

## Embedded Value 內含價值

### BASIS OF PREPARATION

The Group has appointed PricewaterhouseCoopers (“PwC”), an international firm of consulting actuaries, to examine whether the methodology and assumptions used by TPL in the preparation of the Embedded Value and the New Business Value as at 30 June 2015 are consistent with standards generally adopted by insurance companies in the PRC. PwC has also examined the methodologies used by the Group in preparing the Group Embedded Value.

### CAUTIONARY STATEMENT

The calculations of Embedded Value and the New Business Value of TPL are based on certain assumptions with respect to future experience. Thus, the actual results could differ significantly from what is envisioned when these calculations were made. In addition, the Group Embedded Value is also based on certain assumptions, and should not be viewed as the only benchmark for evaluating and valuing the businesses and operations of the Group. From an investor’s perspective, the valuation of CTIH is measured by the stock market price of the Company’s shares on any particular day. In valuing CTIH’s shares, investors should take into account not only the Embedded Value and the New Business Value of TPL and the Group Embedded Value, but also various other considerations. In addition, TPL is 75.1%-owned by the Company. The Embedded Value and the New Business Value of TPL as at 30 June 2015 as disclosed below should therefore not be applied 100% in valuing CTIH. Investors are advised to pay particular attention to this factor, as well as the other assumptions underlying the calculations of the Embedded Value and New Business Value of TPL and the Group Embedded Value, if they believe such calculations are important and material to the valuation of the Company.

### 編製基準

本集團已委聘國際諮詢精算師羅兵咸永道有限公司（「羅兵咸永道」），審查太平人壽編製於二零一五年六月三十日內含價值及新業務價值時所採用之方法及假設與中國的保險公司一般採納的準則是否一致。羅兵咸永道亦有審查本集團於編製總內含價值時採用的方法。

### 提示聲明

計算太平人壽的內含價值及新業務價值乃基於有關未來經驗之若干假設。故此實際結果可能與作出該等計算時之預測有重大差異。此外，總內含價值亦基於若干假設，因此不應視之為評價及評估本集團業務營運的唯一基準。從投資者角度看，中國太平控股之估值乃按照本公司股份於某個別日子之股市價格計量。於評估中國太平控股股份時，投資者不僅要慮及太平人壽的內含價值及新業務價值和總內含價值，而且亦應考慮到其他多項因素。此外，本公司擁有太平人壽之75.1%股權。因此，不應把下列所披露之於二零一五年六月三十日之太平人壽內含價值及新業務價值全數作為中國太平控股的估值。倘若彼等認為該等因素重要，及對本公司之估值關係重大，投資者務須特別留意該因素，及其他支持計算太平人壽內含價值、新業務價值及總內含價值之因素。

# Embedded Value

## 內含價值

### GROUP EMBEDDED VALUE

HK\$ million

### 總內含價值

百萬港元

		At 30 June 2015 於二零一五年 六月三十日	At 31 December 2014 於二零一四年 十二月三十一日	At 30 June 2014 於二零一四年 六月三十日
Adjusted net worth <sup>1</sup>	經調整資產淨值 <sup>1</sup>	67,680	40,958	21,205
Value of in-force for TPL <sup>2</sup>	太平人壽有效業務 價值 <sup>2</sup>	39,717	40,194	37,932
Net fair value adjustments to HTM assets <sup>3</sup>	持有至到期資產的 公允價淨值調整 <sup>3</sup>	1,591	865	(1,495)
Group embedded value	總內含價值	108,988	82,017	57,642
Attributable to:	應佔：			
Owners of the Company	本公司股東權益	86,572	62,432	44,712
Non-controlling interests	非控股股東權益	22,416	19,585	12,930
Group embedded value	總內含價值	108,988	82,017	57,642

<sup>1</sup> The adjusted net worth is based on CTIH's audited net asset value, after making the following major adjustments:

- i TPL's net asset value is calculated on the PRC statutory basis;
- ii Goodwill and intangible assets produced during consolidation have been deducted.

<sup>2</sup> The value of in-force for TPL is post cost of capital. The cost of capital is HK\$7,332 million for 30 June 2015 (31 December and 30 June 2014: HK\$6,135 million and HK\$5,475 million respectively).

<sup>3</sup> Fair value adjustment to HTM assets after considering profit/loss sharing with policyholders for participating business.

<sup>1</sup> 經調整資產淨值是按中國太平控股經審計後資產淨值，及進行以下主要調整而計量：

- i 太平人壽資產淨值以中國法定準備金方法計量；
- ii 扣除合併賬產生的商譽及無形資產。

<sup>2</sup> 太平人壽有效業務價值為扣除資本成本後之價值。二零一五年六月三十日資本成本為73.32億港元（二零一四年十二月三十一日及六月三十日分別為：61.35億港元及54.75億港元）。

<sup>3</sup> 經考慮分紅業務吸收影響的持有至到期資產公允價值調整。

# Embedded Value

## 內含價值

### EMBEDDED VALUE OF TPL

#### 1. EMBEDDED VALUE

HK\$ million

		At 30 June 2015 於二零一五年 六月三十日	At 31 December 2014 於二零一四年 十二月三十一日	At 30 June 2014 於二零一四年 六月三十日
Adjusted net worth <sup>1</sup>	經調整資產淨值 <sup>1</sup>	35,621	24,819	15,812
Value of in-force business <sup>2</sup>	有效業務價值 <sup>2</sup>	39,717	40,194	37,932
Net fair value adjustments to HTM assets <sup>3</sup>	持有至到期資產的 公允價值淨調整 <sup>3</sup>	1,272	540	(1,900)
Embedded Value	內含價值	76,610	65,553	51,844
Attributable to:	應佔：			
Owners of the Company	本公司股東權益	57,534	49,230	38,935
Non-controlling interests	非控股股東權益	19,076	16,323	12,909
Embedded Value	內含價值	76,610	65,553	51,844

<sup>1</sup> Adjusted net worth is mainly the shareholders' net assets of TPL as calculated on a PRC statutory basis.

<sup>2</sup> The value of in-force for TPL is post cost of capital. The cost of capital is HK\$7,332 million for 30 June 2015 (31 December and 30 June 2014: HK\$6,135 million and HK\$5,475 million respectively).

<sup>3</sup> Fair value adjustments to HTM assets after considering profit/loss sharing with policyholders for participating business.

### 太平人壽之內含價值

#### 1. 內含價值

百萬港元

		At 30 June 2015 於二零一五年 六月三十日	At 31 December 2014 於二零一四年 十二月三十一日	At 30 June 2014 於二零一四年 六月三十日
Adjusted net worth <sup>1</sup>	經調整資產淨值 <sup>1</sup>	35,621	24,819	15,812
Value of in-force business <sup>2</sup>	有效業務價值 <sup>2</sup>	39,717	40,194	37,932
Net fair value adjustments to HTM assets <sup>3</sup>	持有至到期資產的 公允價值淨調整 <sup>3</sup>	1,272	540	(1,900)
Embedded Value	內含價值	76,610	65,553	51,844
Attributable to:	應佔：			
Owners of the Company	本公司股東權益	57,534	49,230	38,935
Non-controlling interests	非控股股東權益	19,076	16,323	12,909
Embedded Value	內含價值	76,610	65,553	51,844

<sup>1</sup> 經調整資產淨值主要是太平人壽按中國法定基準計量之股東資產淨值。

<sup>2</sup> 太平人壽有效業務價值為扣除資本成本後之價值。二零一五年六月三十日資本成本為73.32億港元（二零一四年十二月三十一日及六月三十日：分別為61.35億港元及54.75億港元）。

<sup>3</sup> 經考慮分紅業務吸收影響的持有至到期資產公允價值調整。

# Embedded Value

## 內含價值

### EMBEDDED VALUE OF TPL (Continued)

#### 1. EMBEDDED VALUE (Continued)

Reconciliation between originally disclosed and reclassified embedded value of TPL as at 30 June 2014:

HK\$ million

		30 June 2014 二零一四年六月三十日		
		Originally Disclosed	HTM assets Adjustments	Reclassified
		原披露口徑	持有至到期資產調整	重分類口徑
Adjusted net worth	經調整資產淨值	11,521 <sup>4</sup>	4,291	15,812
Value of in-force business <sup>5</sup>	有效業務價值 <sup>5</sup>	40,323 <sup>6</sup>	(2,391)	37,932
Net fair value adjustments to HTM assets <sup>7</sup>	持有至到期資產的公允價值淨調整 <sup>7</sup>	-	(1,900)	(1,900)
Embedded Value	內含價值	51,844	-	51,844

<sup>4</sup> Included with deficit fair value adjustment to HTM assets of HK\$4,291 million.

<sup>5</sup> The value of in-force for TPL is post cost of capital.

<sup>6</sup> Included with the amount of HK\$2,391 million relating to the profit/loss sharing with policyholders for participating business due to deficit fair value adjustments to HTM assets.

<sup>7</sup> Fair value adjustments to HTM assets after considering profit/loss sharing with policyholders for participating business.

### 太平人壽之內含價值 (續)

#### 1. 內含價值 (續)

於二零一四年六月三十日太平人壽內含價值重分類口徑與原披露口徑之對賬：

百萬港元

		30 June 2014 二零一四年六月三十日		
		Originally Disclosed	HTM assets Adjustments	Reclassified
		原披露口徑	持有至到期資產調整	重分類口徑
Adjusted net worth	經調整資產淨值	11,521 <sup>4</sup>	4,291	15,812
Value of in-force business <sup>5</sup>	有效業務價值 <sup>5</sup>	40,323 <sup>6</sup>	(2,391)	37,932
Net fair value adjustments to HTM assets <sup>7</sup>	持有至到期資產的公允價值淨調整 <sup>7</sup>	-	(1,900)	(1,900)
Embedded Value	內含價值	51,844	-	51,844

<sup>4</sup> 包括42.91億港元持有至到期資產的公允價值浮虧調整。

<sup>5</sup> 太平人壽有效業務價值為扣除資本成本後之價值。

<sup>6</sup> 包括23.91億港元為分紅業務對持有至到期資產公允價值浮虧調整的吸收影響。

<sup>7</sup> 經考慮分紅業務吸收影響的持有至到期資產公允價值調整。

## Embedded Value 內含價值

### EMBEDDED VALUE OF TPL (Continued)

#### 2. NEW BUSINESS VALUE

HK\$ million

			1H 2015 二零一五年 上半年	1H 2014 二零一四年 上半年 (Restated) (重列)
New business value before cost of capital	新業務扣除資本成本前之價值	a	4,205	3,122
Cost of capital	資本成本	b	959	746
New business value after cost of capital	新業務扣除資本成本後之價值	c=a-b	3,246	2,376

The figures for the first half of the year 2014 have been restated because the cost of capital for the first half of the year 2014 included the expense overrun of HK\$257 million. Prior to the restatement, the new business value before cost of capital and cost of capital were HK\$3,379 million and HK\$1,003 million, respectively. There was no impact on the new business value after cost of capital from the above restatement.

New business profit margin for the agency force business for the first half of the year was 30.0% (2014: 33.0%). New business profit margin for the bancassurance regular business for the first half of the year was 30.0% (2014: 33.0%).

New business value by line of business were as follows:

HK\$ million

			1H 2015 二零一五年 上半年	1H 2014 二零一四年 上半年	FY 2014 二零一四年 全年
Individual	個人代理		2,994	2,269	4,261
Bancassurance – Regular premium products	銀行保險一期繳保費產品		640	520	1,007
Others <sup>1</sup>	其他 <sup>1</sup>		(388)	(413)	(942)
			3,246	2,376	4,326

<sup>1</sup> Others mainly includes the single premium products under bancassurance, other channels (mainly consists of telemarketing) and others.

### 太平人壽之內含價值 (續)

#### 2. 新業務之價值

百萬港元

			1H 2015 二零一五年 上半年	1H 2014 二零一四年 上半年 (Restated) (重列)
New business value before cost of capital	新業務扣除資本成本前之價值	a	4,205	3,122
Cost of capital	資本成本	b	959	746
New business value after cost of capital	新業務扣除資本成本後之價值	c=a-b	3,246	2,376

二零一四年上半年資料進行了重列，原因是2014年中期的資本成本包含了2.57億港元的費用超支，重列前的新業務扣除資本成本前之價值及資本成本分別是33.79億港元及10.03億港元。上述重列不影響新業務扣除資本成本後之價值。

上半年個險新業務價值率為30.0% (二零一四年：33.0%)，銀保期繳新業務價值率為30.0% (二零一四年：33.0%)。

按業務劃分新業務之價值如下：

百萬港元

			1H 2015 二零一五年 上半年	1H 2014 二零一四年 上半年	FY 2014 二零一四年 全年
Individual	個人代理		2,994	2,269	4,261
Bancassurance – Regular premium products	銀行保險一期繳保費產品		640	520	1,007
Others <sup>1</sup>	其他 <sup>1</sup>		(388)	(413)	(942)
			3,246	2,376	4,326

<sup>1</sup> 其他主要包括銀行保險躉繳保費產品、多元銷售(主要由電話營銷組成)及其他。