.53      | -            |
| Other administrative expenses                                       | 其他行政費用             | <b>(14.27)</b>    | (13.42)    | +6.3%        |
| Profit from operation before taxation                               | 除稅前經營溢利            | <b>433.86</b>     | 131.08     | +2.3 times倍  |
| Profit from operation after taxation and attributable to the owners | 除稅後及股東應佔經營溢利       | <b>404.53</b>     | 112.08     | +2.6 times倍  |
| Regulatory solvency margin ratio                                    | 監管償付能力充足比率         | <b>450.9%</b>     | 402.0%     | +48.9 pts點   |
| Retained ratio  | 自留比率               | <b>90.7%</b>      | 89.5%      | +1.2pts點     |
| Earned premiums ratio   | 已賺取保費率             | <b>87.8%</b>      | 87.2%      | +0.6pt點      |
| Loss ratio <sup>1</sup>   | 賠付率 <sup>1</sup>   | <b>63.1%</b>      | 76.5%      | -13.4pts點    |
| Expense ratio <sup>1</sup>  | 費用率 <sup>1</sup>   | <b>33.4%</b>      | 30.4%      | +3.0pts點     |
| Combined ratio <sup>2</sup>   | 綜合成本率 <sup>2</sup> | <b>96.5%</b>      | 106.9%     | -10.4pts點    |

<sup>1</sup> Both the loss ratio and expense ratio are based on net earned premiums.

<sup>2</sup> The combined ratio is the sum of the loss ratio and the expense ratio.

<sup>1</sup> 賠付率及費用率均按已賺取保費淨額為基準計算。

<sup>2</sup> 綜合成本率為賠付率與費用率的總和。

# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

#### Operating Profit

The reinsurance business incurred a net operating profit after tax of HK\$404.53 million during the Year (2012: HK\$112.08 million). The improvement of TPRe's operating profit was mainly due to reinforced risk controls on its reinsurance underwriting activities, an absence of major catastrophe loss events during the Year, and strong investment income.

The underwriting result returned to profit after two years of underwriting losses caused primarily by the unprecedented 2011 Thai Floods.

#### Gross Premiums Written

TPRe's gross premiums written for the Year increased by 8.8% to HK\$3,737.47 million from HK\$3,435.30 million in the Last Year. TPRe continued to have favorable premium growth in Mainland China, while maintaining its territorial diversification strategy and achieving premium growth in most of its other territories.

TPRe's geographical distribution of gross premiums written is summarized as follows:

*For the year ended 31 December, HK\$ million*

|                           |           | 2013            | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|---------------------------|-----------|-----------------|----------------------|----------|----------------------|
| Hong Kong & Macau         | 香港及澳門     | 456.13          | 12.2%                | 431.94   | 12.6%                |
| Mainland China (& Taiwan) | 中國大陸(及台灣) | 1,752.19        | 46.9%                | 1,521.36 | 44.3%                |
| Japan                     | 日本        | 190.80          | 5.1%                 | 209.85   | 6.1%                 |
| Rest of Asia              | 亞洲其他地區    | 697.91          | 18.7%                | 668.97   | 19.4%                |
| Europe                    | 歐洲        | 431.45          | 11.5%                | 380.21   | 11.1%                |
| Others                    | 其他        | 208.99          | 5.6%                 | 222.97   | 6.5%                 |
|                           |           | <b>3,737.47</b> | <b>100.0%</b>        | 3,435.30 | 100.0%               |

### 再保險業務(續)

#### 經營溢利

再保險業務產生經營溢利淨額4.0453億港元(二零一二年:1.1208億港元)。太平再保險業績得到改善是由於加強承保風險的控制、年內沒有重大賠案及投資收入強勁。

經過史無前例的二零一一年泰國水災,太平再保險連續兩年承保虧損後業績恢復盈利。

#### 毛承保保費

太平再保險之毛承保保費由去年34.3530億港元上升8.8%至37.3747億港元。太平再保險繼續在中國大陸取得可觀保費增長,亦繼續其地區多元化的策略,並在大部份的其他地區取得保費增長。

太平再保險按地區分佈劃分之毛承保保費概述如下:

*截至十二月三十一日止年度,百萬港元*

# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

#### Net Claims Incurred

No serious, major catastrophes hit TPRe's reinsurance portfolio in 2013. During the Year, the net incurred loss ratio improved to 63.1% (2012: 76.5%).

TPRe has implemented more vigorous risk control measures on its reinsurance portfolio, including more in-depth studies of its aggregate exposures in major catastrophe prone markets and more tailor-made retrocession arrangements to mitigate both the frequency and severity of major loss events.

Claims reserve provisions are regularly reviewed in conjunction with the claims development patterns, with more extensive studies and analyses conducted on the adequacy of the bulk claims reserves as well as large catastrophe claims reserves. The 2011 Thai Floods claims have stabilized and meaningful savings were achieved on the cases which were settled. During the Year, there was no abnormal claims development.

#### Investment Performance

The composition of investments held by TPRe was as follows:

At 31 December, HK\$ million

|                        |         | 2013     | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|------------------------|---------|----------|----------------------|----------|----------------------|
| Debt securities        | 債務證券    | 5,088.70 | 61.1%                | 4,714.18 | 63.8%                |
| Debt schemes           | 債權計劃    | 155.18   | 1.9%                 | 46.86    | 0.6%                 |
| Equity securities      | 股本證券    | 144.50   | 1.7%                 | 52.15    | 0.7%                 |
| Investment funds       | 投資基金    | 419.50   | 5.0%                 | 103.79   | 1.4%                 |
| Cash and bank deposits | 現金及銀行存款 | 2,438.39 | 29.3%                | 2,393.42 | 32.5%                |
| Investment properties  | 投資物業    | 79.03    | 1.0%                 | 73.72    | 1.0%                 |
| Total invested assets  | 投資總額    | 8,325.30 | 100.0%               | 7,384.12 | 100.00%              |

### 再保險業務 (續)

#### 淨賠款總額

二零一三年並無受嚴重的大災害影響太平再保險的業績。年內的賠付率淨額改善至63.1% (二零一二年: 76.5%)。

太平再保險已就其再保險業務承保政策採取更嚴格的風險控制措施, 包括更深入地研究其業務在發生大災害市場的潛在風險, 以及制定更合適的自留賠付政策來減輕重大災害對太平再保險造成影響的頻率及嚴重性。

賠款儲備均定期連同賠付發展情況進行審閱, 並對大災害賠款準備進行更廣泛的研究和分析。二零一一年泰國水災賠付已趨向穩定, 部份賠付在結案時更出現盈餘。本年度內並無異常發展。

#### 投資表現

太平再保險持有之投資組合情況如下:

於十二月三十一日, 百萬港元



# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

During the Year, investment grade fixed income debt securities continued to constitute the largest part of the investment portfolio. Debt securities, debt schemes and cash and bank deposits constituted a combined total of approximately 92.3% of the total invested assets as at 31 December 2013 (2012: 96.9%).

The classification of TPRe's investments in securities under HTM, AFS, HFT and LR was as follows:

At 31 December 2013, HK\$ million

|                   |      | HTM<br>持有至到期日   | AFS<br>可供出售     | HFT<br>持有作<br>交易用途 | LR<br>貸款及<br>應收款項 | Total<br>總額     |
|-------------------|------|-----------------|-----------------|--------------------|-------------------|-----------------|
| Debt securities   | 債務證券 | 3,552.90        | 1,339.04        | 8.53               | 188.23            | 5,088.70        |
| Debt schemes      | 債權計劃 | -               | -               | -                  | 155.18            | 155.18          |
| Equity securities | 股本證券 | -               | 144.50          | -                  | -                 | 144.50          |
| Investment funds  | 投資基金 | -               | 77.77           | 31.55              | 310.18            | 419.50          |
|                   |      | <b>3,552.90</b> | <b>1,561.31</b> | <b>40.08</b>       | <b>653.59</b>     | <b>5,807.88</b> |

At 31 December 2012, HK\$ million

|                   |      | HTM<br>持有至到期日   | AFS<br>可供出售     | HFT<br>持有作<br>交易用途 | LR<br>貸款及<br>應收款項 | Total<br>總額     |
|-------------------|------|-----------------|-----------------|--------------------|-------------------|-----------------|
| Debt securities   | 債務證券 | 3,211.93        | 1,143.38        | 22.18              | 336.69            | 4,714.18        |
| Debt schemes      | 債權計劃 | -               | -               | -                  | 46.86             | 46.86           |
| Equity securities | 股本證券 | -               | 52.15           | -                  | -                 | 52.15           |
| Investment funds  | 投資基金 | -               | 74.35           | 29.44              | -                 | 103.79          |
|                   |      | <b>3,211.93</b> | <b>1,269.88</b> | <b>51.62</b>       | <b>383.55</b>     | <b>4,916.98</b> |

### 再保險業務 (續)

年內，投資組合的最大佔比的仍為債務證券。債務證券、債權計劃、現金及銀行存款於二零一三年十二月三十一日合共佔投資資產總額約92.3% (二零一二年：96.9%)。

太平再保險歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項的證券投資如下：

於二零一三年十二月三十一日，百萬港元

於二零一二年十二月三十一日，百萬港元

# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

### 再保險業務 (續)

The debt securities classified by type and class were as follows:

債務證券按類別分類如下：

At 31 December, HK\$ million

於十二月三十一日，百萬港元

|  |           | 2013            | 2012     |
|--|-----------|-----------------|----------|
| Governments and central banks          | 政府及中央銀行   | 546.42          | 569.81   |
| Banks and other financial institutions | 銀行及其他金融機構 | 2,267.37        | 2,275.19 |
| Corporate entities                     | 企業實體      | 2,274.91        | 1,869.18 |
|  |           | <b>5,088.70</b> | 4,714.18 |

The debt securities classified by original currencies in their respective HKD equivalents were as follows:

債務證券按原貨幣分類之折合港元值如下：

At 31 December, HK\$ million

於十二月三十一日，百萬港元

|        |     | 2013            | 2012     |
|--------|-----|-----------------|----------|
| USD    | 美元  | 3,506.23        | 3,327.83 |
| RMB    | 人民幣 | 741.83          | 650.18   |
| EUR    | 歐羅  | 348.33          | 317.27   |
| GBP    | 英鎊  | 235.23          | 230.12   |
| AUD    | 澳元  | 74.42           | 78.43    |
| Others | 其他  | 182.66          | 110.35   |
|        |     | <b>5,088.70</b> | 4,714.18 |

# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

The total investment income and the investment yield of TPre's investments on a pre-tax basis recognized in the consolidated statement of profit or loss were as follows:

For the year ended 31 December, HK\$ million

|  |                       | 2013          | 2012          | Change<br>變化  |
|--|-----------------------|---------------|---------------|---------------|
| Net debt investment income <sup>1</sup>      | 債務類投資淨收入 <sup>1</sup> | <b>281.20</b> | 271.90        | +3.4%         |
| Net realized and unrealized investment gains | 已實現及未實現投資收益           | <b>57.46</b>  | 9.46          | +5.0 times倍   |
| Other investment income <sup>2</sup>         | 其他投資收入 <sup>2</sup>   | <b>42.92</b>  | 47.13         | -8.9%         |
| <b>Total investment income</b>               | <b>總投資收入</b>          | <b>381.58</b> | <b>328.49</b> | <b>+16.2%</b> |

<sup>1</sup> Net debt investment income mainly consists of interest income from debt securities and debt schemes.

<sup>2</sup> Other investment income mainly consists of interest income from bank deposits, and dividend income from equities and investment funds.

TPRe's total investment income was a gain of HK\$381.58 million for the Year, representing an increase from HK\$328.49 million in the Last Year. TPre's conservative asset weightings in its investment portfolio allowed the company to produce a satisfactory total investment yield.

### 再保險業務 (續)

太平再保險確認於綜合損益表內之稅前總投資收入及稅前投資收益率概述如下：

截至十二月三十一日止年度，百萬港元

<sup>1</sup> 債務類投資淨收入是債券投資及債權計劃產生的利息收入。

<sup>2</sup> 其他投資收入主要包括銀行存款利息、權益類投資及投資基金的分紅等。

本年度內，太平再保險錄得總投資收入溢利3.8158億港元，較去年3.2849億港元增加。太平再保險於投資組合的穩健資產配置讓其取得令人滿意的總投資收益率。

# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

### 再保險業務 (續)

The details of TPRE's investment income/(loss) on a pre-tax basis were as follows:

太平再保險的稅前投資收入/(虧損)之詳細分析如下:

For the year ended 31 December 2013, HK\$ million

截至二零一三年十二月三十一日止年度，百萬港元

|   |         | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                         |                       |   |   | Unrealized gains/(losses) recognized in the fair value reserve<br>於公允價值儲備內確認之未實現收益/(虧損) | Grand total<br>總額 |         |
|---|---------|---|-------------------------|-----------------------|---|---|---|-------------------|---------|
|   |         | Net investment income<br>淨投資收入  |                         |                       | Net realized gains/(losses)<br>已實現收益/(虧損)淨額 | Net unrealized gains/(losses)<br>未實現收益/(虧損)淨額 | Net impairment gains/(losses)<br>減值收益/(虧損)淨額  | Sub total<br>小計   |         |
|   |         | Interest income/(expense)<br>利息收入/(支出)                                  | Dividend income<br>股息收入 | Rental income<br>租金收入 |   |   |   |                   |         |
| Debt securities                         | 債務證券    |   |                         |                       |   |   |   |                   |         |
| HTM                                     | 持有至到期日  | 184.49  | -                       | -                     | -   | -   | -   | 184.49            | -       |
| AFS                                     | 可供出售    | 71.46   | -                       | -                     | 13.57                                       | -   | -   | 85.03             | (47.53) |
| HFT                                     | 持有作交易用途 | 1.43  | -                       | -                     | (0.56)                                      | 0.77  | -   | 1.64              | -       |
| LR                                      | 貸款及應收款項 | 13.81   | -                       | -                     | -   | -   | -   | 13.81             | -       |
| Debt schemes                            | 債權計劃    |   |                         |                       |   |   |   |                   |         |
| LR                                      | 貸款及應收款項 | 10.01   | -                       | -                     | -   | -   | -   | 10.01             | -       |
| Equity securities                       | 股本證券    |   |                         |                       |   |   |   |                   |         |
| AFS                                     | 可供出售    | -   | 3.25                    | -                     | 26.16                                       | -   | -   | 29.41             | 3.68    |
| Investment funds                        | 投資基金    |   |                         |                       |   |   |   |                   |         |
| AFS                                     | 可供出售    | -   | 0.74                    | -                     | -   | -   | -   | 0.74              | 3.40    |
| HFT                                     | 持有作交易用途 | -   | 1.45                    | -                     | -   | 2.11  | -   | 3.56              | -       |
| Cash and bank deposits                  | 現金及銀行存款 | 37.95   | -                       | -                     | -   | -   | -   | 37.95             | -       |
| Securities sold under resale agreements | 買入返售證券  | 0.14  | -                       | -                     | -   | -   | -   | 0.14              | -       |
| Investment properties                   | 投資物業    | -   | -                       | 0.43                  | -   | 5.31  | -   | 5.74              | -       |
| Others                                  | 其他      | (1.04)  | -                       | -                     | 10.10                                       | -   | -   | 9.06              | -       |
|   |         | 318.25  | 5.44                    | 0.43                  | 49.27                                       | 8.19  | -   | 381.58            | (40.45) |
|   |         |   |                         |                       |   |   |   |                   | 341.13  |

# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

### 再保險業務 (續)

For the year ended 31 December 2012, HK\$ million

截至二零一二年十二月三十一日止年度，  
百萬港元

|  |                | Recognized in the consolidated statement of profit or loss<br>於綜合損益表內確認 |                         |                       |   |   | Unrealized gains/ (losses) recognized in the fair value reserve<br>於公允價值儲備內確認之未實現收益/ (虧損) |                 | Grand total<br>總額 |
|--|----------------|---|-------------------------|-----------------------|---|---|---|-----------------|-------------------|
|  |                | Net investment income<br>淨投資收入  |                         |                       | Net realized gains/ (losses)<br>已實現收益/ (虧損)淨額 | Net unrealized gains/ (losses)<br>未實現收益/ (虧損)淨額 | Net impairment gains/ (losses)<br>減值收益/ (虧損)淨額  | Sub total<br>小計 |                   |
|  |                | Interest income/ (expense)<br>利息收入/ (支出)                                | Dividend income<br>股息收入 | Rental income<br>租金收入 |   |   |   |                 |                   |
| <b>Debt securities</b>                         | <b>債務證券</b>    |   |                         |                       |   |   |   |                 |                   |
| HTM  | 持有至到期日         | 183.59  | -                       | -                     | -   | -   | -   | 183.59          | 183.59            |
| AFS  | 可供出售           | 67.50   | -                       | -                     | 21.41   | -   | -   | 88.91           | 135.75            |
| HFT  | 持有作交易用途        | 1.60  | -                       | -                     | 3.94  | 4.13  | -   | 9.67            | 9.67              |
| LR   | 貸款及應收款項        | 17.17   | -                       | -                     | -   | -   | -   | 17.17           | 17.17             |
| <b>Debt schemes</b>                            | <b>債權計劃</b>    |   |                         |                       |   |   |   |                 |                   |
| LR   | 貸款及應收款項        | 2.04  | -                       | -                     | -   | -   | -   | 2.04            | 2.04              |
| <b>Equity securities</b>                       | <b>股本證券</b>    |   |                         |                       |   |   |   |                 |                   |
| AFS  | 可供出售           | -   | 5.50                    | -                     | (26.11)                                       | -   | (6.38)  | (26.99)         | 51.89             |
| <b>Investment funds</b>                        | <b>投資基金</b>    |   |                         |                       |   |   |   |                 |                   |
| AFS  | 可供出售           | -   | 0.74                    | -                     | (0.08)  | -   | -   | 0.66            | 0.26              |
| HFT  | 持有作交易用途        | -   | 2.72                    | -                     | -   | 0.20  | -   | 2.92            | 2.92              |
| <b>Cash and bank deposits</b>                  | <b>現金及銀行存款</b> | 35.28   | -                       | -                     | -   | -   | -   | 35.28           | 35.28             |
| <b>Securities sold under resale agreements</b> | <b>買入返售證券</b>  | 2.37  | -                       | -                     | -   | -   | -   | 2.37            | 2.37              |
| <b>Investment properties</b>                   | <b>投資物業</b>    | -   | -                       | 0.52                  | 0.54  | 7.32  | -   | 8.38            | 8.38              |
| <b>Others</b>                                  | <b>其他</b>      | -   | -                       | -                     | -   | 4.49  | -   | 4.49            | 4.49              |
|  |                | 309.55  | 8.96                    | 0.52                  | (0.30)  | 16.14   | (6.38)  | 328.49          | 453.81            |

# Management Review and Analysis

## 管理層回顧和分析

### REINSURANCE BUSINESS (Continued)

### 再保險業務 (續)

#### Underwriting and Other Administrative Expenses

#### 承保及其他行政費用

The underwriting and other administrative expenses of TPRe are summarized as follows:

太平再保險的承保及其他行政費用概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|                 |      | 2013          | 2012  | Change<br>變化 |
|-----------------|------|---------------|-------|--------------|
| Staff costs     | 員工成本 | 80.06         | 44.79 | +78.7%       |
| Rental expenses | 租賃開支 | 8.18          | 5.94  | +37.7%       |
| Others          | 其他   | 40.85         | 37.73 | +8.3%        |
|                 |      | <b>129.09</b> | 88.46 | +45.9%       |

Staff costs increased due to salary adjustments and accrued bonuses for the Year, as the underwriting performance turned back to profit following a loss in the previous year. Rental expenses increased following the renewal of the lease for the office premises.

年內，員工成本增加是由於承保業績從年前轉虧為盈，對員工薪酬作出調整及分發花紅。租賃成本增加是由於辦公場地租金上升。

### PENSION AND GROUP LIFE INSURANCE BUSINESSES

### 養老及團體人壽保險業務

The Group's pension and group life insurance businesses are operated by TPP. TPP is a PRC-incorporated company and is 100% owned by the Group. TPP is principally engaged in corporate and personal retirement insurance and annuity businesses, and group life insurance business in Mainland China.

本集團之養老及團體人壽保險業務由太平養老營運。太平養老為中國註冊公司並由本集團擁有100%權益。太平養老主要於內地從事企業及個人養老保險及年金業務及團體人壽保險業務。

# Management Review and Analysis

## 管理層回顧和分析

### PENSION AND GROUP LIFE INSURANCE BUSINESSES (Continued)

### 養老及團體人壽保險業務 (續)

The figures below are the results of TPP from its operations, before intra-group eliminations.

以下數字為集團內部對銷前，太平養老的營運業績。

The key financial data of the pension and group life insurance businesses is summarized below:

養老及團體人壽保險業務之主要財務數據概述如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

|  |               | 2013     | 2012     | Change<br>變化 |
|--|---------------|----------|----------|--------------|
| Gross premiums written                                       | 毛承保保費         | 1,661.73 | 1,136.43 | +46.2%       |
| Net premiums written   | 淨承保保費         | 1,345.49 | 841.23   | +59.9%       |
| Net earned premiums  | 已賺取保費淨額       | 1,258.46 | 789.31   | +59.4%       |
| Net policyholders' benefits                                  | 保單持有人利益淨額     | (472.22) | (394.53) | +19.7%       |
| Net commission expenses                                      | 佣金支出淨額        | (101.38) | (65.93)  | +53.8%       |
| Change in insurance contract liabilities, net of reinsurance | 保險合約負債變化，減再保險 | (234.26) | (108.14) | +1.2 times倍  |
| Total investment income                                      | 總投資收入         | 166.31   | 74.90    | +1.2 times倍  |
| Pension administration fee income                            | 養老保險管理服務費收入   | 148.23   | 113.84   | +30.2%       |
| Agency fee income  | 代理服務費收入       | 41.83    | 101.55   | -58.8%       |
| Administrative and other expenses                            | 行政及其他費用       | (882.07) | (665.91) | +32.5%       |
| Loss from operation before taxation                          | 除稅前經營虧損       | (47.73)  | (128.58) | -62.9%       |
| Profit/(loss) from operation after taxation                  | 除稅後經營溢利／(虧損)  | 2.43     | (128.58) | -            |
| Profit/(loss) from operation attributable to the owners      | 股東應佔經營溢利／(虧損) | 3.10     | (123.44) | -            |

The key operational data of the pension business is summarized below:

養老業務之主要經營數據概述如下：

|  |                 | 2013   | 2012   | Change<br>變化 |
|--|-----------------|--------|--------|--------------|
| Annuity invested assets (HK\$ million)     | 企業年金投資資產 (百萬港元) | 38,787 | 32,135 | +20.7%       |
| Annuity entrusted assets (HK\$ million)    | 企業年金受託資產 (百萬港元) | 35,805 | 29,596 | +21.0%       |
| Number of enterprises in funds and schemes | 養老年金計劃所涉及的企業數目  | 6,862  | 6,787  | +75          |
| Number of branches                         | 分公司數目           | 17     | 17     | -            |

# Management Review and Analysis

## 管理層回顧和分析

### PENSION AND GROUP LIFE INSURANCE BUSINESSES *(Continued)*

### 養老及團體人壽保險業務 (續)

#### Operating Result

#### 經營業績

The pension and group life insurance businesses incurred a net operating profit of HK\$2.43 million during the Year (2012: loss of HK\$128.58 million), representing a turn to profitability after losses in 2012 and previous years.

養老及團體人壽保險業務產生經營溢利淨額243萬港元(二零一二年:虧損1.2858億港元),從二零一二年和以往幾年的虧損轉為盈利。

#### Gross Premiums Written

#### 毛承保保費

TPP's gross premiums written for the Year increased significantly by 46.2% to HK\$1,661.73 million from HK\$1,136.43 million in the Last Year. The detailed breakdown of TPP's gross premiums written was as follows:

太平養老之毛承保保費由去年之11.3643億港元大幅上升46.2%至16.6173億港元。太平養老毛承保保費分析如下:

*For the year ended 31 December, HK\$ million*

*截至十二月三十一日止年度,百萬港元*

| Business Line<br>業務種類 |      | 2013            | % of Total<br>佔總額百分比 | 2012     | % of Total<br>佔總額百分比 |
|-----------------------|------|-----------------|----------------------|----------|----------------------|
| Health                | 健康險  | 1,018.05        | 61.3%                | 721.38   | 63.5%                |
| Accident              | 意外險  | 542.06          | 32.6%                | 326.62   | 28.7%                |
| Group Life            | 團體壽險 | 101.62          | 6.1%                 | 88.43    | 7.8%                 |
|                       |      | <b>1,661.73</b> | <b>100.0%</b>        | 1,136.43 | 100.0%               |



# Management Review and Analysis

## 管理層回顧和分析

### ASSET MANAGEMENT BUSINESS

The Group's asset management business is operated by TPAM and TPA (HK), which are mainly engaged in the provision of investment consultancy services to the Group in managing its RMB and non-RMB investment portfolios, respectively. TPAM is a PRC-incorporated company and is 80% owned by the Group, while TPA (HK) is a Hong Kong-incorporated company and is wholly-owned by the Group.

The figures below are the results of TPAM and TPA (HK) from their operations, before intra-group eliminations.

The key financial data of the asset management business operated in the PRC by TPAM and in Hong Kong by TPA (HK) are summarized below:

For the year ended 31 December, HK\$ million

### 資產管理業務

本集團之資產管理業務由太平資產及太平資產(香港)營運，主要分別為本集團的人民幣及非人民幣投資組合提供投資顧問服務。太平資產為中國註冊公司並由本集團擁有80%權益，而太平資產(香港)則為香港註冊公司並由本集團全資擁有。

以下數字為集團內部對銷前，太平資產及太平資產(香港)的營運業績。

由太平資產及太平資產(香港)於內地及香港營運的資產管理業務之主要財務數據概述如下：

截至十二月三十一日止年度，百萬港元

|  |          | 2013     | 2012     | Change<br>變化 |
|--|----------|----------|----------|--------------|
| Management fee income                            | 管理費收入    | 292.56   | 192.80   | +51.7%       |
| Total investment income                          | 總投資收入    | 29.92    | 13.80    | +1.2 times倍  |
| Administrative and other expenses                | 行政及其他費用  | (296.60) | (173.72) | +70.7%       |
| Profit from operation before taxation            | 除稅前經營溢利  | 29.58    | 40.48    | -26.9%       |
| Profit from operation after taxation             | 除稅後經營溢利  | 29.05    | 31.70    | -8.4%        |
| Profit from operation attributable to the owners | 股東應佔經營溢利 | 22.44    | 20.16    | +11.3%       |

# Management Review and Analysis

## 管理層回顧和分析

### ASSET MANAGEMENT BUSINESS (Continued)

### 資產管理業務 (續)

The key operational data of the asset management business is summarized below:

資產管理業務之主要經營數據概述如下：

HK\$ million

百萬港元

|                                    |           | 2013           | 2012    | Change<br>變化 |
|------------------------------------|-----------|----------------|---------|--------------|
| TPAM                               | 太平資產      |                |         |              |
| Assets under management            | 資產管理規模    | <b>238,708</b> | 177,949 | +34.1%       |
| Including: Assets within the Group | 包括：集團內資產  | <b>194,292</b> | 160,663 | +20.9%       |
| TPA (HK)                           | 太平資產 (香港) |                |         |              |
| Assets under management            | 資產管理規模    | <b>13,259</b>  | 10,152  | +30.6%       |
| Including: Assets within the Group | 包括：集團內資產  | <b>9,455</b>   | 8,968   | +5.42%       |

### Operating Profit

### 經營溢利

The asset management business produced a net operating profit of HK\$29.05 million during the Year (2012: HK\$31.70 million), representing a decrease of 8.4% compared to Last Year.

資產管理業務的經營溢利淨額為2,905萬港元 (二零一二年：3,170萬港元)，較去年下跌8.4%。

### LIQUIDITY AND FINANCIAL RESOURCES

### 流動資金

The Group's cash and bank deposits as at 31 December 2013 amounted to HK\$71,951.86 million (2012: HK\$57,004.87 million).

於二零一三年十二月三十一日，本集團的現金及銀行存款為719.5186億港元 (二零一二年：570.0487億港元)。

### FINANCIAL LEVERAGE

### 財務槓桿

The interest-bearing notes and bank facilities drawn as at 31 December 2013 amounted to HK\$17,586 million (31 December 2012: HK\$17,655 million). As of 31 December 2013, CTIH's consolidated financial leverage ratio (calculated by debt over the summation of debt plus equity) was 42% (31 December 2012: 43%). The above ratios do not include shareholder's loans.

二零一三年十二月三十一日須付息票據及已提取銀行貸款額度總額為175.86億港元 (二零一二年：176.55億港元)。於二零一三年十二月三十一日，中國太平控股的綜合財務槓桿比率 (債務 / (債務 + 股本)) 為42% (二零一二年：43%)。上述比率不含股東貸款。

# Management Review and Analysis

## 管理層回顧和分析

### CAPITAL STRUCTURE

CTIH did not issue new shares during the Year. For the year ended 31 December 2012, 600,000 shares were issued, and net proceeds received for the shares issued for cash in aggregate amounted to HK\$1.73 million.

In February and March 2014, after CTIH issued 571,656,306 shares and 152,479,270 consideration shares, respectively, to TPH (HK), TPG (HK)'s ownership interests in CTIH increased to 67.19%.

### STAFF AND STAFF REMUNERATION

As at 31 December 2013, the Group had a total of 40,827 employees (2012: 38,951 employees), an increase of 1,876 employees. Total remuneration for the Year amounted to HK\$6,912.57 million (2012: HK\$5,304.94 million), an increase of 30.3%. Bonuses are linked to both the performance of the Group and the performance of the individual.

### CONTINGENT LIABILITIES

Other than those incurred in the normal course of the Group's insurance businesses, there was no outstanding litigation nor any other contingent liabilities as at 31 December 2013.

### 資本結構

本年度，中國太平控股並無發行新股。截至二零一二年十二月三十一日止年度，共發行600,000股新股，發行新股換取現金的總代價淨額為173萬港元。

在二零一四年二月及三月中國太平控股向中國太平集團（香港）分別發行571,656,306股及152,479,270股代價股份後，中國太平集團（香港）於中國太平控股的權益增加至67.19%。

### 員工及員工酬金

於二零一三年十二月三十一日，本集團的僱員總人數達40,827人（二零一二年：38,951人），增加1,876人。本年度總酬金為69.1257億港元（二零一二年：53.0494億港元），增加30.3%。花紅與本集團的業績及員工的個人表現掛鉤。

### 或然負債

除在本集團日常保險業務中產生的訴訟外，於二零一三年十二月三十一日，本集團概無任何未決訴訟或或然負債。

# Management Review and Analysis

## 管理層回顧和分析

### OUTLOOK

#### Building a New Taiping in 3 Years' Time

Facing significant change, and complex and difficult market trends, CTIH in 2013 further improved its internal corporate governance and resource integration capabilities, and achieved satisfactory results. We have confidence in achieving our objective of “Building a New Taiping in 3 Years' Time” by the end of 2014, and to double gross premium, total assets and net profit from the levels of 2011. In 2014, we expect the above three benchmarks, especially net income, to have substantial growth in comparison with the levels of 2013.

Achieving the “Building a New Taiping in 3 Years' Time” objective is not only about meeting the above financial benchmarks, but even more important, by improving our capabilities in corporate governance, resource integration, market research, advancing strategic cooperation, and other intangible areas, the overall strength of the Company has been enhanced. On this basis, we are confident that the overall operating results in 2014 will be significantly improved.

After achieving the strategic objective of “Building a New Taiping in 3 Years' Time”, China Taiping's overall strength, brand influence, market position and management capabilities will have significantly improved. For the next step and based on its current reality, China Taiping will strive to create “the most unique and high potential boutique insurance company”, properly handling the relationship between size and value, and while maintaining appropriate scale, further emphasize value growth. In the foreseeable future, our goal is not to have China Taiping become larger than the market leader, but rather to undertake intensive efforts and concentrate on reform and innovation, to work hard and raise per capita production and profitability, and allow China Taiping to become moderate sized, thought-leading, with advanced technology, excellent products and services, and widely praised by customers as a leading insurance company.

### 展望

#### 三年再造一個新太平

面對深刻變化、複雜嚴峻的市場形勢，公司在二零一三年進一步提升內部管控和資源整合能力，取得了不俗業績。我們有信心在二零一四年底達成「三年再造一個新太平」的目標。即總保費、總資產和淨利潤較二零一一年基礎上翻一番，預計二零一四年上述三項指標，尤其是淨利潤，較二零一三年將有較大增幅。

完成「三年再造」不僅是實現上述有形指標，更重要的是通過改善公司治理能力、資源整合能力、市場研究能力、戰略合作推進能力等無形指標，有效提升公司綜合實力。在此基礎上，有信心二零一四年的整體經營成果取得顯著提升。

二零一四年是中國太平「三年再造」的收官之年，「三年再造」戰略目標完成後，集團的整體實力、品牌影響力、市場地位到管理能力等方面都將得到顯著提升。下一步，中國太平將從實際出發，打造「最具特色和潛力的精品保險公司」，即正確處理規模與價值的關係，既保持適當規模，更強調價值成長。在可以預見的將來，中國太平的目標是要在精耕細作上下功夫，在改革創新上下功夫，在提高人均產值和利潤上下功夫，把自身打造成規模適中、思想領先、技術先進、產品過硬、服務優良，得到客戶和業內普遍好評的一流保險企業。

# Management Review and Analysis

## 管理層回顧和分析

### OUTLOOK (Continued)

#### Life Insurance Business – TPL

- TPL's individual agency force will continue to expand. In order to provide a solid foundation for sustainable growth, the number of agents will be increased from the year-end 2013 level of 110,000 to between 150,000 to 200,000.
- The 2014 bancassurance single premium sales objective will not exceed RMB16 billion (2013: RMB15 billion). In the first two months of 2014, TPL's single premium sales are already RMB12 billion.
- Bancassurance regular premium sales will increase substantially, and individual agency regular premium sales will also improve significantly.
- In addition to strong premium growth, the product structure will also improve significantly. We have confidence that TPL's new business value, embedded value and net income will produce strong growth in 2014.
- It is estimated that no capital contribution is required in 2014.

#### PRC Property and Casualty Insurance Business – TPI

- TPI will continue to focus on underwriting and risk management in order to maintain a low loss ratio and achieve solid results. TPL's solvency margin ratio is at a healthy level. It is estimated that no capital contribution is required in 2014.

#### Overseas Property and Casualty Insurance Businesses and Reinsurance – CTPI (HK), TP Macau and TPre

The overseas property and casualty insurance businesses (CTPI (HK) and TP Macau) and the reinsurance operations will continue their stable development, maintain their underwriting profitability, and gradually improve their overall profitability.

#### Investments

With the further opening up of insurance investment regulatory policies, the area, scope and allocation of insurance funds continues to broaden, while the Group's ability to invest also continues to rise. In 2014, the Group will continue to optimize its investment structure. From the base of actively managing and producing solid results from our traditional investments, we will at the same time increase innovation and steadily develop the area of alternative investments. We estimate that our 2014 investment yield will build off of the solid results in 2013 and rise steadily higher.

### 展望 (續)

#### 人壽業務 – 太平人壽

- 太平人壽的個人代理隊伍將不斷擴大，代理人數量由二零一三年底的11萬增加到15–20萬，為持續增長提供良好基礎。
- 二零一四年銀保躉繳銷售目標不超過160億元人民幣（二零一三年：150億元人民幣）。二零一四年首兩個月，已完成120億元。
- 銀保期繳銷售將大幅增長，個險期繳銷售也將明顯改善。
- 保費高速增長的同時，業務結構將得到明顯改善，我們有信心新業務價值、內含價值及利潤取得更高增長。
- 預計二零一四年年底無需向太平人壽額外增資。

#### 境內產險業務 – 太平財險

- 太平財險將繼續專注承保和風險管理，維持較低的賠付率，保持承保利潤及盈利能力，並取得穩健的業績。太平財險的償付能力充足率處於健康水平。預計二零一四年年底無需向太平財險額外增資。

#### 境外產險及再保險業務 – 太平香港、太平澳門及太平再保險

境外產險業務（太平香港和太平澳門）及太平再保險將繼續保持穩健發展，維持承保利潤，盈利能力將逐步提高。

#### 投資

隨著保險投資監管政策的進一步放開，保險資金投資的領域、範圍、比例不斷擴展，公司不斷提升保險資金投資能力，投資結構在二零一四年將持續優化。在積極做好傳統投資基礎上，將加大創新力度，積極穩健拓展另類投資領域，預計二零一四年保險資產投資收益率將在二零一三年度基礎上穩步提升。