



中國太平保險控股有限公司
China Taiping Insurance Holdings Company Limited

二零一六年年報
2016 Annual Report

股份代碼 Stock Code : HK 00966



中国太平
CHINA TAIPING

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Corporate Information

公司資料

DIRECTORS

Executive directors

WANG Bin *Chairman*
LI Jinfu *Vice Chairman and
General Manager*
WANG Tingke *Deputy General Manager*
YU Xiaoping

Non-executive directors

HUANG Weijian
ZHU Xiangwen
WU Changming
NI Rongming
WU Jiesi*
ZHU Dajian*
WU Ting Yuk Anthony*
XIE Zhichun*

* *Independent*

JOINT COMPANY SECRETARY

ZHANG Ruohan
NGAI Wai Fung

AUTHORISED REPRESENTATIVES

WANG Bin
ZHANG Ruohan

REGISTERED OFFICE

22nd Floor, China Taiping Tower Phase I
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E-mail : mail@cнтаiping.com

董事

執行董事

王濱 *董事長*
李勁夫 *副董事長
及總經理*
王廷科 *副總經理*
于小萍

非執行董事

黃維健
祝向文
武常命
倪榮鳴
武捷思*
諸大建*
胡定旭*
解植春*

* *獨立*

聯席公司秘書

張若晗
魏偉峰

授權代表

王濱
張若晗

註冊辦事處

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銅鑼灣
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中國太平大廈第一期二十二樓

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傳真 : (852) 2544 5269
電郵 : mail@cнтаiping.com

Corporate Information 公司資料

REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited
46th Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

INDEPENDENT AUDITORS

PricewaterhouseCoopers

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Nanyang Commercial Bank, Ltd.

WEBSITE

www.ctih.cntaiping.com
www.cntaiping.com

STOCK MARKET LISTING

The Main Board of The Stock Exchange
of Hong Kong Limited
(Stock Code: HK00966)

股份過戶登記處

香港證券登記有限公司
香港皇后大道東一八三號
合和中心四十六樓

獨立核數師

羅兵咸永道會計師事務所

主要往來銀行

中國銀行(香港)有限公司
南洋商業銀行有限公司

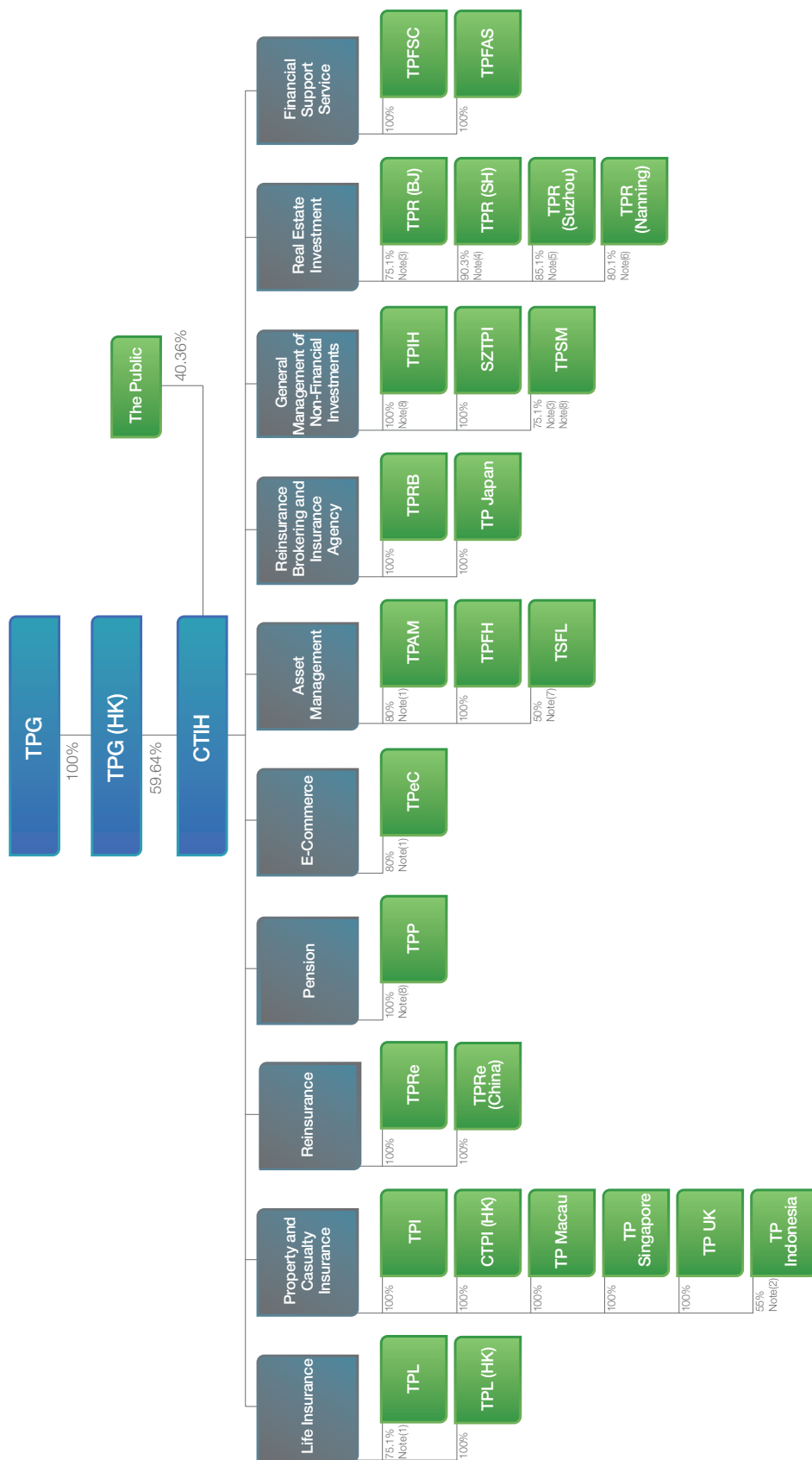
網址

www.ctih.cntaiping.com
www.cntaiping.com

上市證券交易所

香港聯合交易所有限公司主板
(股份代碼: HK 00966)

Simplified Ownership Structure



Note (1) : Ageas owns the remaining 24.9%, 20% and 20% equity interests in TPL, TPeC and TPAM, respectively.

Note (2) : PT Megah Putra Manunggal owns the remaining 45% equity interest in TP Indonesia.

Note (3) : TPSM and TPR (BJ) are wholly-owned subsidiaries of TPL. CTIH's effective interest in TPSM and TPR (BJ) is 75.1%.

Note (4) : TPIH and TPL own 61% and 39% of the equity interests of TPR (SH), respectively. CTIH's effective interest in TPR (SH) is 90.3%.

Note (5) : TPL, TPI and TPPM own 60%, 20% and 20% of the equity interests in TPR (Suzhou), respectively. CTIH's effective interest in TPR (Suzhou) is 85.1%.

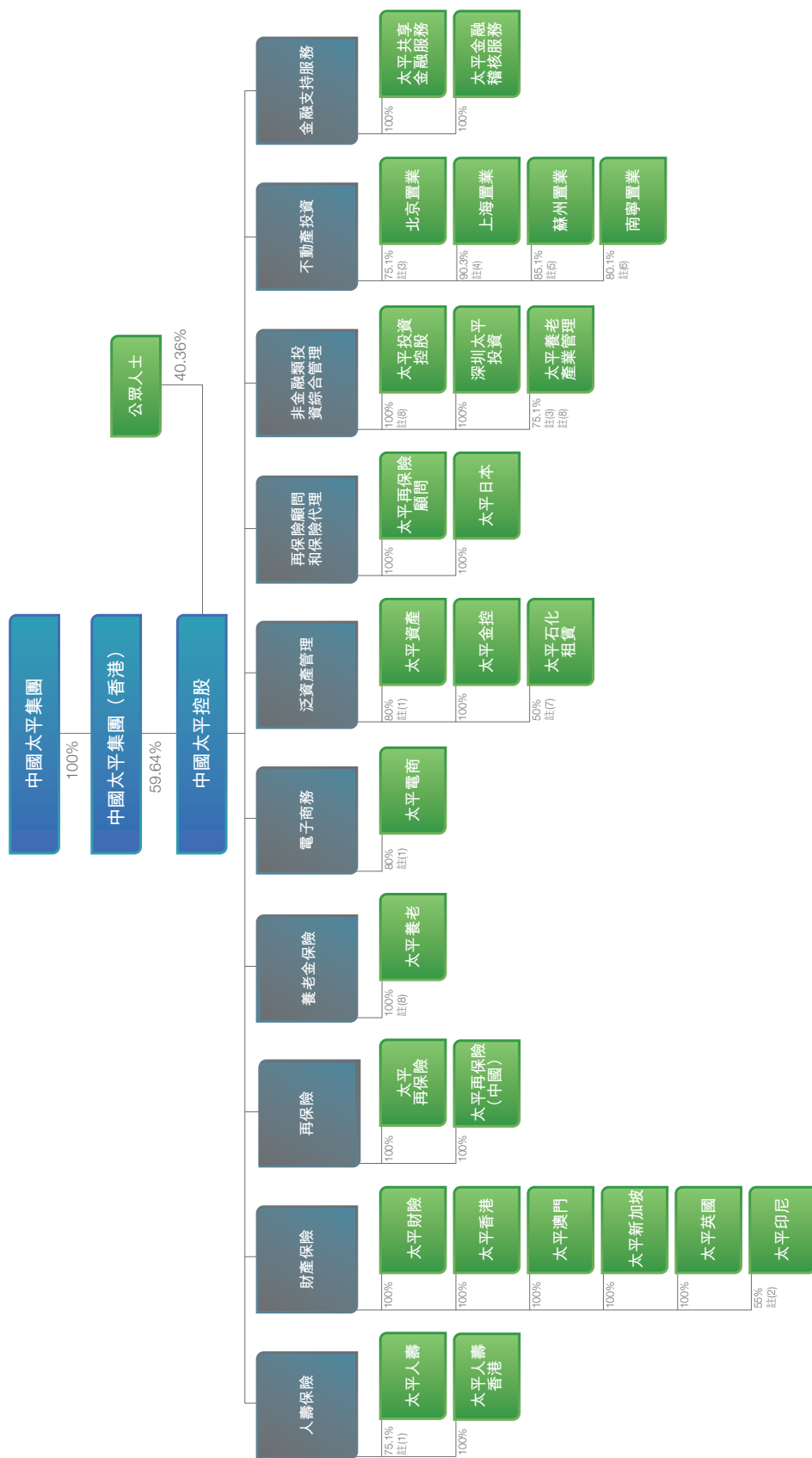
Note (6) : TPL and TPI own 80% and 20% of the equity interests in TPR (Nanning), respectively. CTIH's effective interest in TPR (Nanning) is 80.1%.

Note (7) : Sinopec Group Company owns the remaining 50% equity interests in TSFL.

Note (8) : In addition to operating its own business lines, TPIH, TPSM and TPR also act as investment platforms in the asset management business.

(As at 31 December 2016)

簡明公司架構



註 (1)：富傑分別持有太平人壽、太平電商及太平資產其餘之24.9%、20%及20%權益。

註 (2)：PT Megah Putra Manunggal持有太平印尼其餘之45%權益。

註 (3)：太平養老產業管理、北京置業均為太平人壽的全資附屬公司。中國太平控股於太平養老產業管理及北京置業的有效權益為75.1%。

註 (4)：太平投資控股及太平人壽分別持有上海置業61%及39%權益。中國太平控股於上海置業的有效權益為90.3%。

註 (5)：太平人壽、太平財險及太平物業分別持有蘇州置業60%、20%及20%權益。中國太平控股於蘇州置業的有效權益為85.1%。

註 (6)：太平人壽及太平財險分別持有南寧置業80%及20%權益。中國太平控股於南寧置業的有效權益為80.1%。

註 (7)：中石化集團公司持有太平石化租賃其餘之50%權益。

註 (8)：太平投資控股、太平養管和太平養老除經營各自條線的業務外，同時亦為泛資產管理線條的投資平台。

Chairman's Statement

2016 is the starting year of the "13th Five-Year Plan", and also a significant year for China Taiping to implement the "Boutique Strategy". I am delighted to report that in 2016, China Taiping overcame the barriers, challenges, and made innovative progress in the "New Long March" of creating the "Most Unique and High Potential Boutique Insurance Company". As a result, favorable results have been achieved by the Group at the beginning of the "13th Five-Year Plan" with a momentum of rapid growth in all businesses of the Company, continued enhancements of the quality of business, continuous optimisation of the business structure and the steady promotion of the "Boutique Strategy".

REVIEW OF PERFORMANCE IN 2016

Another historical high was achieved in the key development indicators of China Taiping in 2016, with the total premiums reaching approximately HK\$150 billion and the total assets exceeding HK\$500 billion for the Year. Benefiting from the continued strong momentum of "Three Year Rebuilding", we outperformed the market for the fifth consecutive years. The "Boutique Strategy" has launched substantial success, which is evidenced by the dominant position of the quality of our major business in the industry, the synchronous growth between the quality and the efficiency as well as the large increase of the new business value by 37.6% over the Last Year. Our annual budget target for 2016 has been achieved with the profit attributable to the shareholders of the Group amounting to HK\$4.774 billion.

OPERATIONAL HIGHLIGHTS

In 2016, the Group achieved relatively rapid development in its scale strength and our operating qualities recorded steady improvement, with many operational highlights. Our domestic business achieved steady and positive development, which was evidenced by the facts that the core business of life insurance and profitable business comprehensively outperformed their original targets, the proportion of medium and long-term protection type business continually increased, the 13th month persistency ratios for individual and bancassurance channel continually maintained #1 in the industry, among which the persistency ratio of individual insurance achieved a record high, with the Sichuan Branch of TPL becoming the first second-tier branch recording premiums exceeding 10 billion; the property and casualty insurance outperformed the market with the direct premium growth rate 6.4 percentage point above industry average, and consistently achieved underwriting profits for fifth consecutive years with efforts to overcome the adverse impacts posed by the commercial motor insurance premium rate marketisation reform and the reform of replacing business tax with value-added tax. Our overseas operations developed rapidly, with continuous increase in profitability, TP Macau continued to maintain its #1 market position; the Hong Kong life insurance business recorded premiums of HK\$1.132 billion in the first year of operation. Please refer to the "Management Review and Analysis" for details of the operating performance and financial conditions of each operating business.

董事長致辭



WANG Bin 王濱
Chairman 董事長

二零一六年是「十三五」開局之年，是中國太平實施精品戰略的重要一年。本人欣然報告，二零一六年，中國太平在打造「最具特色和潛力的精品保險公司」的「新長征」路上，攻堅克難，創新實幹，實現了「十三五」良好開局，各項業務保持較快增長勢頭，業務品質持續提升，業務結構不斷優化，精品戰略扎實推進。

回顧二零一六年業績表現

二零一六年，中國太平主要發展指標再創新高，年度總保費近1,500億港元，總資產突破5,000億港元。延續了「三年再造」的強勁發展勢頭，實現了連續五年跑贏大市。主要業務品質行業領先，質量效益同步增長，新業務價值大幅增長，同比增長37.6%，精品戰略成效顯著。二零一六年本集團股東應佔溢利47.74億港元，達成年度預算目標。

經營亮點

二零一六年集團規模實力較快增長，經營品質穩中有升，經營亮點紛呈。境內業務穩中向好，壽險核心業務和效益型業務全面超額完成任務，中長期保障型業務佔比繼續提升，個險、銀保13月繼續率連續保持行業第一，其中個險繼續率創歷史新高，太平人壽四川分公司成為集團首家保費收入突破百億的二級機構；產險努力克服商車費改和營改增帶來的不利影響，跑贏大市並連續五年實現承保盈利，原保費收入高於行業平均增幅6.4個百分點。境外業務快速發展，盈利能力持續提升，太平澳門繼續保持市場排名第一；香港壽險經營首年就實現保費收入11.32億港元。關於各業務單位的經營情況及財務表現，在「管理層回顧和分析」有詳細介紹。

Chairman's Statement

BUSINESS MEASURES AND RESULTS

In 2016, China Taiping continued to implement the Boutique Strategy. Through “Adjusting Structure, Boosting Development, Reinforcing Management, Stabilising Efficiency, Obtaining Innovation, Achieving Breakthroughs, Focusing on Reform and Controlling Risks”, we strived to enhance our featured operations and achieve innovative development, so as to continuously strengthen, optimise and expand our business. We integrated “Headquarter to Headquarter” resources to secure additional 16 large clients during the year, cumulatively reaching 68 large clients, which boosted our premium income to a record high; continued to deepen the innovation in Sinopec gas station project; actively promoted worksite marketing pilot project, creating a brand new business model combining on-line and off-line patterns. We embraced the internet from various aspects including products, technologies and models, with total premium written reaching the RMB2.0 billion mark for the first time, and innovative products becoming popular in the market. As a state-owned enterprise, we stick to our mission and seriously implement the national supply-side structural reform. The introduction of the equity scheme based on Qinghai supply-side reform and other projects with industry demonstration significance shows our strong support to the policy of “cutting overcapacity, destocking, deleveraging, reducing corporate costs, and shoring up weak spots”. Leveraging our cross-border operation strength, we took the lead to provide insurance services in respect of “The Belt and Road”, with premium from oversee projects exceeding the sum of premium from oversee projects over the past years. We continued to innovate and explore in the insurance sector, and jointly promoted and established a company to engage in internet health insurance related operations with certain enterprises including Alibaba, so as to keep enhancing the “universal health” and “pan-pension” industrial chain. We also co-established a joint venture enterprise named Taiping Watermark (Shanghai) Pension Management Company Limited (太平水印(上海)養老企業管理有限公司) with an internationally renowned retirement community operator, and set up the first domestic technology insurance company Taiping Technology Insurance Company Limited (太平科技保險股份有限公司).

COMPANY'S HONOR

In 2016, China Taiping's brand value and comprehensive strengths have been significantly increased. China Taiping was listed among the World's 500 Most Influential Brands for the first time and once again listed among the Top 100 Most Valuable Chinese Brands by BrandZ. With its 70% brand value growth rate, China Taiping was ranked among the top 3 in the Top 20 Brand Value Growth List. Furthermore, it was awarded the “Top 10 Most Influential Asian Brand in 2016” and the “Global Chinese 1000 Award – Outstanding Performance Awards” by Yazhou Zhoukan, etc.

OPPORTUNITIES AND CHALLENGES

Currently, the China's economy developed stably at a slower pace and trended positively in general. Along with the positive effect of the measures focusing on structural reform of the supply side, economic benefit and quality have been increasingly improved with the continual optimisation of economic structure and further recovery of real economy, which will provide strong support for the sustainable development of the insurance industry. Meanwhile, with the increasing needs for risk protection of countrymen and the enhancing support on the development of insurance industry from the country in recent years, there will be substantial development potential for the industry. However, we also clearly see that, the domestic economy improved stably and the effect of international outbreak intensified. Amid the complicated and changeable operating situation, it is expected that the growth of annual premiums written within the whole industry will slow down, putting more pressures on profitability. Besides, the industry has accelerated its shift back to risk protection business and the competition was still intensified, all of which will bring great challenges to us. Nevertheless, we will take precautions to ride on the momentum and actively deal with the situation.

董事長致辭

工作措施及成效

二零一六年中國太平以精品戰略為主線，按照「調結構、促發展，強管理、穩效益，善創新、抓突破，重整改、嚴風控」的經營工作思路，大力抓好特色經營和創新發展，不斷做強做優做大。我們整合「總對總」資源，全年新簽大客戶16家，累計達到68家，帶動保費收入再創歷史新高；繼續推動中石化加油站項目深化創新；積極推動職域行銷項目試點，創造了線上線下結合的全新商業模式。我們從產品、技術、模式等方面深度擁抱互聯網，總保費首次站上20億元人民幣平台，創新產品熱銷市場。我們堅守央企使命擔當，認真貫徹落實國家供給側結構性改革，推出青海供給側改革股權計劃等多個具有行業示範意義的項目，有力支持「三去一降一補」。我們發揮跨境經營優勢，勇當「一帶一路」保險服務先行者，保費收入超過歷年海外項目保費收入之和。我們在保險領域持續創新探索，與阿里巴巴等公司共同發起設立互聯網健康保險公司，不斷完善「大健康」、「大養老」產業鏈，與國際知名養老社區運營商合資成立太平水印（上海）養老企業管理有限公司，籌建國內首家科技保險公司——太平科技保險股份有限公司。

公司榮譽

二零一六年，中國太平品牌價值和綜合實力顯著提升。中國太平首次入選「世界品牌500強」，再度入選BrandZ最具價值中國品牌100強，並憑藉70%的品牌價值增長率，躋身「品牌價值增長20強」榜單三甲。同時，還榮獲二零一六年亞洲十大最具影響力品牌、《亞洲週刊》「全球華商1000—最績優企業大獎」等多項大獎。

機遇與挑戰

當前中國經濟總體上緩中趨穩、穩中向好，以供給側結構性改革為主線的各项措施逐步發揮出積極作用，經濟效益和品質不斷提高，經濟結構持續優化，實體經濟進一步向好，將為保險業持續發展提供有力支撐。同時，近年來我國居民風險保障需求在持續上升，國家支持保險業發展的力度也在不斷加強，行業發展潛力巨大。但我們也清晰的看到，國內經濟穩中求進與國際突發事件影響加大並存，經營形勢複雜多變，預計全年全行業保費收入增速放緩，盈利繼續承壓，行業加速回歸保障，業內競爭依然激烈，都將給我們帶來很大的挑戰。對此，我們將順勢而為，提前謀劃，積極應對。

Chairman's Statement

DEVELOPMENT PROSPECTS

2017 marks a crucial year for implementing the Boutique Strategy. In line with the main theme of advancing work by seeking improvement in stability, China Taiping will firmly stick to the supply-side reform, risk control and the promotion of Boutique Strategy, so as to balance various works. Adhering to the working policy of "Steady Growth, Innovation-driven, Lower Cost and Higher Efficiency, Strictly Controlling Risks", we will ensure the steady and rapid development of our businesses and prevent from systematic financial risks through sound operation, ensure generally stable returns from investments by facilitating the balanced development between insurance and investment, promote new breakthroughs in business innovation, new layout for featured operation, new improvement for management level and better responsibility assumption of state-owned enterprises, and stimulate a significant progress of the Boutique Strategy, and thereby create more values for shareholders, clients and communities.

ACKNOWLEDGEMENTS

On behalf of the Board of CTIH, I would like to express my heartfelt gratitude to all our shareholders who have trusted and supported us for so many years. On behalf of the Board, I would also like to extend my sincere gratitude to all the staff for their commitment and dedication to their work.

WANG Bin
Chairman

Hong Kong, 23 March 2017

董事長致辭

發展展望

二零一七年是集團推進精品戰略的關鍵之年，中國太平將按照穩中求進工作總基調，堅持服務供給側結構性改革不偏離，堅持防範風險不懈怠，堅持推進精品戰略不鬆勁，全面統籌做好各項工作。我們將堅持「穩中求進、創新發展、降本增效、嚴控風險」的工作思路，堅持穩健經營，確保業務平穩較快發展，確保不發生系統性金融風險，推動保險和投資均衡協調發展，確保投資收益總體穩定，推動創新業務有新突破、特色經營有新佈局、管理水平有新提升、央企擔當有新作為，推進精品戰略取得新的重大進展，為股東、客戶和社會創造更大的價值。

致謝

本人謹此代表中國太平控股董事會，對多年來給予我們信任及支持的各位股東，致以衷心的感謝。我也代表董事會衷心感謝全體員工竭誠盡責執行各項任務。

董事長
王濱

香港，二零一七年三月二十三日

Management Review and Analysis

管理層回顧和分析

2016 HIGHLIGHTS AND CONSOLIDATED RESULTS OF OPERATIONS

Substantial Success in the “Boutique Strategy”, Significant Increase in Business Value, Business Scale Continued to Grow Steadily

- Total premium reached HK\$149.3 billion, increased by 7.8% over the Last Year
- Total assets were over HK\$505.4 billion, increased by 3.6% over the last year-end
- Profit attributable to owners was HK\$4.774 billion, decreased by 24.7% over the Last Year, better than industry average
- Life insurance’s new business value was HK\$9.115 billion, increased by 28.8% over the Last Year (increased by 37.6% in terms of RMB); under the same assumption, life insurance’s new business value increased by 49.9% over the Last Year (increased by 60.1% in terms of RMB)¹
- Group embedded value per share attributable to owners was HK\$28.5, increased by 4.6% over the last year-end figure of HK\$27.3, while TPL’s embedded value increased by 5.3% over the end of Last Year (increased by 12.4% in terms of RMB); under the same assumption, TPL’s embedded value increased by 11.7% over the last year-end (increased by 19.2% in terms of RMB)¹
- The combined ratio of property and casualty insurance and reinsurance business remained stable, continued in making underwriting profit

二零一六年度經營亮點及綜合業績

精品戰略成效顯著，業務價值顯著提升，業務規模保持穩健增長

- 總保費達到1,493億港元，同比增長7.8%
- 總資產達到5,054億港元，較去年末增長3.6%
- 股東應佔溢利47.74億港元，同比下降24.7%，表現優於行業平均
- 壽險新業務價值91.15億港元，同比增長28.8%（人民幣口徑同比增長37.6%）；同假設口徑下，同比增長49.9%（人民幣口徑同比增長60.1%）¹
- 股東應佔每股總內含價值28.5港元，較去年末的27.3港元增長4.6%，當中太平人壽內含價值較去年末增長5.3%（人民幣口徑增長12.4%）；同假設口徑下，較去年末增長11.7%（人民幣口徑增長19.2%）¹
- 產險及再保險業務綜合成本率保持穩定，承保持續盈利

¹ Calculated in accordance with the C-ROSS assessment standard

¹ 根據償二代評估標準計算

Management Review and Analysis

管理層回顧和分析

2016 HIGHLIGHTS AND CONSOLIDATED RESULTS OF OPERATIONS *(Continued)*

PRC Insurance Businesses² Grew Steadily, Quality of Business Continued to Improve

- Total premium of the PRC life insurance³ increased by 15.3% over the Last Year, direct premium increased by 18.2% over the Last Year
- First year premium from individual insurance increased by 39.1% over the Last Year; high productivity (RMB300,000 regular premium above) agents increased by 36.5% over the Last Year
- First year premium from bancassurance increased by 37% over the Last Year, in which nearly 70% were payment terms of 10 years or above
- Short term group employee benefit business increased by 17.8% over the Last Year, with short term health insurance increased by 21.7% over the Last Year
- Persistency ratios of the individual and bancassurance channels continued to be industry-leading; loss ratio of short-term group insurance was kept in a satisfactory range
- Total premium of PRC property and casualty insurance increased by 13.4% over the Last Year, direct premium increased by 16.4% over the Last Year, which is 6.4 percentage point above industry average, continued to achieve underwriting profit
- Balance of pension assets under management was over RMB130.0 billion, increased by 28.3% over the Last Year

二零一六年度經營亮點及綜合業績 (續)

境內保險業務²規模穩步增長，業務品質持續改善

- 境內壽險總保費³同比增長15.3%，原保費同比增長18.2%
- 個險新單保費同比增長39.1%；高產能（30萬元人民幣期繳保費以上）人力同比增長36.5%
- 銀保期交新單保費同比增長37%，其中10年交及以上業務佔比接近70%
- 團體短期員工福利保障業務同比增長17.8%，其中短期健康險同比增長21.7%
- 個險、銀保四項繼續率指標保持行業領先，團體短期險賠付率保持較好水平
- 境內產險總保費同比增長13.4%，原保費同比增長16.4%，高於行業平均增幅6.4個百分點，持續承保盈利
- 養老金管理資產餘額超過1,300億元人民幣，同比增長28.3%

² Calculated in RMB

³ Including TPL and TPP

² 按人民幣計算

³ 包括太平人壽及太平養老

Management Review and Analysis

管理層回顧和分析

2016 HIGHLIGHTS AND CONSOLIDATED RESULTS OF OPERATIONS *(Continued)*

Overseas Insurance Businesses Developed Rapidly, with Continuous Increase in Profitability

- Overseas premium scale continued to grow, with a direct premium of HK\$3.056 billion for the whole property and casualty business. TP Macau maintained its leading market position, TP UK and TP Indonesia market share increased steadily; TPL (HK) achieved a premium of over HK\$1.1 billion in the first full financial year; the premium of the reinsurance business (excluding universal life) achieved HK\$9.175 billion and increased by 14.6% over the Last Year; among them, the premium of life reinsurance business maintained a rapid growth, with an increase of 24.1% over the Last Year
- Overseas property and casualty insurance and reinsurance companies further enhanced their underwriting profitability. The overall combined ratio decreased by 0.8 percentage point, and all companies achieved underwriting profitability, with the underwriting profit increased by 12.1% over the Last Year. The combined ratio for TP Macau, TP Singapore, TP Indonesia and TPRe remained at a relatively low level

Steady Development of the Investment Business

- The asset scale grew steadily. At the end of 2016, the total investment assets of the Group is HK\$425.2 billion, increased by 14.1% over the beginning of the Year; the third-party entrusted investment assets amounted to HK\$296.0 billion, increased by 26.6% over the beginning of the Year
- Reinforced investment income base. In 2016, the Group recorded an investment income of HK\$20.018 billion and a net investment income of HK\$17.656 billion, representing an increase of 13.1%, which indicates that the Group has well coped with the market fluctuations and laid the foundation of its income base
- Traditional investments were prudent and active. As at the end of 2016, the allocation of equity securities and investment funds is 8.1%, 5.2 percentage point lower than the industrial average; domestic available for sale debt investments outperformed the Total Wealth Index of ChinaBond by 95 bp and the Wind Bond Fund Index by 185 bp; the Group's assets credit risk screening shows sound risk management results

二零一六年度經營亮點及綜合業績 (續)

境外保險業務快速發展，盈利能力持續提升

- 境外保費規模持續增長，產險公司原保費收入30.56億港元，太平澳門持續保持市場領先地位，太平英國、太平印尼市場份額穩步提升；太平人壽香港開業首年保費突破11億港元；再保險業務保費收入（不含萬能壽險）91.75億港元，同比增長14.6%，其中壽險再保業務同比增長24.1%，業務保持高速增長
- 境外產險及再保險公司承保盈利能力進一步提升，綜合成本率同比下降0.8百分點，所有公司實現承保盈利，承保利潤同比增加12.1%，太平澳門、太平新加坡、太平印尼、太平再保險綜合成本率保持較低水平

投資業務穩健發展

- 資產規模穩健增長。二零一六年末，集團內投資資產規模4,252億港元，較年初增長14.1%；第三方委託資產規模2,960億港元，較年初增長26.6%
- 淨投資收益穩固基礎。二零一六年集團投資收益200.18億港元，其中淨投資收益176.56億港元，較去年增長13.1%，較好應對了市場波動，奠定了收益基礎
- 傳統投資積極穩健。二零一六年末，集團股票與證券投資基金配置比例8.1%，較行業平均低5.2個百分點；境內可供出售類債券投資跑贏中債總財富指數95個基點，跑贏萬得債券型基金指數185個基點；集團內資產信用風險排查顯示信用風險管控結果良好

Management Review and Analysis

管理層回顧和分析

2016 HIGHLIGHTS AND CONSOLIDATED RESULTS OF OPERATIONS *(Continued)*

二零一六年度經營亮點及綜合業績 (續)

Effective Implementation of Strategic Cooperation and Cross-selling Initiatives with Large Clients

大客戶戰略合作和交叉銷售業務開拓卓有成效

- In 2016, China Taiping signed Group Strategic Cooperation Agreements with 16 large clients, including China Everbright Group, Ant Financial and CRRC Group. As at the end of 2016, China Taiping had established strategic cooperation relationships with 68 large clients
- 二零一六年與光大集團、螞蟻金服及中車集團等16家大客戶簽署總對總合作協議。截至二零一六年末，共與68家大客戶建立戰略合作關係
- Our cross-selling initiatives achieved HK\$4.543 billion insurance sales, including HK\$3.826 billion of property insurance sales through TPL, HK\$0.620 billion of pension sales through TPL, and HK\$97 million of property insurance sales through TPP
- 交叉銷售實現保費45.43億港元，其中壽銷產保費38.26億港元，壽銷養6.20億港元，養銷產0.97億港元
- The Sinopec gas station project achieved rapid development, achieving HK\$1.756 billion of insurance sales for the full year of 2016, increased by 51.4% over the Last Year. 5,160 outlets had been stationed by the end of 2016.
- 中石化加油站項目快速發展，二零一六年全年實現保費17.56億港元，同比增長51.4%。截至二零一六年末，已進駐加油站網點5,160家

Management Review and Analysis

管理層回顧和分析

2016 HIGHLIGHTS AND CONSOLIDATED RESULTS OF OPERATIONS *(Continued)*

Brand Value Grown Significantly and Brand Influence have been Significantly Enhanced

In 2016, China Taiping enhanced its efforts on promoting its brand and deeply explored its brand connotation. The China Taiping Archway has become a new landmark of London Chinatown in the UK. China Taiping has also engaged in the shooting and recording of a series of CCTV special programs, such as “Dreaming China” (《築夢中國》) and “The Faraway Home: The Belt and Road” (《遠方的家 • 一帶一路》). Furthermore, the mode of brand transmission has been innovated by various new media channels, such as Wechat and news apps, resulting into a further improvement of brand awareness.

In 2016, China Taiping was listed in the World’s Top 500 Brands for the first time, and with its 70% brand value growth rate, was once again listed among the Top 100 Most Valuable Chinese Brand by BrandZ, and was the top 3 in the Top 20 Brand Value Growth List. China Taiping’s brand image has significantly enhanced. The Group was listed in the Fortune “Top 500 Chinese Companies 2016”, with its ranking increase from 90 in last year to 42 in 2016. Furthermore, China Taiping was awarded “Asia’s Top 10 Most Influential Brand Award 2016”, “The Global Chinese Business 1000 Award – Outstanding Performance Awards” by Yazhou Zhoukan and “China Brand Annual Innovative Enterprise Award” etc.

二零一六年度經營亮點及綜合業績 (續)

品牌價值顯著增長，品牌影響力大幅提升

二零一六年，中國太平加大品牌傳播力度，深入發掘品牌內涵。中國太平牌樓建成揭幕，成為英國倫敦華埠新地標，拍攝錄製中央電視台《築夢中國》、《遠方的家 • 一帶一路》特別節目等活動，運用微信、新聞客戶端等新媒體渠道，創新品牌傳播方式，品牌影響力得到進一步提升。

二零一六年，中國太平首次入選世界品牌500強，並憑藉70%的品牌價值高增長率，再次入選BrandZ最具價值中國品牌100強，在「品牌價值增長20強」榜單中躋身前三甲。中國太平品牌形象進一步提升。集團在《財富》二零一六年中國500強排行榜上，排名較上年第90位大幅躍升至42位。此外，更榮獲二零一六年亞洲十大最具影響力品牌、《亞洲週刊》「全球華商1000 – 最績優企業大獎」及二零一六年中國品牌年度創新企業等多項大獎。

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED FINANCIAL RESULTS

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

For the year ended 31 December, HK\$ million

綜合財務表現

本集團年內重點財務表現如下：

截至十二月三十一日止年度，百萬港元

		2016 二零一六年	2015 二零一五年	Change 變化
Total premiums written and policy fees	總保費及保單費收入	149,265.38	138,431.54	+7.8%
Profit from operations before taxation	除稅前經營溢利	9,250.49	11,008.41	-16.0%
Profit from operations after taxation	除稅後經營溢利	6,302.48	8,168.24	-22.8%
Net profit attributable to the owners	股東應佔溢利淨額	4,774.25	6,341.24	-24.7%
Basic earnings per share (HK\$)	每股基本盈利 (港元)	1.258	1.783	-0.525 dollar 元
Final dividend proposed at 10 HK cents per share	建議末期息 每股10港仙	359.40	-	N/A 不適用

At 31 December, HK\$ million

於十二月三十一日，百萬港元

		2016 二零一六年	2015 二零一五年	Change 變化
Total assets	總資產	505,405.76	488,031.35	+3.6%
Total equity	總權益	67,002.66	71,798.63	-6.7%
Owners' equity	股東應佔權益	51,462.12	55,020.66	-6.5%
- Per share (HK\$)	- 每股 (港元)	14.319	15.309	-0.990 dollar 元
Group embedded value (Note)	總內含價值 (註)	128,847.00	122,973.00	+4.8%
Owners' group embedded value	股東應佔總內含價值	102,474.00	97,980.00	+4.6%
- Per share (HK\$) (Note)	- 每股 (港元) (註)	28.512	27.262	+1.250 dollars 元

Note: Calculated in accordance with the C-ROSS.

註：根據償二代評估標準計算。

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED FINANCIAL RESULTS (Continued)

綜合財務表現 (續)

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

以下數字為集團內部抵銷前，各公司的營運業績。

The net operating profit/(loss) by each business line was summarised below:

按各業務分類之經營淨溢利／(虧損)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

		2016 二零一六年	2015 二零一五年	Change 變化
Life insurance	人壽保險	4,843.41	6,697.77	-27.7%
PRC property and casualty insurance	境內財產保險	552.11	821.25	-32.8%
Overseas property and casualty insurance and reinsurance	境外財產保險及再保險	920.79	888.41	+3.6%
Pension and group life insurance	養老及團體人壽保險	24.18	178.36	-86.4%
Others ¹	其他 ¹	(38.01)	(417.55)	+90.9%
Net profit from operations	經營淨溢利	6,302.48	8,168.24	-22.8%
Non-controlling interests	非控股股東權益	(1,528.23)	(1,827.00)	-16.4%
Net profit attributable to the owners	股東應佔溢利淨額	4,774.25	6,341.24	-24.7%

¹ Others mainly included the operating results of the holding company, asset management, TPc, TPIH, TPFH and consolidation adjustments.

¹ 其他主要包括控股公司、資產管理、太平電商、太平投資控股、太平金控等公司的經營成果，以及合併調整。

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED FINANCIAL RESULTS (Continued)

綜合財務表現(續)

The following analysis showed 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

		2016 二零一六年	2015 二零一五年
Total equity as at 1 January	於一月一日之總權益	71,798.63	51,338.52
Net profit recognised in statement of profit or loss	確認於損益表之溢利淨額	6,302.48	8,168.24
Net changes in AFS investment reserve	可供出售投資儲備變化淨額	(6,831.91)	2,270.55
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	33.23	55.53
Exchange loss arising from translation of financial statements of foreign operations	因換算境外營運業務財務報表的匯兌虧損	(3,638.54)	(3,096.02)
Share issued under Placing and Subscription	配股及股份認購中發行的股份	-	13,480.30
Distribution to holders of perpetual subordinated capital securities	向永續次級資本證券持有人支付利息	(254.20)	(253.42)
Capital injection to subsidiaries by its non-controlling shareholder	非控股股東向附屬公司注入資本	176.07	-
Dividend declared by subsidiaries to non-controlling interests	附屬公司向非控股股東宣布的股息	(584.50)	(134.52)
Others	其他	1.40	(30.55)
Total equity as at 31 December	於十二月三十一日之總權益	67,002.66	71,798.63
Attributable to:	應佔：		
Owners of the Company (including capital securities)	本公司股東權益 (含資本證券)	56,169.06	59,728.01
Non-controlling interests	非控股股東權益	10,833.60	12,070.62
		67,002.66	71,798.63

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED INVESTMENT PERFORMANCE

Assets Management Business

1. Investment Assets of the Group

In 2016, the United States, Europe and other major stock markets rose. The US stock market rallied strongly with the anticipation of fiscal stimulus brought by Donald Trump's New Deal at the end of the year. Euro zone stocks slightly increased and the Japanese stocks market was broadly flat while different degrees of rise were presented in the emerging market stocks.

The China stock market gradually rebounded after a steep plunge, narrowing the decline. In February 2016, the market plunged due to call-back pressure, exchange depreciation, circuit-breaker mechanism and other factors, and then showed a tendency of vibration upswing with losses eased. Throughout the year, the Shanghai-Shenzhen 300 Index lost 11.3% while the Hang Seng Index slightly increased by 0.4%.

In respect of bond market, the government bond yields in the U.S. and China bottomed out successively. Due to the expectation of rate-raising and inflation, the US 10-year government bonds yield rebounded significantly after falling to a historic low in July. With the tightening monetary policy, prevent the asset bubble risk and the internal deleveraging in the financial system, the China's 10-year government bonds yield rebounded significantly after falling to a historic low in August.

The Company has conducted the in-depth study on macroeconomic changes, actively prevented market risks and optimised the asset allocation structure. In 2016, the Company lowered the proportion of equity assets appropriately while increasing that of fixed-income assets. In terms of equity investment, the Company more focused on value investment and strengthened the prevention of the credit default risk in fixed-income investment, thereby achieving good investment performance throughout the year.

綜合投資表現

資產管理業務

一、集團投資資產

二零一六年，美、歐等全球主要股市上升。受益於年末特朗普新政帶來的財政政策刺激預期，美國股市大幅上升。歐元區股市小幅上升，日本股市大致持平，新興市場股市則呈現不同程度上漲。

中國股市呈現深度下跌後逐步回升、跌幅收窄態勢。二零一六年二月，在市場內在回調壓力、匯率貶值、熔斷機制等因素影響下，市場大幅下挫，此後股市呈現震盪上行、跌幅縮窄態勢。最終滬深300指數全年跌幅為11.3%，香港恒生指數則小幅上升0.4%。

債券市場方面，中美兩國國債收益率先後觸底反彈。美國10年期國債收益率於七月降至低點後，在加息及通脹預期下大幅反彈。中國10年期國債收益率於八月跌至低點後，在央行收緊貨幣政策、防範資產泡沫風險、金融體系內部去槓桿因素影響下大幅回升。

本公司深入研究宏觀形勢變化，積極防範市場風險，優化資產配置結構。二零一六年適當降低權益類資產佔比，提高固定收益類資產佔比。在權益類投資方面更注重價值投資理念，在固定收益投資方面加強信用違約風險的防範，全年取得了較好的投資業績。

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

Investment Income

The total investment income and investment yield of the Group are summarised below:

For the year ended 31 December, HK\$ million

綜合投資表現 (續)

投資收益

本集團之總投資收益及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

		2016 二零一六年	2015 二零一五年	Change 變化
Net investment income ¹	淨投資收益 ¹	17,656.42	15,614.48	+13.1%
Net realised and unrealised investment gains ²	已實現及未實現資本利得 ²	2,362.03	11,042.45	-78.6%
Total investment income	總投資收益	20,018.45	26,656.93	-24.9%
Total investment yield ³	總投資收益率 ³	5.01%	7.97%	-2.96 pts 點

¹ Including the interest income from deposit, interest income from bonds, dividends from equity investments, rental income from investment properties and deducting interest expense on securities sold under resale agreements.

² Including the income from the spread of investment securities, gain or loss on changes in fair value and impairment loss.

³ In the calculation of total investment yield, as the denominator, the average investment assets takes into account the effect of securities purchased under resale agreements and securities sold under repurchase agreements.

¹ 包含存款利息收入、債券利息收入、權益投資股息收入、投資性房地產租賃收入等並扣除賣出回購利息支出。

² 包含證券投資差價收入、公允價值變動損益及減值損失。

³ 計算總投資收益率時，作為分母的平均投資資產，包含買入返售和賣出回購的影響。

Net investment income increased by 13.1% from HK\$15.614 billion in 2015 to HK\$17.656 billion in 2016, mainly because of the growing scale of investment assets. In 2016, due to the decrease in the domestic stock market, the realised and unrealised gains decreased by 78.6% from HK\$11.042 billion in 2015 to HK\$2.362 billion in 2016.

By the combined effects of the above factors, the income of investment assets of the Group amounted to HK\$20.018 billion in 2016, decreased by 24.9% over the HK\$26.657 billion in 2015; the total investment yield decreased from 7.97% in 2015 to 5.01% in 2016.

淨投資收益由二零一五年的156.14億港元增加13.1%至二零一六年的176.56億港元，主要原因是投資資產規模增長。二零一六年，受境內股市下跌影響，已實現及未實現的資本利得由二零一五年的110.42億港元降低78.6%至二零一六年的23.62億港元。

受上述因素綜合影響，二零一六年本集團投資資產的總投資收益為200.18億港元，較二零一五年的266.57億港元降低24.9%；總投資收益率由二零一五年的7.97%下降至二零一六年的5.01%。

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

Investment Portfolio

The asset allocation of the investment portfolio of the Group is as follows:

As at 31 December, HK\$ million

綜合投資表現 (續)

投資組合

本集團的投資組合資產配置情況：

於十二月三十一日，百萬港元

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
By investment category	按投資對象分				
Fixed income	固定收益類				
Debt securities	債務證券	164,699.38	38.7%	144,623.23	38.8%
Term deposits	定期存款	46,347.29	10.9%	34,375.88	9.2%
Debt products	債權產品	74,645.84	17.6%	72,095.46	19.3%
Other fixed income investments	其他固定收益投資	27,259.52	6.4%	20,649.12	5.5%
Equity investments	權益類投資				
Equity securities	股本證券	22,221.78	5.2%	26,112.46	7.0%
Investment funds	投資基金	12,211.23	2.9%	12,704.27	3.4%
Other equity investments	其他權益投資	22,292.45	5.2%	14,944.27	4.0%
Investment properties	投資性物業	19,337.67	4.6%	12,375.25	3.3%
Cash, cash equivalents and others	現金、現金等價物及其他	36,164.48	8.5%	34,787.52	9.3%
Total invested asset	投資資產總額	425,179.64	100.0%	372,667.46	100.0%

Note: Figures may not match totals due to rounding

註：因四捨五入，直接相加未必等於總數。

The Group took the initiative in improving its investment portfolio to respond to the new economic situation, with the proportion of fixed income investments to total investment assets increased from 72.8% in 2015 to 73.6% in 2016, and the proportion of equity investments decreased from 14.4% in 2015 to 13.3% in 2016.

本集團根據新的市場形勢，主動改善投資組合資產配置以應對新的經濟形勢，固定收益類投資佔總投資資產的比例由二零一五年的72.8%增加到二零一六年的73.6%，權益投資的佔比由二零一五年的14.4%降低到二零一六年的13.3%。

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

Analysis of investment in securities

Debt securities

As at the end of 2016, debt securities held by the Group amounted to HK\$164.7 billion, of which 86.5% were domestic bonds. 97.2% out of such domestic bonds were government bonds, financial policy bonds with high credit ratings and corporate bonds rated AAA. Investment grade bonds with BBB ratings or higher reached 100%. Foreign bonds accounted for the remaining 13.5%, of which 86.2% were investment grade with international ratings, while the remaining were issued by government and large corporations, with adequate credit enhancements.

Alternative investments

The proportion of alternative investments held by the Group to total investment assets was 27.7%. From which “South-to-North Water Diversion” project accounted for HK\$11.7 billion, if “South-to-North Water Diversion” project is excluded, the proportion of alternative investments to total investment assets was 25.0%. Domestic financial investment debt products are mainly debt schemes, with the ratio of trust products and asset management products increased, reflecting the investments has been further diversified.

Alternative investments risk remained at a low level.

Local Government Debt Financing

By the end of 2016, within the local government debt investments, 72% were from provincial or sub-provincial platform, lower level platform projects are guaranteed by the banks. By sector, 63% of them were in the transport and municipal industries, in line with the insurance capital investment infrastructure construction policy guidance. By credit enhancements, 66% were guaranteed by commercial banks or its holding companies, projects exempted from guarantee were debtors of relatively strong repayment ability. The average yield was 5.8% or above, and the average maturity was 6.5 years.

綜合投資表現 (續)

證券投資的分析

債務證券

截止二零一六年末，本集團持有債務證券1,647億港元，境內債券佔比86.5%，其中97.2%投資於高信用等級的國債、政策性金融債以及信用等級為AAA級的企業債，BBB及以上的投資級債券佔比合計達到100%。境外債券佔餘下的13.5%，其中國際評級投資級別佔86.2%，其餘部分發行主體主要為政府和大型機構，增信措施完善。

另類投資

本集團持有之另類投資佔總投資資產比例27.7%，其中南水北調項目117億港元，剔除南水北調項目後另類投資佔總投資資產比例25.0%。境內債權類金融產品以債權計劃為主，信託、資管產品佔比增加，投資方式進一步多元化。

另類投資風險保持較低水平。

地方政府債務融資情況

截止二零一六年末，地方政府債務類項目中，72%屬省級或副省級平臺，低層級平臺項目由銀行擔保。資金投向方面，63%分佈在交通運輸和市政行業，符合保險資金投資基礎設施建設的政策導向。增信措施方面，66%由商業銀行或集團公司擔保，免擔保的項目償債主體實力較強；平均收益率達5.8%以上，平均期限6.5年。

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

Analysis of investment in securities (Continued)

Real Estate Financial Investment Debt Products

By the end of 2016, real estate financial investment debt products of approximately HK\$14.5 billion, represented only 2.8% of the total assets. The credit ratings of the real estate financial investment debt products remained stable. Major projects were located in tier 1 or developed tier 2 cities.

Purchased External Financial Products

In 2016, under the background of asset shortage, the Company have actively invested in external financial products and allocated HK\$19.8 billion to purchased external alternative assets, with an average yield of 5.3%. Within the purchased external projects, 68% were Trust schemes and real estate debt schemes, 82% were in real estate, financial and municipal industries, 76% were guaranteed by commercial banks or its holding companies.

II. Third-party Assets under Management

By the end of 2016, the total third-party entrusted investment assets managed by the Group amounted to HK\$296.0 billion, representing an increase of 26.6% as compared with last year, with discretionary assets of HK\$161.4 billion, representing an increase of 13.7% as compared with Last Year.

In 2016, TPAM recorded a total management fee and advisory service income of HK\$849 million, including HK\$572 million derived from assets outside of the Group, which accounted for 67% of total fee income. The size of the asset management products offered to third parties and the alternative investment assets sold to the external parties grow rapidly, increased by 76% and 52% as compared with the beginning of the year, respectively.

綜合投資表現 (續)

證券投資的分析 (續)

房地產債權金融產品投資

截止二零一六年末，房地產債權類金融產品投資約145億港元，合計佔總資產比例僅2.8%。房地產債權類金融產品的信用評級保持平穩。主要項目處於一線城市或經濟發達的二線城市。

外購金融產品

二零一六年，在資產荒背景下，大力拓展外購項目資源，共配置外購另類資產198億港元，平均收益率5.3%。外購項目中，68%為信託計劃和不動產債權計劃，82%分佈在不動產、金融和市政行業，76%由商業銀行或上級集團公司擔保。

二、第三方管理資產

截止二零一六年末，集團管理的第三方委託投資資產總額達到2,960億港元，較去年末增長26.6%，其中全權委託的第三方受託資產規模達到1,614億港元，較去年末增長13.7%。

二零一六年，太平資產總管理費及顧問費收入8.49億港元，其中集團外管理費及顧問費收入5.72億港元，佔比達到67%。向第三方發售的資產管理產品以及對外發行的另類投資資產規模增長迅速，分別較年初增長76%和52%。

Management Review and Analysis

管理層回顧和分析

CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

Analysis of investment in securities (Continued)

II. Third-party Assets under Management (Continued)

By the end of 2016, the Company enjoyed a satisfactory market ranking in the management of investment-linked accounts. Among the 13 investment-linked accounts, 7 of which were among the top 30% of the industry in terms of investment yield.

By the end of 2016, the yields of pension annuity products managed by the Company were satisfactory, and the overall yields for the annuity was 4.5%.

LIFE INSURANCE BUSINESS

The Group's life insurance segment is operated by TPL and TPL (HK), which are engaged in the underwriting of life insurance policies in Mainland China and Hong Kong, respectively. TPL resumed business in PRC in December 2001 and 75.1% owned by the Group since November 2013, while TPL (HK) is a Hong Kong-incorporated company established in July 2015 and is wholly-owned by the Group.

During the Year, the direct premiums written by TPL (HK) achieved HK\$1,132 million while they had 109 individual agents.

綜合投資表現 (續)

證券投資的分析 (續)

二、第三方管理資產 (續)

截止二零一六年末，公司管理的投連帳戶市場排名較好，13個投連帳戶中，7個帳戶的投資收益率同業排名前30%。

截止二零一六年末，公司管理的年金養老產品收益率表現較好，年金整體收益率達到4.5%。

人壽保險業務

集團之人壽保險業務由太平人壽與太平人壽香港經營，分別在內地及香港從事人壽保險業務。太平人壽於二零零一年十二月於境內復業經營。於二零一三年十一月起，本集團擁有太平人壽75.1%權益。而太平人壽香港於二零一五年七月在香港註冊成立，由本集團全資擁有。

於本年度，太平人壽香港保費收入達11.32億港元，個人代理數目為109人。

Management Review and Analysis

管理層回顧和分析

LIFE INSURANCE BUSINESS (Continued)

The results under life insurance business for the Year was mainly contributed by TPL. The figures below were focus on the analysis of TPL performance.

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

The key financial data of the life insurance business operated by TPL was summarised below:

For the year ended 31 December, HK\$ million

人壽保險業務 (續)

人壽保險業務於本財務期的業績主要來自太平人壽。以下數字重點分析太平人壽之業績。

以下數字為集團內部對銷前，太平人壽的營運業績。

由太平人壽經營之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

		2016 二零一六年	2015 二零一五年	Change 變化
Direct premiums written and premium deposits	保費收入及保費存款	117,067.32	103,926.26	+12.6%
Less: Premium deposits of universal life products	減：萬能壽險產品之保費存款	6,268.28	3,735.85	+67.8%
Premium deposits of unit-linked products	投資連結產品之保費存款	89.95	326.76	-72.5%
Premium deposits of other products	其他產品之保費存款	314.51	326.04	-3.5%
Direct premiums written recognised in statement of profit or loss	確認於損益表之保費收入	110,394.58	99,537.61	+10.9%
Inward reinsurance premiums	分保費收入	118.73	2,708.55	-95.6%
Policy fees	保單費收入	129.47	75.64	+71.2%
Net premiums written and policy fees	淨保費收入及保單費收入	109,291.25	100,578.35	+8.7%
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	108,909.35	100,626.90	+8.2%
Net policyholders' benefits	保單持有人利益淨額	(16,416.96)	(45,313.20)	-63.8%
Net commission expenses	佣金支出淨額	(12,271.17)	(9,357.77)	+31.1%
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	(78,087.00)	(48,437.44)	+61.2%
Total investment income	總投資收入	15,587.38	24,069.81	-35.2%
Administrative and other expenses	行政及其他費用	(12,907.50)	(14,176.94)	-9.0%
Finance costs	財務費用	(2.54)	(207.23)	-98.8%
Profit from operation before taxation	除稅前經營溢利	7,130.82	8,813.77	-19.1%
Profit from operation after taxation	除稅後經營溢利	5,133.55	6,691.84	-23.3%
Profit from operation attributable to the owners	股東應佔經營溢利	3,855.29	5,025.57	-23.3%

Management Review and Analysis

管理層回顧和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

At 31 December, HK\$ million

於十二月三十一日，百萬港元

		2016 二零一六年	2015 二零一五年	Change 變化
Total assets	總資產	359,457.63	371,289.40	-3.2%
Total equity	總權益	29,655.53	35,540.21	-16.6%

The key operational data of the life insurance business operated by TPL was summarised below:

由太平人壽經營之人壽保險業務之主要經營數據概述如下：

		2016 二零一六年	2015 二零一五年	Change 變化
Market share ¹	市場份額 ¹	4.4%	5.0%	-0.6 pt 點
Number of provincial branches	省級分公司數目	37	37	-
Number of sub-branches and marketing centers	支公司及市場推廣中心數目	1,125	1,066	+59
Number of customers	客戶數目			
- Individual	- 個人	8,199,960	7,474,006	+725,954
- Corporate	- 公司	1,304	1,874	-570
Distribution network	分銷網絡			
- Number of individual agents	- 個人代理數目	261,922	231,766	+30,156
- Number of bancassurance outlets	- 銀行保險銷售網點數目	29,673	21,255	+8,418
Agent monthly premiums (RMB)	代理每月人均保費 (人民幣元)	19,233	19,573	-340
Persistency ratios	第13個月之			
- 13th month ²	保費繼續率 ²			
- Individual	- 個人	95.0%	92.5%	+2.5 pts 點
- Bancassurance	- 銀行保險	94.0%	92.3%	+1.7 pts 點
Compound persistency ratios	第25個月之			
- 25th month ²	保費複合繼續率 ²			
- Individual	- 個人	88.6%	87.9%	+0.7 pt 點
- Bancassurance	- 銀行保險	89.1%	87.0%	+2.1 pts 點

¹ Based on premiums as published by the CIRC.

¹ 據中國保監會刊發之保費計算。

² Based on the amount of premiums.

² 按保費金額。

Management Review and Analysis

管理層回顧和分析

LIFE INSURANCE BUSINESS (Continued)

Operating Profit

The life insurance business operated by TPL produced a net operating profit of HK\$5,134 million during the Year (2015: HK\$6,692 million), representing a decrease of 23.3% compared to Last Year due to the higher realised capital gains of equity investments during Last Year.

Direct Premiums Written and Premium Deposits

TPL's direct premiums written recognised in the consolidated statement of profit or loss increased by 10.9% to HK\$110,395 million from HK\$99,538 million in the Last Year. This growth was primarily driven by continued strength in the individual agency force channel, and higher levels of regular premium sales in the individual channel.

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

For the year ended 31 December 2016, HK\$ million

		Direct premiums written recognised 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保費收入	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	64,185.22	5,575.53	36.83	172.21	69,969.79	59.8%
Bancassurance	銀行保險	43,631.86	692.75	53.12	1.49	44,379.22	37.9%
Group	團體	370.18	-	-	140.81	510.99	0.4%
Other Channels ¹	多元銷售 ¹	2,207.32	-	-	-	2,207.32	1.9%
		110,394.58	6,268.28	89.95	314.51	117,067.32	100.0%

人壽保險業務 (續)

經營溢利

本年度內，由太平人壽經營之人壽保險業務之經營溢利淨額為51.34億港元（二零一五年：66.92億港元），較去年下跌23.3%，主要由於去年權益類投資已實現資本利得較高。

保費收入及保費存款

太平人壽確認於綜合損益表內的保費收入由去年之995.38億港元上升10.9%至1,103.95億港元。此增長主要由個人代理隊伍持續壯大和個險期繳產品銷售額上升所帶動。

太平人壽按業務劃分之保費收入及保費存款如下：

截至二零一六年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

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

For the year ended 31 December 2015, HK\$ million

截至二零一五年十二月三十一日止年度，百萬港元

		Direct premiums written recognised in the consolidated statement of profit or loss 確認於綜合損益表內之保費收入	Premium deposits of universal life products 萬能壽險產品之保費存款	Premium deposits of unit-linked products 投資連結產品之保費存款	Premium deposits of other products 其他產品之保費存款	Total 總額	% of Total 佔總額百分比
Individual 個人代理		53,974.60	3,001.62	92.81	188.30	57,257.33	55.1%
Bancassurance 銀行保險		43,295.44	734.23	233.95	1.59	44,265.21	42.6%
Group 團體		210.18	-	-	136.15	346.33	0.3%
Other Channels ¹ 多元銷售 ¹		2,057.39	-	-	-	2,057.39	2.0%
		99,537.61	3,735.85	326.76	326.04	103,926.26	100.0%

¹ Other Channels mainly consisted of telemarketing.

¹ 多元銷售主要由電話營銷組成。

During the Year, premiums distributed through the individual agency force channel increased to HK\$64,185 million from HK\$53,975 million in the Last Year, representing an increase of 18.9%. TPL's initiative to increase its agent numbers over the recent years has established a strong foundation for the agency force channel. The agents number and their productivity is stable continuously (monthly per capita premiums of RMB19,233 during the Year (31 December 2015: RMB19,573)).

本年度內，透過個人代理隊伍分銷的保費由去年的539.75億港元上升至641.85億港元，增長18.9%。太平人壽於近年增加代理人數量的舉措，為代理隊伍渠道奠定堅實基礎。代理人人均保費持續穩定，本年度內每月人均保費為19,233元人民幣（二零一五年十二月三十一日：19,573元人民幣）。

Management Review and Analysis

管理層回顧和分析

LIFE INSURANCE BUSINESS (Continued)

In the bancassurance channel, premium increased to HK\$43,632 million from HK\$43,295 million in the Last Year, representing a slightly increase 0.8%. Within this, first year bancassurance regular premium increased to HK\$4,207 million from HK\$3,271 million in the Last Year, representing an increase of 28.6%, while bancassurance single premium decreased by 4.9%.

The persistency ratios remained stable and at the forefront of the industry at 95.0% and 94.0% at the 13th month, and 88.6% and 89.1% at the 25th month, for the individual agency and bancassurance channels, respectively.

The detailed breakdown of TPL's single premium products and regular premium products by line of business was summarised as follows:

For the year ended 31 December, HK\$ million

Individual

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
Single Premium	躉繳保費	125.43	0.2%	722.70	1.3%
Regular Premium	期繳保費				
– First Year	– 首年	21,501.78	33.5%	16,283.02	30.2%
– Renewal Year	– 續年	42,558.01	66.3%	36,968.88	68.5%
		64,185.22	100.0%	53,974.60	100.0%

人壽保險業務 (續)

銀行保險渠道方面，保費由去年432.95億港元輕微上升0.8%至436.32億港元。其中銀保首年期繳保費由去年32.71億港元上升至42.07億港元，增長28.6%，而銀保躉繳保費同比下降4.9%。

續保率仍然穩居行業前列，個人代理及銀行保險渠道第13個月保費繼續率分別為95.0%及94.0%，而第25個月保費複合繼續率則分別為88.6%及89.1%。

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：

截至十二月三十一日止年度，百萬港元

個人代理

Management Review and Analysis

管理層回顧和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

Bancassurance

銀行保險

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
Single Premium	躉繳保費	21,694.67	49.8%	22,812.61	52.6%
Regular Premium	期繳保費				
– First Year	– 首年	4,207.36	9.6%	3,271.12	7.6%
– Renewal Year	– 續年	17,729.83	40.6%	17,211.71	39.8%
		43,631.86	100.0%	43,295.44	100.0%

Group

團體

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
Employee Benefit (“EB”)	僱員福利	370.18	100.0%	210.18	100.0%

Other Channels

多元銷售

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
Single Premium	躉繳保費	14.92	0.7%	8.71	0.4%
Regular Premium	期繳保費				
– First Year	– 首年	520.26	23.6%	500.68	24.3%
– Renewal Year	– 續年	1,672.14	75.7%	1,548.00	75.3%
		2,207.32	100.0%	2,057.39	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)

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

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
1-9 years	1-9年	9,106.55	42.4%	6,561.77	40.3%
10-19 years	10-19年	5,059.87	23.5%	5,421.30	33.3%
20-29 years	20-29年	6,600.67	30.7%	3,984.69	24.5%
30 years+	30年+	734.69	3.4%	315.26	1.9%
		21,501.78	100.0%	16,283.02	100.0%

Individual first year regular premium – by feature

個人首年期繳保費－按產品形態

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
Short term savings	短期儲蓄型	40.01	0.2%	55.66	0.3%
Long term savings	長期儲蓄型	11,897.15	55.3%	10,270.01	63.1%
Long term protection	長期保障型	8,409.04	39.1%	5,371.47	33.0%
Others	其他	1,155.58	5.4%	585.88	3.6%
		21,501.78	100.0%	16,283.02	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

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
5-9 years	5-9年	1,284.94	30.5%	986.90	30.2%
10-14 years	10-14年	2,722.78	64.8%	2,096.79	64.1%
Others	其他	199.64	4.7%	187.43	5.7%
		4,207.36	100.0%	3,271.12	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 direct premiums written by product structure were as follows:

太平人壽按產品結構的保費收入分佈如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
Participating	分紅保險	68,308.22	61.9%	64,695.88	65.0%
Annuity	年金保險	25,988.63	23.5%	24,636.21	24.8%
Long-term health	長期健康險	8,819.54	8.0%	5,319.90	5.3%
Traditional life	傳統壽險	3,961.71	3.6%	2,777.11	2.8%
Accident and short-term health	意外和短期健康險	3,314.22	3.0%	2,095.25	2.1%
Universal life	萬能壽險	1.21	0.0%	12.18	0.0%
Investment-linked	投資連結保險	1.05	0.0%	1.08	0.0%
Total	總額	110,394.58	100.00%	99,537.61	100.00%

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

太平人壽按區域的保費收入分佈如下：

For the year ended 31 December, HK\$ million

截至十二月三十一日止年度，百萬港元

		2016 二零一六年	% of Total 佔總額百分比			2015 二零一五年	% of Total 佔總額百分比
Sichuan	四川	11,928.17	10.8%	Sichuan	四川	11,115.06	11.2%
Shandong	山東	9,830.08	8.9%	Shandong	山東	8,687.23	8.7%
Beijing	北京	7,036.23	6.4%	Guangdong	廣東	6,642.82	6.7%
Guangdong	廣東	6,478.67	5.9%	Beijing	北京	6,329.53	6.4%
Hubei	湖北	5,376.94	4.9%	Henan	河南	5,519.97	5.5%
Others	其他	69,744.49	63.1%	Others	其他	61,243.00	61.5%
Total	總額	110,394.58	100.0%	Total	總額	99,537.61	100.0%

Management Review and Analysis

管理層回顧和分析

LIFE INSURANCE BUSINESS (Continued)

Highlights on Embedded Value

Under C-ROSS, the embedded value of TPL (expressed in terms of HKD) increased by 5.3% to HK\$92,049 million from HK\$87,422 million at the end of Last Year. The new business value after cost of capital for the Year increased to HK\$9,115 million from HK\$7,075 million of the Last Year, representing a growth of 28.8%. These latest actuarial figures of TPL are disclosed below in the section titled "Embedded Value of TPL".

Net Policyholders' Benefits

The net policyholders' benefits of TPL were summarised as follows:

For the year ended 31 December, HK\$ million

		2016 二零一六年	2015 二零一五年	Change 變化
Surrenders and net claims	退保額及賠償淨額	105.36	23,254.36	-99.5%
Annuity, dividends and maturity payments	年金、分紅及滿期給款	16,245.01	20,514.50	-20.8%
Interest allocated to investment and reinsurance contracts	分配至投資及再保險合約之利益	66.59	1,544.34	-95.7%
		16,416.96	45,313.20	-63.8%

During the Year, surrenders and net claims decreased to HK\$105 million from HK\$23,254 million in the Last Year, representing a significant decrease of 99.5%. It was mainly due to the termination of financial reinsurance contract, which increased the reinsurers' share of claims by about HK\$27,726 million.

人壽保險業務 (續)

內含價值摘要

在償二代口徑下，太平人壽的內含價值（以港元折算）由去年底之874.22億港元增加5.3%至920.49億港元。本年度之新業務扣除資本成本後之價值為91.15億港元，較去年之70.75億港元，增長28.8%。太平人壽的相關精算數據於「太平人壽之內含價值」內披露。

保單持有人利益淨額

太平人壽之保單持有人利益淨額概述如下：

截至十二月三十一日止年度，百萬港元

本年度內，退保額及賠償淨額由去年232.54億港元大幅下跌99.5%至1.05億港元，主要是由於太平人壽的財務再保險合約已於本年度終止，影響攤回賠付支出增加約277.26億港元。

Management Review and Analysis

管理層回顧和分析

LIFE INSURANCE BUSINESS (Continued)

Financial Strength and Solvency Margin

TPL redeemed all residual subordinated notes during the Year. The comprehensive solvency ratios of TPL under the CIRC regulations were as follows:

At 31 December, RMB million

		2016 二零一六年	2015 二零一五年
Available Capital	實際資本	86,756	75,647
Minimum Capital	最低資本	34,627	27,915
Comprehensive Solvency Ratio (Note)	綜合償付能力充足率(註)	251%	271%

Note: The above comprehensive solvency ratios were prepared in accordance with the "C-ROSS" issued by the CIRC.

人壽保險業務(續)

財務實力及償付能力

太平人壽於本年度贖回所有剩餘次級定期債務，按中國保監會規定之綜合償付能力充足率如下：

於十二月三十一日，百萬人民幣

註：上述綜合償付能力充足率根據中國保監會發佈的「償二代」計算。

PRC PROPERTY AND CASUALTY INSURANCE BUSINESS – CARRIED OUT BY TPI

The Group's property and casualty insurance segment in the PRC is operated by TPI. TPI is a PRC-incorporated company and has been 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.

境內財產保險業務—由太平財險營運

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，主要於內地從事承保車險、水險及非水險業務。於二零一三年十一月起，本集團擁有太平財險100%權益。

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 were 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 was summarised 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

		2016 二零一六年	2015 二零一五年	Change 變化
Direct premiums written	保費收入	21,268.72	19,447.27	+9.4%
Net premiums written	淨保費收入	18,627.38	17,437.91	+6.8%
Net earned premiums	已賺取保費淨額	18,150.22	16,708.92	+8.6%
Net claims incurred	賠款淨額	(9,629.05)	(9,062.13)	+6.3%
Underwriting expenses	承保費用	(5,799.08)	(5,694.45)	+1.8%
Net commission expenses	佣金支出淨額	(2,692.39)	(1,927.39)	+39.7%
Underwriting profit	承保溢利	29.70	24.95	+19.0%
Total investment income	總投資收入	914.46	1,253.41	-27.0%
Share of results of associates	應佔聯營公司業績	75.37	14.52	+4.2 times 倍
Other gain and other income	其他收益及其他收入	191.15	104.17	+83.5%
Other miscellaneous expenses	其他雜費	(220.01)	(201.42)	+9.2%
Finance costs	財務費用	(77.42)	(82.20)	-5.8%
Profit from operation before taxation	除稅前經營溢利	913.25	1,113.43	-18.0%
Profit from operation after taxation and attributable to the owners	除稅後及股東應佔經營溢利	552.11	821.25	-32.8%
Retained ratio	自留比率	87.6%	89.7%	-2.1 pts 點
Loss ratio ¹	賠付率 ¹	53.0%	54.2%	-1.2 pts 點
Expense ratio ¹	費用率 ¹	46.8%	45.6%	+1.2 pts 點
Combined ratio ²	綜合成本率 ²	99.8%	99.8%	-

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)

At 31 December, HK\$ million

於十二月三十一日，百萬港元

		2016 二零一六年	2015 二零一五年	Change 變化
Total assets	總資產	25,710.33	25,165.60	+2.2%
Total equity	總權益	6,486.82	6,388.04	+1.5%

¹ Both the loss ratio and expense ratio were based on net earned premiums.

¹ 賠付率及費用率均按已賺取保費淨額為基準計算。

² The combined ratio was the sum of the loss ratio and the expense ratio.

² 綜合成本率為賠付率與費用率的總和。

The key operational data of the property and casualty insurance business operated by TPI was summarised 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：

		2016 二零一六年	2015 二零一五年	Change 變化
Market share ¹	市場份額 ¹	2.0%	1.9%	+0.1 pt 點
Number of provincial branches	省級分公司數目	31	30	+1
Number of sub-branches and marketing centers	支公司及市場推廣中心數目	595	551	+44
Number of customers	客戶數目			
– Individual	– 個人	4,673,598	4,200,233	+473,365
– Corporate	– 公司	249,246	223,997	+25,249
Number of direct sales representatives	直接銷售代表數目	10,185	9,119	+1,066

¹ Based on premiums published by the CIRC.

¹ 據中國保監會刊發之保費計算。

Management Review and Analysis

管理層回顧和分析

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

Operating Profit

The property and casualty insurance business operated by TPI produced a net operating profit of HK\$552 million during the Year (2015: HK\$821 million), representing a decrease of 32.8%, mainly due to the higher investment return in the Last Year. During the Year, TPI was able to continue expanding the scale of its business and its market share, while maintaining solid underwriting results.

Direct Premiums Written

TPI's direct premiums written increased by 9.4% to HK\$21,269 million from HK\$19,447 million in the Last Year. The detailed breakdown of TPI's direct premiums written was as follows:

For the year ended 31 December, HK\$ million

Business Line 業務種類		2016 二零一六年	% of Total 佔總額百分比	2015 二零一五年	% of Total 佔總額百分比
Motor	車險	17,034.62	80.1%	15,924.64	81.9%
Marine	水險	444.58	2.1%	331.55	1.7%
Non-marine	非水險	3,789.52	17.8%	3,191.08	16.4%
		21,268.72	100.0%	19,447.27	100.0%

境內財產保險業務－由太平財險營運 (續)

經營溢利

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5.52億港元（二零一五年：8.21億港元），下跌32.8%，主要由於去年投資收益較高。於本年度內，太平財險繼續擴大業務規模與市場份額，同時維持穩健的承保業績。

保費收入

太平財險的保費收入上升9.4%，由去年的194.47億港元上升至212.69億港元。太平財險保費收入詳細分析如下：

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

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

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

For the year ended 31 December, HK\$ million

		2016 二零一六年	% of Total 佔總額百分比
Sichuan	四川	2,026.70	9.5%
Shandong	山東	1,791.34	8.4%
Shenzhen	深圳	1,746.30	8.2%
Guangdong	廣東	1,307.53	6.1%
Shanghai	上海	1,247.87	5.9%
Others	其他	13,148.98	61.9%
Total	總額	21,268.72	100.0%

Combined Ratio

TPI's loss ratio improved by 1.2 percentage points to 53.0% from 54.2% in the Last Year. The expense ratio increased to 46.8% from 45.6% in the Last Year. TPI's combined ratio remained stable at 99.8% during the Year. TPI's loss ratios, expense ratios and combined ratios were as follows:

For the year ended 31 December

		2016 二零一六年	2015 二零一五年
Loss ratio	賠付率	53.0%	54.2%
Expense ratio	費用率	46.8%	45.6%
Combined ratio	綜合成本率	99.8%	99.8%

境內財產保險業務—由太平財險營運(續)

太平財險按區域的保費收入分佈如下：

截至十二月三十一日止年度，百萬港元

		2015 二零一五年	% of Total 佔總額百分比
Sichuan	四川	1,880.69	9.7%
Shenzhen	深圳	1,533.60	7.9%
Shandong	山東	1,450.54	7.5%
Shanghai	上海	1,236.46	6.4%
Hebei	河北	1,153.33	5.9%
Others	其他	12,192.65	62.6%
Total	總額	19,447.27	100.0%

綜合成本率

太平財險的賠付率由去年的54.2%優化1.2個百分點至53.0%。費用率由去年的45.6%上升至46.8%。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：

截至十二月三十一日止年度

Management Review and Analysis

管理層回顧和分析

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

Financial Strength and Solvency Margin

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

At 31 December, RMB million

		2016 二零一六年	2015 二零一五年
Available Capital	實際資本	6,358	6,373
Minimum Capital	最低資本	3,083	2,380
Comprehensive Solvency Ratio (Note)	綜合償付能力充足率(註)	206%	268%

Note: The above comprehensive solvency ratios were prepared in accordance with the "C-ROSS" issued by the CIRC.

境內財產保險業務—由太平財險營運(續)

財務實力及償付能力

太平財險按中國保監會規定之償付能力充足率如下：

於十二月三十一日，百萬人民幣

註：上述綜合償付能力充足率根據中國保監會發佈的「償二代」計算。

OVERSEAS PROPERTY AND CASUALTY INSURANCE AND REINSURANCE

OVERSEAS PROPERTY AND CASUALTY INSURANCE BUSINESS

The Group's property and casualty insurance segment covers Hong Kong, Macau, Singapore, UK and Indonesia, and is operated by CTPI (HK), TP Macau, TP Singapore, TP UK and TP Indonesia respectively.

CTPI (HK), TP Macau, TP Singapore and TP UK are wholly-owned by the Group. TP Indonesia is 55% owned by the Group.

境外財產保險業務及再保險業務

境外財產保險業務

本集團之境外財產保險業務覆蓋香港、澳門、新加坡、英國及印尼，分別由太平香港、太平澳門、太平新加坡、太平英國及太平印尼營運。

太平香港、太平澳門、太平新加坡及太平英國由本集團全資擁有。本集團擁有太平印尼55%權益。

Management Review and Analysis

管理層回顧和分析

OVERSEAS PROPERTY AND CASUALTY INSURANCE AND REINSURANCE (Continued)

境外財產保險業務及再保險業務 (續)

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

以下數字為集團內部對銷前，各公司的營運業績。

The key financial data of the overseas property and casualty insurance business is summarised below:

境外財產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

		2016 二零一六年	2015 二零一五年	Change 變化
Direct premiums written	保費收入			
CTPI (HK)	太平香港	1,372.04	2,274.26	-39.7%
TP Macau	太平澳門	587.32	587.89	-0.1%
TP Singapore	太平新加坡	463.27	496.38	-6.7%
TP UK	太平英國	403.11	390.53	+3.2%
TP Indonesia	太平印尼	230.48	145.98	+57.9%
Underwriting profit	承保溢利			
CTPI (HK)	太平香港	43.61	48.03	-9.2%
TP Macau	太平澳門	73.66	70.24	+4.9%
TP Singapore	太平新加坡	39.94	34.81	+14.7%
TP UK	太平英國	11.26	15.43	-27.0%
TP Indonesia	太平印尼	2.80	1.80	+55.6%
Profit from operation after taxation	除稅後經營溢利			
CTPI (HK)	太平香港	305.74	280.64	+8.9%
TP Macau	太平澳門	84.82	92.92	-8.7%
TP Singapore	太平新加坡	63.99	73.11	-12.5%
TP UK	太平英國	30.49	11.39	+1.7 times 倍
TP Indonesia	太平印尼	2.36	7.86	-70.0%
Combined ratio	綜合成本率			
CTPI (HK)	太平香港	97.7%	98.1%	-0.4 pt 點
TP Macau	太平澳門	80.5%	80.8%	-0.3 pt 點
TP Singapore	太平新加坡	90.4%	91.1%	-0.7 pt 點
TP UK	太平英國	96.9%	94.2%	+2.7 pts 點
TP Indonesia	太平印尼	87.9%	92.1%	-4.2 pts 點

Management Review and Analysis

管理層回顧和分析

OVERSEAS PROPERTY AND CASUALTY INSURANCE AND REINSURANCE (Continued)

境外財產保險業務及再保險業務 (續)

At 31 December

於十二月三十一日

		2016 二零一六年	2015 二零一五年	Change 變化
Regulatory solvency margin ratio¹	償付能力充足率¹			
CTPI (HK)	太平香港	725%	859%	-134 pts 點
TP Macau	太平澳門	267%	231%	+36 pts 點
TP Singapore	太平新加坡	210%	211%	-1 pt 點
TP UK ²	太平英國 ²	194%	211%	-17 pts 點
TP Indonesia	太平印尼	245%	283%	-38 pts 點

¹ Based on the local regulations.

¹ 按當地的規定。

² The above comprehensive solvency ratios were prepared in accordance with the "Solvency II" issued by the local regulators.

² 根據當地監管機構規定的「償二代」計算綜合償付能力充足率。

REINSURANCE BUSINESS

再保險業務

The Group's reinsurance business is operated by TPRE and its wholly owned subsidiary TPRE (China). 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 (China) incorporated in PRC in December 2015, which commenced its operation during the Year.

本集團之再保險業務由太平再保險及其全資附屬公司太平再保險(中國)營運。太平再保險是本集團全資擁有之香港註冊公司，主要從事承保全球各類非人壽再保險業務，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(中國)是於二零一五年十二月在中國註冊成立之公司，於本年度開始正式營運。

The figures below were the consolidated results of TPRE from its operations, before intra-group eliminations.

以下數字為集團內部對銷前，太平再保險的合併營運業績。

The key financial data and key performance indicators of the reinsurance business operated by TPRE were summarised below:

由太平再保險經營之再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

		2016 二零一六年	2015 二零一五年	Change 變化
Direct premiums written	保費收入	9,175.45	8,004.95	+14.6%
Underwriting profit (non-life)	承保溢利(非人壽)	299.54	249.72	+20.0%
Profit from operation after taxation	除稅後經營溢利	450.72	422.44	+6.7%
Non-life reinsurance business Combined ratio	非人壽再保險業務：綜合成本率	92.9%	93.3%	-0.4 pt 點

Management Review and Analysis

管理層回顧和分析

REINSURANCE BUSINESS (Continued)

再保險業務 (續)

At 31 December

於十二月三十一日

	2016 二零一六年	2015 二零一五年	Change 變化
Regulatory solvency margin ratio ¹ 監管償付能力充足比率 ¹	394%	551%	-157 pts 點

¹ Based on Hong Kong local regulations.

¹ 按香港當地的規定。

Operating Profit

經營溢利

The reinsurance business produced a net operating profit after tax of HK\$451 million during the Year (2015: HK\$422 million), representing an increase of 6.7%. Mainly due to the increase in investment gain because of the cashflow from life business, which set off the new business loss.

再保險業務產生經營溢利淨額4.51億港元(二零一五年:4.22億港元),上升6.7%。主要由於壽險業務帶來的現金流令投資收益上升,抵銷了新業務的技術性虧損。

Direct Premiums Written

保費收入

TPRe's direct premiums written for the Year increased by 14.6% to HK\$9,175 million from HK\$8,005 million in the Last Year. Although market conditions softened due to general overcapacity for the non-life business, TPRe was able to maintain its core portfolio with overall premium growth, especially in Mainland China. TPRe also had important advancements in its life reinsurance business, achieving premiums of HK\$4,224 million (2015: HK\$3,404 million), mostly from Hong Kong. The life reinsurance business line complements TPRe's short tail property reinsurance portfolio. The underwriting profit of the non-life reinsurance business was HK\$300 million, representing an increase of 20.0% from HK\$250 million in the Last Year.

太平再保險之保費收入由去年80.05億港元上升14.6%至91.75億港元。儘管非人壽業務市況由於整體承保能力過剩而疲軟,但太平再保險仍得以維持核心業務組合的整體保費收入增長,特別是在中國內地。太平再保險在人壽再保險業務方面亦取得重要進展,保費收入達到42.24億港元(二零一五年:34.04億港元),大部分來自香港。人壽再保險業務補充了太平再保險的短尾財產再保險業務組合。非人壽業務組合的承保溢利由去年的2.50億港元,上升20.0%至3.00億港元。

Management Review and Analysis

管理層回顧和分析

REINSURANCE BUSINESS (Continued)

The figures below were the results of TPRé (China) from its operations, before intra-group eliminations.

The key financial data of the reinsurance business operated by TPRé (China) was summarised below:

For the year ended 31 December, HK\$ million

		2016 二零一六年
Direct premiums written	保費收入	2,389.62
Net profit	淨利潤	110.18
Net assets	淨資產	1,471.88

Financial Strength and Solvency Margin

The comprehensive solvency ratios of TPRé (China) under the CIRC regulations were as follows:

At 31 December, RMB million

		2016 二零一六年
Available capital	實際資本	1,314
Minimum capital	最低資本	570
Comprehensive solvency ratio (Note)	綜合償付能力充足率(註)	230%

Note: The above comprehensive solvency ratios were prepared in accordance with the "C-ROSS" issued by the CIRC.

再保險業務(續)

以下數字為集團內部對銷前，太平再保險(中國)的營運業績。

由太平再保險(中國)經營之再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

財務實力及償付能力

太平再保險(中國)按中國保監會規定之綜合償付能力充足率如下：

於十二月三十一日，百萬人民幣

註：上述綜合償付能力充足率根據中國保監會發佈的「償二代」計算。

Management Review and Analysis

管理層回顧和分析

PENSION AND GROUP LIFE INSURANCE BUSINESSES

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.

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

The key financial data of the pension and group life insurance businesses was summarised below:

For the year ended 31 December, HK\$ million

養老及團體人壽保險業務

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、年金業務、團體人壽保險業務。

以下數字為集團內部對銷前，太平養老的營運業績。

養老及團體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

		2016 二零一六年	2015 二零一五年	Change 變化
Direct premiums written	保費收入	4,690.68	4,109.22	+14.2%
Net premiums written	淨保費收入	4,273.28	3,712.46	+15.1%
Net earned premiums	已賺取保費淨額	4,206.43	3,632.32	+15.8%
Net policyholders' benefits	保單持有人利益淨額	(2,421.68)	(2,321.99)	+4.3%
Net commission expenses	佣金支出淨額	(445.99)	(382.87)	+16.5%
Change in insurance contract liabilities, net of reinsurance	保險合約負債變化，減再保險	(530.62)	(270.03)	+96.5%
Total investment income	總投資收入	383.54	486.52	-21.2%
Pension administration fee income	養老保險管理服務費收入	369.71	371.14	-0.4%
Agency fee income	代理服務費收入	4.68	80.31	-94.2%
Administrative and other expenses	行政及其他費用	(1,558.94)	(1,393.21)	+11.9%
Profit/(loss) from operation before taxation	除稅前經營溢利	45.06	202.66	-77.8%
Profit from operation after taxation and attributable to the owners	除稅後及股東應佔經營溢利	24.18	178.36	-86.4%

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)

At 31 December, HK\$ million

於十二月三十一日，百萬港元

		2016 二零一六年	2015 二零一五年	Change 變化
Total assets	總資產	9,495.68	7,891.68	+20.3%
Total equity	總權益	2,528.26	1,580.94	+59.9%

At 31 December

於十二月三十一日

		2016 二零一六年	2015 二零一五年	Change 變化
Comprehensive solvency ratio (Note)	綜合償付能力充足率(註)	324%	255%	+69 pts 點

Note: The above comprehensive solvency ratios were prepared in accordance with the "C-ROSS" issued by the CIRC.

註：上述綜合償付能力充足率根據中國保監會發佈的「償二代」計算。

The key operational data of the pension business was summarised below:

養老業務之主要經營數據概述如下：

		2016 二零一六年	2015 二零一五年	Change 變化
Annuity invested assets (HK\$ million)	企業年金投資資產 (百萬港元)	70,381	60,642	+16.1%
Annuity entrusted assets (HK\$ million)	企業年金受託資產 (百萬港元)	60,530	54,236	+11.6%
Number of enterprises in funds and schemes	養老年金計劃所涉及的 企業數目	7,211	7,100	+111
Number of branches	分公司數目	28	25	+3

Operating Result

經營業績

The pension and group life insurance businesses incurred a net operating profit of HK\$24.18 million during the Year (2015: HK\$178 million). After breaking even and achieving an operating profit in 2013, TPP continued to build its scale and maintain the profitability of its operations.

養老及團體人壽保險業務產生經營溢利淨額2,418萬港元(二零一五年：1.78億港元)，自二零一三年轉虧為盈後，太平養老持續擴大其規模，並保持經營溢利。

Management Review and Analysis

管理層回顧和分析

PENSION AND GROUP LIFE INSURANCE BUSINESSES *(Continued)*

Direct Premiums Written

TPP's direct premiums written for the Year increased by 14.2% to HK\$4,691 million from HK\$4,109 million in the Last Year.

ASSET MANAGEMENT BUSINESS

The Group's asset management business is operated by TPAM and TPA (HK), which are engaged in the provision of asset management 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 were 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) were summarised below:

For the year ended 31 December, HK\$ million

		2016 二零一六年	2015 二零一五年	Change 變化
Management fee income	管理費收入	801.28	798.59	+0.3%
Profit from operating	除稅後經營溢利	272.38	223.98	+21.6%
Profit from operating attributable to the owners	股東應佔經營溢利	226.41	189.09	+19.7%

At 31 December, HK\$ million

		2016 二零一六年	2015 二零一五年	Change 變化
Assets under management	資產管理規模	538,805	468,023	+15.1%

養老及團體人壽保險業務 (續)

保費收入

太平養老之保費收入由去年之41.09億港元上升14.2%至46.91億港元。

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,分別為本集團的人民幣及非人民幣投資組合提供資產管理服務。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

於十二月三十一日,百萬港元

Management Review and Analysis

管理層回顧和分析

ASSET MANAGEMENT BUSINESS (Continued)

Operating Profit

The asset management business produced a net operating profit of HK\$272 million during the Year (2015: HK\$224 million), representing an increase of 21.6% compared to Last Year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's cash and bank deposits as at 31 December 2016 amounted to HK\$74,279 million (2015: HK\$81,354 million).

FINANCIAL LEVERAGE

The interest-bearing notes and bank facilities drawn as at 31 December 2016 amounted to HK\$5,835 million and HK\$41,706 million (2015: HK\$6,270 million and HK\$25,909 million). As of 31 December 2016, CTIH's consolidated financial leverage ratio (calculated by debt over the summation of debt plus equity) was 41.5% (2015: 30.9%).

CAPITAL STRUCTURE

CTIH did not issue new shares during the Year.

In 2015, CTIH raised approximately HK\$13.482 billion by TPG (HK)'s subscription of 486,000,000 new shares of the Company at the price of HK\$27.74 per share after the placing of existing shares of the Company held by TPG (HK) pursuant to the placing and subscription agreement entered into on 7 May 2015. After completion of the placing and subscription agreement, TPG (HK)'s equity ownership interest in CTIH decreased from 68.96% to 59.64%.

資產管理業務 (續)

經營溢利

資產管理業務的經營溢利淨額為2.72億港元(二零一五年:2.24億港元),較去年上升21.6%。

流動資金

於二零一六年十二月三十一日,本集團的現金及銀行存款為742.79億港元(二零一五年:813.54億港元)。

財務槓桿

二零一六年十二月三十一日須付息票據及已提取銀行貸款額度分別為58.35億港元及417.06億港元(二零一五年:62.70億港元及259.09億港元)。於二零一六年十二月三十一日,中國太平控股的綜合財務槓桿比率(債務/(債務+股本))為41.5%(二零一五年:30.9%)。

資本結構

於本年度,中國太平控股並無發行新股。

二零一五年,中國太平控股完成配售及認購募集資金約134.82億港元,根據二零一五年五月七日簽定的配售及認購協議,中國太平集團(香港)在配售其持有的本公司現有股份後,以每股股份27.74港元認購486,000,000股本公司新股份。完成配售及認購協議後,中國太平集團(香港)於中國太平控股的權益由68.96%減少至59.64%。

Management Review and Analysis

管理層回顧和分析

PRINCIPAL PROPERTIES

The location and use of the principal properties held for investment purposes by the Group are set out below, other details are set out in Note 15 of the consolidated financial statements.

Property location	Use
Taiping Finance Tower, Pudong New District, Shanghai, the PRC	Medium term lease; Commercial
Taiping Finance Tower, Futian District, Shenzhen, the PRC	Medium term lease; Commercial
The Exchange Beijing, Chaoyang District, Beijing, the PRC	Medium term lease; Commercial

STAFF AND STAFF REMUNERATION

As at 31 December 2016, the Group had a total of 60,270 employees (2015: 53,682 employees), an increase of 6,588 employees. Total remuneration for the Year amounted to HK\$13,483 million (2015: HK\$10,909 million), an increase of 23.6%. 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 2016.

主要物業

本集團持有作投資用途的主要物業地點及用途如下，其他詳情載於綜合財務報表附註15。

物業地點	用途
中國上海浦東新區 太平金融大廈	中期租賃； 商業物業
中國深圳市福田區 太平金融大廈	中期租賃； 商業物業
中國北京朝陽區京匯大廈	中期租賃； 商業物業

員工及員工酬金

於二零一六年十二月三十一日，本集團的僱員總人數達60,270人（二零一五年：53,682人），增加6,588人。本年度總酬金為134.83億港元（二零一五年：109.09億港元），增加23.6%。花紅與本集團的業績及員工的個人表現掛鈎。

或然負債

除在本集團日常保險業務中產生的訴訟外，於二零一六年十二月三十一日，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

Continuously Advancing the “Boutique Strategy”, balanced expanding of Scale and Value

- 2016 marked the second year in implementing the “Boutique Strategy”. China Taiping’s solid advancing of the Boutique Strategy has achieved sound innovation-driven effect, gained remarkable results in comprehensive development, proceeded its business transformation and layout in order, constantly reinforced its investment capabilities, further optimised its basic management, constantly improved its risk management and compliance level, resulting into the healthy, rapid and sustainable development of its businesses and a positive start for the 13th Five Year Plan
- In 2017 and the coming period, China Taiping will actively cope with changes from the macro economy and market, stick to established strategies, adhere to the working policy of “Steady Growth, Innovation-driven, Lower Cost and Higher Efficiency, Strictly Controlling Risks”, devote great attention to the development of core businesses, promote the establishment of investment platforms, optimise the structure of principal businesses, strengthen the innovation of products, business models, management and services, boost the strategic layout for its internationalisation, enhance the synergistic effect between insurance and investment, safeguard against financial risks, strengthen the operation model with its own characteristics by seeking balance between the development of insurance and investment, and thereby endeavor to create more value for shareholders, clients and the society

展望

持續推進「精品戰略」，規模與價值並重發展

- 二零一六年是實施「精品戰略」的第二年。中國太平扎實推進精品戰略實施，創新驅動效果明顯，綜合開拓富有成效，業務轉型與佈局有序推進，投資能力持續增強，基礎管理進一步完善，風控與合規經營水平不斷提高，整體業務穩健、較快、可持續發展，實現了「十三五」良好開局
- 二零一七年及今後一段時期，中國太平將積極應對宏觀經濟及市場變化，保持戰略定力，堅持「穩中求進、創新發展、降本增效、嚴控風險」的工作方針，狠抓核心業務發展，推動投資平臺建設，優化主營業務結構，加強產品創新、商業模式創新、管理創新和服務創新，加快國際化戰略佈局，增強保險投資協同效應，防範金融風險，強化特色經營，堅持保險和投資均衡協調發展，竭力為股東、客戶和社會創造更大的價值

Management Review and Analysis

管理層回顧和分析

OUTLOOK (Continued)

PRC Life Insurance Business – TPL

- To further improve channel management, continuously optimise procedures and models, promote the professional operation standards, ensure rapid and healthy development of core businesses
- To drive individual insurance by “products, agency force, institutions and projects”, improve the development layout of individual insurance, focus on both scale and value, aiming to achieve breakthroughs in various indicators
- Bancassurance will be value-driven, focus on expanding and strengthening its high value regular premium business
- E-commerce will be committed to self-developed businesses by exploring business channels and focusing on internet and telesales businesses
- Continue to strengthen our industry leading position in persistency ratios and building the professional features of Taiping

PRC Property and Casualty Insurance Business – TPI

- To grasp the development pace of business, speed up the establishment of professional channels for motor insurance, further expand the innovative business and strategic sectors, improve the institutional productivity as well as optimise the business structure, so as to achieve our annual business target
- To further improve our market response mechanism, risk pricing ability and input-and-output efficiency, so as to actively respond to the market competition pressure brought by the full implementation and marketisation of the motor insurance rates
- To further strengthen the risk control on underwriting and claims and commit concrete efforts to reduce claims and losses, so as to enhance the business value and operating efficiency of the Company

展望 (續)

境內人壽業務—太平人壽

- 進一步做好渠道經營，不斷優化流程和模式，提升專業化經營水平，確保核心業務快速、健康增長
- 個險以「產品、人力、機構、專案」四輪驅動，強化個險發展格局，堅持規模價值並重，實現各項指標突破再成長
- 銀保以追求價值為核心，做大做強高價值期交業務
- 電商著力發展自建業務，深耕渠道業務，聚焦網電業務
- 續收穩固繼續率行業地位，打造太平專業特色

境內產險業務—太平財險

- 把握業務節奏，加快推動車險渠道專業化建設，加大創新業務與戰略板塊的拓展力度，促進機構產能提升與業務結構優化，全力完成年度業務目標
- 進一步完善市場應對機制，提高風險定價能力、提升要素投入產出效率，積極應對商業車險費率市場化改革全面深化帶來的市場競爭壓力
- 進一步加強核保、核賠等風險管控力度，扎實推進降賠減損工作，不斷提升公司業務價值與經營效益

Management Review and Analysis

管理層回顧和分析

OUTLOOK (Continued)

Group Insurance and Pension Business – TPP

- To focus on the strengthening, optimising and expanding the scale of pension assets under management to help pension business continuously achieving the strategy of “Competing at an advanced level”
- To strengthen, optimise and expand the core business of group insurance so as to facilitate group insurance business continue to outperform the market
- To put great emphasis on the optimisation of business structure, operating model, operational services and profit structure, and accelerate the innovative development, so as to enhance the internal dynamics of the development of the Company

Overseas Life Insurance Business – TPL (HK)

- To continuously grasp the development opportunities in the life insurance market in Hong Kong, accelerate the business development and realise the objectives of “Creating unique product features, achieving outstanding sales results and establishing good service reputation”

Overseas Property and Casualty Business – CTPI (HK), TP Macau, TP Singapore, TP UK and TP Indonesia

- CTPI (HK) will strengthen refine management, improve innovation of products and channel, create the brand advantage for accident and health insurance and identify new growth points over the world while exploring the potential in the Hong Kong market
- TP Macau will actively take advantage of the opportunities arising from Hengqin Free Trade Area to expand business, optimise and innovate insurance products, continuously improve customer service and maintain the leading position in the market

展望 (續)

團險和養老金業務—太平養老

- 緊緊圍繞做強做優做大養老資產管理規模這個主攻方向，推動養老金業務持續實現爭先進位
- 做強做優做大團險核心業務，推動團險業務持續跑贏大市
- 重點優化業務結構，優化經營模式，優化運營服務，優化盈利結構，加快推動創新發展，增強公司發展的內生動力

境外壽險業務—太平人壽香港

- 繼續抓住香港壽險市場的大好發展機遇，加快業務發展，確保「產品創特色、銷售出業績、服務樹口碑」

境外產險業務—太平香港、太平澳門、太平新加坡、太平英國及太平印尼

- 太平香港加強精細化管理，加大產品和渠道創新力度，打造意康險品牌優勢，在深挖香港市場潛力的同時，在全球範圍內開闢新的業務增長點
- 太平澳門積極借助橫琴自貿區等契機，加大新業務拓展力度，優化及創新保險產品，不斷提升客戶服務工作，保持市場領先地位

Management Review and Analysis

管理層回顧和分析

OUTLOOK (Continued)

Overseas Property and Casualty Business – CTPI (HK), TP Macau, TP Singapore, TP UK and TP Indonesia (Continued)

- TP Singapore will continuously push forward the regional development, the innovation development, the linkage development and the refine development, strive to improve the business quality, strengthen the corporate comprehensive management, and further enhance the risk management system
- TP UK will strengthen the market expansion efforts, highlight national brand feature, develop the large and medium-sized projects focusing on Chinese enterprises, and reinforce the infrastructure of the Company. It will also promote the business quality, adjust the business structure, so as to further enhance the profitability of the Company
- TP Indonesia will keep supporting the national strategies of “going global” and “The Belt and Road”, optimise the business structure, impose strict measures on risk management, explore new markets and channels to maintain the sustainable growth of the business

Reinsurance Business – TPRé, TPRé (China) and TPRB

- TPRé will maintain the synchronised growth between scale and efficiency, promote the overall customer service ability, enhance market position, accelerate the global business layout and improve the international management capabilities
- TPRé (China) will promote the development of the company and lay a solid foundation, strive to build up the company's core competitiveness and enhance its market position
- TPRB will proactively explore innovative business areas, expand into new markets, increase the degree of participation in the “The Belt and Road” strategy, and improve the professional service capabilities

展望 (續)

境外產險業務—太平香港、太平澳門、太平新加坡、太平英國及太平印尼 (續)

- 太平新加坡持續推進區域發展、創新發展、聯動發展、精細發展，努力提升業務品質，強化企業綜合管理，進一步完善風險管理制度
- 太平英國加大市場拓展力度，突出民族品牌特色，發展以中資企業為核心的大中型項目，並鞏固公司基礎建設，提升業務品質、調整結構，進一步提升公司盈利能力
- 太平印尼著力服務國家「走出去」和「一帶一路」戰略，優化業務結構，狠抓風險管理，開拓新市場、新渠道，保持業務持續增長

再保險業務—太平再保險、太平再保險 (中國) 及太平再保顧問

- 太平再保險規模效益保持同步增長，全面提升客戶服務能力，提升市場地位，加快推進全球化佈局，提升國際化經營管理能力
- 太平再保險 (中國) 扎實推進公司建設、夯實發展基礎，努力打造公司核心競爭力，提升市場地位
- 太平再保顧問積極探索新業務領域，開拓新市場，加強「一帶一路」戰略參與程度，進一步提升專業服務能力

Management Review and Analysis

管理層回顧和分析

INVESTMENT

- To build a complete investment segment. The Group will be dedicated to develop an investment layout covering domestic and overseas, specialising comprehensive and professional fields, integrating traditional investments and alternative investments, and featuring prominent advantages, resources sharing, rational labor division and effective synergies
- To thoroughly exhibit the concept of value investing. The Group will fully utilise the advantages of insurance funds on long term investments, and implement the idea of value investing in areas such as the strategic allocation of assets and the selection of investments
- To capture investment priority in line with the state strategies. In view of the national industrial transformation and upgrading, the Group's investment priority will focus on, among other things, strategic emerging industries, modern manufacturing industry and modern agriculture; in view of the "three state strategies", the Group's investment priority will focus on, among other things, "The Belt and Road", Beijing-Tianjin-Hebei Economic Belt and Yangtze River Economic Belt; the Group will also actively invest in major infrastructures and people livelihood projects through various innovative ways.
- To serve the insurance business while emphasising on strategic synergies. The Group will improve its investments and efforts in areas that are conform to its principal business, such as pension, health, medical care and automobile industry chain

投資

- 構建體系完整投資板塊。形成境內與境外、綜合且專業、傳統與另類投資相結合、優勢突出、資源共享、分工合理、有效協同的投資局面
- 深入貫徹價值投資理念。充分發揮保險資金長期投資優勢，在戰略資產配置、戰術資產配置、投資品種選擇等環節落實價值投資理念
- 順應國家戰略，把握投資重點。結合國家產業轉型升級，重點投資戰略新興產業，現代製造業和現代農業等領域；結合國家三大戰略，重點投資「一帶一路」、京津冀和長江經濟帶等區域；創新多種方式，積極投資重大基礎設施和民生保障工程等項目
- 服務保險主業，注重戰略協同。在與主業高度契合的養老、健康、醫療、汽車產業鏈等領域加大投入和佈局力度

Independent Actuaries Report on Review of Embedded Value Information

關於內含價值信息的獨立精算師審閱報告



羅兵咸永道

Independent Actuaries Report on Review of Embedded Value Information

To the Board of Directors of China Taiping Insurance Holdings Company Limited

We have reviewed the Group Embedded Value of China Taiping Insurance Holdings Company Limited (“the Company” or “CTIH”) (“the Group EV”) and Embedded Value of Taiping Life Insurance Company Limited (“TPL”) (“the TPL EV”) set out on pages 59 to 68 of the Annual Report of the Company for the year ended 31 December 2016 (“the EV information”).

The directors of the Company are responsible for the preparation and presentation of the EV information in accordance with the “Actuarial practice standard: Assessment for embedded value of life insurance” published by the China Association of Actuaries (“the Assessment Standard”) and industry practice for publicly listed companies in Hong Kong. This responsibility includes designing, implementing and maintaining internal control relevant to the maintenance of underlying data and information on the in-force business and preparation of the EV information which is free from material misstatement, whether due to fraud or error; performing EV calculations; selecting and applying appropriate methodologies; and making assumptions that are consistent with market information and are reasonable in the circumstances.

Our responsibility, as independent actuaries, is to perform certain review procedures set out in our letter of engagement and, based on these procedures, conclude whether the EV methodologies and assumptions are consistent with industry practice for publicly listed companies in Hong Kong, the Assessment Standard and available market information.

We have reviewed the methodology and assumptions used in preparing the EV information, including the following:

- The Group EV as of 31 December 2016;
- Value of one-year new business of TPL issued during the year ended 31 December 2016; and
- Movement analysis of the TPL EV and sensitivity analysis of value in-force business and value of one-year new business of TPL.

關於內含價值信息的獨立精算師審閱報告

致中國太平保險控股有限公司 諸位董事

我們已經審閱了中國太平保險控股有限公司（下稱「貴公司」或「中國太平控股」）截至二零一六年十二月三十一日總內含價值（「總內含價值」）及太平人壽保險有限公司（下稱「太平人壽」）內含價值（「太平人壽內含價值」），該等信息在 貴公司二零一六年年報第59頁至第68頁予以披露（統稱「內含價值信息」）。

貴公司的管理層有責任確保在準備和披露 貴公司內含價值信息時符合中國精算師協會頒佈的《精算實踐標準：人身保險內含價值評估標準》（下稱「評估標準」）的要求，並與香港上市公司的現行行業做法一致。這一責任不僅包括設計、實施並維護內部控制流程，確保有效業務的相關資料、信息，以及內含價值信息的準備工作不存在由於欺詐或錯誤而造成的重大錯報；還包括選擇並應用適當的方法，根據市場信息確定合理的假設，以及計算內含價值結果。

作為獨立的精算師，我們的責任是依據我們的業務約定書中確認的審閱流程進行審閱工作。根據我們的審閱工作，判斷內含價值的方法和假設是否與評估標準要求和市場信息一致，是否與香港上市公司的現行行業做法一致。

我們審閱了 貴公司準備內含價值信息時採用的方法和假設，包括：

- 審閱截至二零一六年十二月三十一日的總內含價值；
- 審閱截至二零一六年十二月三十一日的太平人壽一年新業務價值；及
- 審閱太平人壽內含價值的變動分析以及有效業務價值和一年新業務價值的敏感性分析。

Independent Actuaries Report on Review of Embedded Value Information 關於內含價值信息的獨立精算師審閱報告

Our review procedures included, but were not limited to, discussing with management of CTIH the methodology and assumptions, inspecting documentation relating thereto, and considering whether the methodologies are consistent with the Assessment Standard and industry practice for publicly listed companies in Hong Kong and whether the assumptions are consistent with available market information.

The preparation of EV information requires assumptions and projections to be made about future uncertain events, many of which are outside the control of CTIH. Therefore, actual experience may differ from these assumptions and projections, and this will affect the value of in-force business and the value of one-year new business.

In forming our conclusion, we have relied on the integrity, accuracy and completeness of audited and unaudited data and information provided by CTIH. Our work did not involve reperforming the EV calculations, nor verifying the data and information underlying the EV information.

Based on our review procedures, we have concluded that the methodologies and assumptions used in preparing the EV information are consistent with industry practice for publicly listed companies in Hong Kong, the Assessment Standard and with available market information.

This report has been prepared for and only for the Board of Directors of the Company in accordance with our letter of engagement and for no other purpose. We do not accept or assume responsibility for any other purpose or to any other person whom this report is shown or in whose hands it may come save where expressly agreed by our prior consent in writing.

For and on behalf of PricewaterhouseCoopers Ltd.

Xiaobin Yuan, FSA

Hong Kong, 23 March 2017

我們的審閱工作包括但不僅限於：與中國太平控股的管理層討論內含價值的評估方法與假設，檢查相關的文檔，以及評估內含價值計算方法與假設是否與評估標準要求一致、是否與可獲得的市場信息一致，以及是否與香港上市公司的現行行業做法一致。

準備內含價值信息時，需要預測很多中國太平控股無法控制的不確定事件，並就此作出假設。因此，中國太平控股實際經驗的結果很有可能跟預測的假設存在差異，而這種差異將對有效業務和一年新業務的價值的結果產生影響。

我們做出審閱意見時，我們依賴由中國太平控股提供的各種經審計和未經審計的數據和資料的真實性、準確性和完整性。我們的工作範圍並不包括重新計算內含價值，也沒有檢驗內含價值信息所用到的數據和相關信息。

根據我們的審閱工作，我們認為中國太平控股在準備內含價值信息時所用的方法和假設與評估標準要求一致、與可獲得的市場信息一致，並與香港上市公司的現行行業做法一致。

我們的審閱報告僅限於 貴公司董事會使用，使用目的僅限於業務約定書中的約定，不得用於其他目的。除經我們事先書面同意之外，對於業務約定書中約定以外的其他第三方使用本報告或作為其他目的使用本報告，我們將不承擔任何責任。

代表羅兵咸永道有限公司

袁曉斌 精算師

香港，二零一七年三月二十三日

Embedded Value

內含價值

1. BACKGROUND

The Group consists of three major business segments: the life insurance business, property and casualty insurance business and reinsurance business. The Group also has other companies and operations in the areas of investment holding, asset management, pensions and other businesses. The life insurance segment operated by TPL, a 75.1%-owned subsidiary, is a significant part of the Group in terms of gross premiums written, total assets and profitability. In order to provide investors with additional information to evaluate the profitability and valuation of TPL, the Group discloses the Embedded Value and New Business Value of TPL in its Annual and Interim Results Announcements. The Embedded Value consists of the shareholders' adjusted net worth plus the present value of future expected cash flows to shareholders from the in-force business, less the costs of holding regulatory solvency capital to support the in-force business. The New Business Value represents an actuarially determined estimate of the economic value arising from the new life insurance business issued during the past one year.

The Group's other business segments (including property and casualty insurance, reinsurance and pension and group life insurance) (collectively, "Other Core Operations") continue to develop well. To provide investors with further information on these operations, the Group also discloses the Group Embedded Value. The Group Embedded Value is defined as the Adjusted Net Worth of the Other Core Operations plus the Embedded Value of TPL. The Adjusted Net Worth of the Other Core Operations is determined by Hong Kong Financial Reporting Standards, with marked-to-market and goodwill adjustments. Please note that the Group Embedded Value calculation does not include any valuation for future new business.

1. 背景

本集團由三項主要業務分部組成：人壽保險業務、財產保險業務及再保險業務。本集團亦有其他公司經營投資控股、資產管理、養老保險及其他業務。太平人壽（本公司持有75.1%股權之附屬公司）運作之人壽保險分部就其毛承保保費額、總資產及盈利能力而言是本集團重要之部份。為向投資者提供額外資料以評估太平人壽之盈利能力及估值，本集團於年度及中期業績公告內披露太平人壽之內含價值及新業務價值。內含價值包括經調整股東資產淨值及未來有效業務可為股東創造之預期現金流之現值，扣減為支持有效業務而按照監管要求持有償付資本之成本。新業務價值乃指以精算方法評估的在過去一年售出的人壽保險新業務所產生的經濟價值。

本集團其他業務分部（包括財產保險、再保險及養老及團體人壽保險）（統稱「其他核心業務」）繼續發展良好。為向投資者提供更多有關以上營運的資料，本集團披露集團的總內含價值。總內含價值乃定義為其他核心業務的經調整資產淨值，加上太平人壽的內含價值。其他核心業務的經調整資產淨值按香港財務報告準則釐定，並對市價及商譽作出調整。請注意總內含價值的計算並不包括日後任何新業務的估值。

Embedded Value

內含價值

2. 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 31 December 2016 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.

3. 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 31 December 2016 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.

2. 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二零一六年十二月三十一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。

3. 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二零一六年十二月三十一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等因素，及其他支持計算太平人壽內含價值及新業務價值計算及總內含價值之因素。

Embedded Value

內含價值

GROUP EMBEDDED VALUE

At 31 December, HK\$ million

總內含價值

於十二月三十一日，百萬港元

		2016 二零一六年		2015 二零一五年	
		C-ROSS ¹ 償二代 ¹	Solvency I 償一代	C-ROSS 償二代	Solvency I 償一代
Adjusted net worth ²	經調整資產淨值 ²	80,928	66,180	81,062	77,037
Value of in-force business before cost of capital for TPL	太平人壽有效業務扣除資本成本前之價值	49,116	58,201	42,867	48,472
Cost of Capital for TPL	太平人壽資本成本	(1,197)	(11,138)	(956)	(7,961)
Group embedded value	總內含價值	128,847	113,243	122,973	117,548
Attributable to:	應佔：				
Owners of the Company	本公司股東權益	102,474	90,756	97,980	93,905
Non-controlling interests	非控股股東權益	26,373	22,487	24,993	23,643
Group embedded value	總內含價值	128,847	113,243	122,973	117,548

¹ Embedded value under C-ROSS is calculated in accordance with "Actuarial practice standard: Assessment standard for embedded value of life insurance" (《精算實踐標準：人身保險內含價值評估標準》) published by the China Association of Actuaries "Assessment Standard". Embedded value under Solvency I is calculated in accordance with "Guidance for compiling personal insurance embedded value report" (《人身保險內含價值報告編制指引》) published by the CIRC (abolished in 2016). Unless otherwise specified, the remaining results of this part were presented on the above basis.

² The adjusted net worth is based on CTIH's audited net asset value, after making the following major adjustments:

- i TPL's net asset is calculated on the PRC GAAP basis and adjusted the reserve to the commensurate liability required by Assessment Standard. The accumulated surplus/loss from par business is also taken into account;
- ii Goodwill and intangible assets produced during consolidation have been deducted;
- iii Fair value adjustments to HTM assets.

¹ 償二代口徑下的內含價值是根據中國精算師協會發佈之《精算實踐標準：人身保險內含價值評估標準》(「評估標準」)計算。償一代口徑下內含價值根據中國保險監督管理委員會發佈之《人身保險內含價值報告編制指引》(已於二零一六年廢止)計算。若無特別說明，本部分其餘之結果均照上述口徑列示。

² 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會計準則淨資產為基礎計量，並調整準備金至評估標準所要求之相應負債，同時考慮分紅業務累計盈餘／虧損影響；
- ii 扣除合併賬產生的商譽及無形資產；
- iii 持有至到期資產的公允價值調整。

Embedded Value 內含價值

EMBEDDED VALUE OF TPL

1. EMBEDDED VALUE

At 31 December, HK\$ million

		2016 二零一六年		2015 二零一五年	
		C-ROSS 償二代	Solvency I 償一代	C-ROSS 償二代	Solvency I 償一代
Adjusted Net Worth	經調整資產淨值	44,130	29,381	45,511	41,351
Value of in-force business before cost of capital	有效業務扣除資本 成本前之價值	49,116	58,201	42,867	48,472
Cost of Capital	資本成本	(1,197)	(11,138)	(956)	(7,961)
Embedded Value	內含價值	92,049	76,444	87,422	81,862
Attributable to:	應佔：				
Owners of the Company	本公司股東權益	69,129	57,409	65,654	61,478
Non-controlling interests	非控股股東權益	22,920	19,035	21,768	20,384
Embedded Value	內含價值	92,049	76,444	87,422	81,862

If no assumption change, the embedded value of TPL for the year 2016 under C-ROSS was HK\$97.610 billion, embedded value under Solvency I was HK\$83.056 billion.

太平人壽之內含價值

1. 內含價值

於十二月三十一日，百萬港元

二零一六年太平人壽償二代下同假設口徑內含價值為976.10億港元，償一代下同假設口徑內含價值為830.56億港元。

Embedded Value 內含價值

EMBEDDED VALUE OF TPL (Continued)

2. NEW BUSINESS VALUE

HK\$ million

	For the Past 12 Months as of 31 December 2016 於二零一六年十二月三十一日 過去十二個月		For the Past 12 Months as of 31 December 2015 於二零一五年十二月三十一日 過去十二個月	
	C-ROSS 償二代	Solvency I 償一代	C-ROSS 償二代	Solvency I 償一代
New business value before cost of capital 新業務扣除資本成本前之價值	12,032	9,510	9,070	7,670
Cost of capital 資本成本	(2,917)	(2,384)	(1,995)	(1,653)
New business value after cost of capital 新業務扣除資本成本後之價值	9,115	7,126	7,075	6,017

If no assumption change, the new business value of TPL for the year 2016 under C-ROSS was HK\$10.607 billion, new business value under Solvency I was HK\$8.763 billion.

New business margin of TPL for the year 2016 under C-ROSS was 33.5% (2015 under C-ROSS: 32.9%), 39.0% if no assumption change; for the agency force business under C-ROSS was 42.8% (2015 under C-ROSS: 43.6%) 48.2% if no assumption change; for the bancassurance regular business under C-ROSS was 25.6% (2015 under C-ROSS: 31.2%), 30.8% if no assumption change.

New business margin of TPL for the year 2016 under Solvency I was 26.2% (2015 under Solvency I: 28.0%), 32.2% if no assumption change; for the agency force business under Solvency I was 32.7% (2015 under Solvency I: 36.2%) 38.8% if no assumption change; for the bancassurance regular business under Solvency I was 26.5% (2015 under Solvency I: 30.3%), 31.8% if no assumption change.

太平人壽之內含價值(續)

2. 新業務之價值

百萬港元

二零一六年太平人壽償二代下同假設口徑新業務價值為106.07億港元，償一代下同假設口徑新業務價值為87.63億港元。

二零一六年太平人壽償二代下整體新業務價值率為33.5%（二零一五年償二代下：32.9%），同假設口徑下為39.0%；其中個險償二代下新業務價值率為42.8%（二零一五年償二代下：43.6%），同假設口徑下為48.2%；銀保期繳償二代下新業務價值率為25.6%（二零一五年償二代下：31.2%），同假設口徑下為30.8%。

二零一六年太平人壽償一代下整體新業務價值率為26.2%（二零一五年償一代下：28.0%），同假設口徑下為32.2%；其中個險償一代下新業務價值率為32.7%（二零一五年償一代下：36.2%），同假設口徑下為38.8%；銀保期繳償一代下新業務價值率為26.5%（二零一五年償一代下：30.3%），同假設口徑下為31.8%。

Embedded Value 內含價值

EMBEDDED VALUE OF TPL (Continued)

太平人壽之內含價值(續)

2. NEW BUSINESS VALUE (Continued)

2. 新業務之價值(續)

New business value by line of business were as follows:

按業務劃分新業務之價值如下:

HK\$ million

百萬港元

		For the Past 12 Months as of 31 December 2016 於二零一六年 十二月三十一日 過去十二個月		For the Past 12 Months as of 31 December 2015 於二零一五年 十二月三十一日 過去十二個月	
		C-ROSS 償二代	Solvency I 償一代	C-ROSS 償二代	Solvency I 償一代
Individual Bancassurance – Regular premium products	個人代理 銀行保險 – 期繳保費產品	8,805	6,721	6,828	5,677
Others ¹	其他 ¹	1,042 (732)	1,078 (673)	978 (731)	950 (610)
		9,115	7,126	7,075	6,017

¹ Others mainly includes the single premium products under bancassurance, other channels (mainly consists of telemarketing) etc.

¹ 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)等。

Embedded Value 內含價值

EMBEDDED VALUE OF TPL (Continued)

太平人壽之內含價值(續)

3. MOVEMENT ANALYSIS OF EMBEDDED VALUE

3. 內含價值之動態分析

The following analysis shows the movement of the Embedded Value to 31 December 2016.

以下分析反映內含價值如何變化至二零一六年十二月三十一日。

		notes 註	HK\$ million 百萬元
Embedded Value as at 31 December 2015	於二零一五年十二月三十一日 之內含價值		87,422
Expected return on Embedded Value	內含價值預期回報	a	6,672
New business value	新業務之價值	b	9,115
Minimum capital dispersion effect	最低資本分散效應	c	2,310
Assumption and model change	假設及模型變化	d	(4,261)
Other experience variance and exchange rate impact	其他經驗差異項及匯率影響	e	(7,015)
Capital Injection or dividend to shareholders	資本注入或股東紅利	f	(2,194)
Embedded Value as at 31 December 2016	於二零一六年十二月三十一日之 內含價值		92,049

notes:

- (a) Return on value of in-force business plus expected interest on adjusted net assets.
- (b) New business contribution from sales of new business in the year of 2016.
- (c) Minimum capital dispersion effect refers to the difference caused by the different evaluation level of cost of capital under C-ROSS embedded value framework. Cost of capital of new business is evaluated on the policy level while cost of capital of in-force business is evaluated on the company level.
- (d) Assumption and model change.
- (e) Including differences between the actual experience and expected experience for investment return, dividend, mortality, morbidity, lapses, expenses and the effect from reinsurance contracts and assumption changes, as well as exchange rate impact arising from the exchange rate of the RMB.
- (f) Dividend to shareholders in 2016.

註:

- (a) 有效業務回報加調整後淨資產預期利益。
- (b) 二零一六年新業務銷售之貢獻。
- (c) 最低資本分散效應，主要為償二代內含價值框架下，新業務價值資本成本在保單層面核算而有效業務價值資本成本在整體層面核算造成的差異。
- (d) 假設及模型變化的影響。
- (e) 包括投資收益率、分紅、死亡率、發病率、退保、費用等實際經驗與預期經驗之間的差額所產生的影響，以及人民幣兌換所產生的匯率影響。
- (f) 二零一六年股東分紅。

Embedded Value

內含價值

EMBEDDED VALUE OF TPL (Continued)

4. KEY ASSUMPTIONS

TPL has adopted the best estimate approach in setting the assumptions used in the calculation of its embedded value and new business value. The assumptions have been based on the actual experience of TPL and certain benchmarks set by referencing general PRC economic conditions and the experience of other life insurance companies.

4.1 Risk discount rate

The risk discount rate represents the long-term, post-tax cost of capital of the investor for whom the valuation is made, together with an allowance for risk, taking into account factors such as the political and economic environment in the PRC.

As calculated, the discount rate is equal to the risk-free rate plus a risk premium. The risk free rate is based on the PRC ten-year government bond and the risk premium reflects the risk associated with future cash flows, including all of the risks which have not been considered in the valuation.

The risk discount rate currently applied by TPL is 11.0% (2015:11.0%) for all in force and new business.

4.2 Investment return

The annual investment returns have been assumed to be 4.8% with an increase of 0.05% annually up to 5.0% and thereafter remain unchanged (2015: The annual investment return assumed to be 5.5%).

4.3 Expenses

Expenses have been projected based on benchmark assumptions.

4.4 Tax

The tax rate is assumed to be 25% according to the tax regulations of the PRC.

太平人壽之內含價值(續)

4. 主要假設

太平人壽在設定計算內含價值及新業務價值之假設時乃採納最佳估計方法。有關假設乃基於太平人壽之實際經驗，及參照中國之整體經濟狀況及其他壽險公司之經驗而設定之若干基準。

4.1 風險貼現率

風險貼現率乃指接受估值之投資者之稅後長期資本成本，同時慮及中國有關政治經濟環境等因素對風險作出調整。

計算時，貼現率乃按無風險利率加風險溢價計算。無風險利率乃基於中國十年政府債券，而風險溢價反映與未來現金流有關之風險，包括所有在估值時未有慮及之風險。

太平人壽現時就其所有有效業務及新業務所採納之風險貼現率均為11.0% (二零一五年：11.0%)。

4.2 投資回報

假設未來年度每年投資回報率為自4.8%起，以後每年增加0.05%，至5.0%並保持不變(二零一五年：假設未來年度每年投資回報率為5.5%)。

4.3 費用

費用乃根據基準假設而預計。

4.4 稅項

根據中國稅法規定，稅率為25%。

Embedded Value

內含價值

EMBEDDED VALUE OF TPL (Continued)

4. KEY ASSUMPTIONS (Continued)

4.5 Mortality

The experience mortality rates have been based on 70% of the China Life Insurance Mortality Table (2000-2003) for non-annuitants, with a three-year selection period. For annuity products, 80% and 70% of the China Life Insurance Mortality Table (2000-2003) for annuitants have been used for males and females, respectively.

4.6 Morbidity

The experience morbidity rates have been based on 70% of the filing rates with a three-year selection period.

4.7 Claim ratio

The experience morbidity assumptions have been based on the Group's own pricing tables. The loss ratios for short term accident and health insurance business have been assumed to be in the range of 36% to 62% (2015: 39% to 53%).

4.8 Lapses

The lapse assumptions have been based on TPL's actuarial pricing assumptions and adjusted to reflect the results of its recent experience studies.

4.9 Required capital

The required capital has been based on 100% of the minimum solvency margin (2015: 100%).

太平人壽之內含價值(續)

4. 主要假設(續)

4.5 死亡率

經驗死亡率乃按中國人壽保險業經驗生命表(2000-2003)非養老金業務表,加三年選擇期之70%比率為基準計算,就年金產品而言,按中國人壽保險業經驗生命表(2000-2003)養老金業務表的男性及女性的比率分別為80%及70%為基準計算。

4.6 發病率

經驗發病率乃按報備發生率之70%比率加三年選擇期為基準計算。

4.7 賠付率

發病率根據本集團本身的定價表假設計算。短期意外及健康險業務的賠付率乃假設以36%到62%之間的比率計算(二零一五年:39%到53%)。

4.8 退保

退保假設乃基於太平人壽之精算定價假設,並作出調整,以反映其最近之經驗考察結果。

4.9 資本要求

資本要求是按最低償付能力的100%計算(二零一五年:100%)。

Embedded Value 內含價值

EMBEDDED VALUE OF TPL (Continued)

太平人壽之內含價值(續)

5. SENSITIVITY TESTING

5. 敏感性測試

Sensitivity testing in respect of the following key assumptions are summarised below:

有關主要假設之敏感性測試概述如下：

At 31 December 2016, HK\$ million

於二零一六年十二月三十一日，百萬港元

Assumptions 假設		Value of in-force business after cost of capital 有效業務價值 扣除資本成本後	New business value after cost of capital 新業務價值 扣除資本成本後
Base scenario	基本情景	47,919	9,115
Risk discount rate of 11.5%	風險貼現率為11.5%	46,367	8,590
Risk discount rate of 10.5%	風險貼現率為10.5%	49,588	9,681
Investment return increased by 50bp every year	投資回報每年提高50點子	53,152	10,528
Investment return decreased by 50bp every year	投資回報每年下跌50點子	42,662	7,697
10% increase in mortality rates	死亡率提高10%	47,632	9,035
10% decrease in mortality rates	死亡率下跌10%	48,207	9,196
10% increase in morbidity rates	發病率提高10%	47,149	8,897
10% increase in lapse rates	退保率提高10%	47,910	8,917
10% decrease in lapse rates	退保率下跌10%	47,973	9,335
10% increase in expense ratio assumption	費用率假設提高10%	47,480	8,976
Results on the same assumption basis as 2015 (investment return at 5.5%)	二零一五年同假設口徑結果 (投資收益率5.5%)	53,480	10,607

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

EXECUTIVE DIRECTORS

執行董事

Mr. WANG Bin

Chairman, Chairman of the Nomination Committee and
the Corporate Governance Committee and
Member of the Remuneration Committee

Aged 58

Joined the Board in 2012

王濱先生

董事長兼提名委員會及
企業管治委員會主席及
薪酬委員會成員

58歲

於二零一二年加入董事會

Current Positions Held within the Group 於本集團 所擔任的其他現任職務	TPL 太平人壽	Chairman, 2013-Present 董事長，二零一三年至今
Current Key Positions Held in TPG 於中國太平集團 所擔任的現任主要職務	TPG 中國太平集團	Chairman, 2012-Present 董事長，二零一二年至今
	TPG (HK) 中國太平集團(香港)	Chairman, 2012-Present 董事長，二零一二年至今
Past Key Positions Held within the Group 曾於本集團 擔任的主要職務	TPI 太平財險	Chairman 董事長
	TPAM 太平資產	Chairman 董事長
Past Offices 曾任職務	Bank of Communications Co., Ltd. 交通銀行股份有限公司	Executive Director 執行董事 Vice President 副行長
		Served in several positions including Deputy General Manager of the Beijing Branch, General Manager of the Tianjin Branch, General Manager of the Beijing Branch, President of the Beijing Management Department of Head Office 歷任多項職務，包括北京分行副行長、天津 分行行長、北京分行行長、總行北京管理部 總裁
	Agricultural Development Bank of China 中國農業發展銀行	Served in several positions including Head of Planning Office, Office Assistant Manager and Office Manager, General Manager of Jiangxi Branch 歷任多項職務，包括籌備組辦公室負責人、 辦公室副主任及主任，以及江西分行行長
Education, Qualification & Experience 學歷、專業資格及經驗	Nankai University, China 中國南開大學	Doctor of Philosophy in Economics 經濟學博士學位
	Southwestern University of Finance and Economics, China 中國西南財經大學	Master Degree in Economics 經濟學碩士學位
	Heilongjiang Institute of Commerce, China 中國黑龍江商學院	Bachelor Degree in Economics 經濟學學士學位
		Researcher 研究員

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. LI Jinfu

Vice Chairman, General Manager and Member of the Remuneration Committee, the Corporate Governance Committee and the Risk Management Committee
Aged 59
Joined the Board in 2014

李勁夫先生

副董事長、總經理及薪酬委員會、
企業管治委員會及
風險管理委員會成員
59歲
於二零一四年加入董事會

Current Positions Held within the Group 於本集團所擔任的其他現任職務	<p>TPL 太平人壽</p> <p>TPI 太平財險</p> <p>TPP 太平養老</p> <p>TPAM 太平資產</p>	<p>Director, 2014-Present 董事，二零一四年至今</p> <p>Chairman, 2014-Present 董事長，二零一四年至今</p> <p>Director, 2014-Present 董事，二零一四年至今</p> <p>Director, 2014-Present 董事，二零一四年至今</p>
Current Key Positions Held in TPG 於中國太平集團所擔任的現任主要職務	<p>TPG 中國太平集團</p> <p>TPG (HK) 中國太平集團（香港）</p>	<p>Vice Chairman, 2014-Present 副董事長，二零一四年至今</p> <p>General Manager, 2014-Present 總經理，二零一四年至今</p> <p>Vice Chairman, 2014-Present 副董事長，二零一四年至今</p> <p>General Manager, 2014-Present 總經理，二零一四年至今</p>
Past Key Positions Held in TPG 曾於中國太平集團擔任的主要職務	<p>TPG 中國太平集團</p> <p>TPG (HK) 中國太平集團（香港）</p>	<p>Chairman of the Board of Supervisors 監事長</p> <p>Director 董事</p> <p>Deputy General Manager 副總經理</p> <p>Director 董事</p> <p>Deputy General Manager 副總經理</p>
Past Offices 曾任職務	<p>China Insurance Regulatory Commission ("CIRC") 中國保險監督管理委員會 （「中國保監會」）</p> <p>People's Insurance Company of China ("PICC") 中國人民保險公司 （「中國人民保險」）</p>	<p>Served in several positions including Assistant to Chairman, Director of Property Insurance Regulatory Department (Reinsurance Regulatory Department), Deputy Director and Director of Jiangsu Branch, Director of Nanjing Special Commissioner's Office 歷任多項職務，包括主席助理、財產保險監管部（再保險監管部）主任、江蘇監管局副局長及局長、南京特派員辦事處主任</p> <p>Deputy General Manager of Guangdong Branch and General Manager of Guangzhou Branch 廣東分公司副總經理兼廣州分公司總經理</p>
Education, Qualification & Experience 學歷、專業資格及經驗	<p>Party School of Guangdong Province 廣東省委黨校</p> <p>Wuhan University, China 中國武漢大學</p>	<p>Economics Management 經濟管理專業</p> <p>Finance and Insurance 金融保險專業</p>

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. WANG Tingke

Deputy General Manager and

Member of the Corporate Governance Committee

Aged 52

Joined the Board in August 2016

王廷科先生

副總經理及

企業管治委員會成員

52歲

於二零一六年八月加入董事會

Current Positions Held within the Group 於本集團 所擔任的其他現任職務	<p>TPL 太平人壽</p> <p>TPI 太平財險</p> <p>TPP 太平養老</p> <p>TPAM 太平資產</p>	<p>Director, 2015-Present 董事，二零一五年至今</p> <p>Director, April 2016-Present 董事，二零一六年四月至今</p> <p>Chairman, 2015-Present 董事長，二零一五年至今</p> <p>Director, January 2016-Present 董事，二零一六年一月至今</p>
Current Key Positions Held in TPG 於中國太平集團 所擔任的現任主要職務	<p>TPG 中國太平集團</p> <p>TPG (HK) 中國太平集團（香港）</p>	<p>Director, December 2016-Present 董事，二零一六年十二月至今</p> <p>Deputy General Manager, 2015-Present 副總經理，二零一五年至今</p> <p>Director, December 2016-Present 董事，二零一六年十二月至今</p> <p>Deputy General Manager, 2015-Present 副總經理，二零一五年至今</p>
Past Offices 曾任職務	<p>China Everbright Group Limited 中國光大集團股份公司</p> <p>Everbright Financial Holding Asset Management Co., Ltd 光大金控資產管理有限公司</p> <p>China Everbright (Group) Corporation 中國光大（集團）總公司</p> <p>Sun Life Everbright Life Insurance Co., Ltd. 光大永明人壽保險有限公司</p> <p>Everbright Trust Company* 光大信託公司</p> <p>China Everbright Bank 中國光大銀行</p> <p>Harbin Finance College 哈爾濱高等金融專科學校</p>	<p>General Manager of the Equity Management Department 股權管理部總經理</p> <p>Non-executive Director 非執行董事</p> <p>General Manager of the Equity Management Department 股權管理部總經理</p> <p>Non-executive Director 非執行董事</p> <p>Head of Preparatory Team 籌備組組長</p> <p>General Manager of Taiyuan Branch, General Manager of R&D Department, Deputy General Manager of Retail Banking Department, Assistant General Manager of R&D Department 太原分行行長，發展研究部總經理，零售業務部 副總經理，發展研究部總經理助理</p> <p>Teacher 教師</p>
Education, Qualification & Experience 學歷、專業資格及經驗	<p>School of Economics and Finance, Xi'an Jiaotong University, China (Former Shanxi Institute of Finance) 中國西安交通大學經濟金融學院 (原陝西財經學院)</p>	<p>Doctorate Degree in Economics 經濟學博士學位</p> <p>Master Degree in Economics 經濟學碩士學位</p> <p>Bachelor Degree in Economics 經濟學學士學位</p>

* for identification purpose only

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Ms. YU Xiaoping

Member of the Corporate Governance Committee and

Member of the Risk Management Committee

Aged 53

Joined the Board in February 2017

于小萍女士

企業管治委員會成員及

風險管理委員會成員

53歲

於二零一七年二月加入董事會

Current Key Positions Held in TPG 於中國太平集團 所擔任的現任主要職務	TPG 中國太平集團 TPG (HK) 中國太平集團(香港)	Director* 董事* Director* 董事*
Past Offices 曾任職務	The Export-Import Bank of China 中國進出口銀行	Member of the Business Committee 行務委員 General Manager of the Risk Management Department 風險管理部總經理 Served in various positions including General Manager of the Accounting and Clearing Department, the General Manager of the Special Account Financing Department, the President of Guangdong Branch and the President of Tianjin Branch 歷任多項職務，包括會計清算部總經理、特別融資帳戶部總經理、廣東省分行行長及天津分行行長
Education, Qualification & Experience 學歷、專業資格及經驗	Tsinghua University, China 中國清華大學 Central Institute of Finance and Banking, China 中國中央財政金融學院	Executive Master of Business Administration 高級管理人員工商管理碩士學位 Bachelor Degree in Economics 經濟學學士學位

* subject to relevant regulatory approval
有待相關監管部門批准

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

NON-EXECUTIVE DIRECTORS

非執行董事

Mr. HUANG Weijian

Aged 55

Joined the Board in 2013

黃維健先生

55歲

於二零一三年加入董事會

Current Key Positions

Held in TPG

於中國太平集團

所擔任的現任職務

TPG

中國太平集團

TPG (HK)

中國太平集團(香港)

Non-Executive Director, 2013-Present

非執行董事，二零一三年至今

Non-Executive Director, 2013-Present

非執行董事，二零一三年至今

Past Offices

曾任職務

Ministry of Finance of China

中國財政部

Deputy Director of the Rural Integrated Reform Working Group Office, the State Council of China

國務院農村綜合改革工作小組辦公室副主任

Served in several positions in the Ministry of Finance including Deputy Director of the General Affairs and Reform Department, Director of the General Affairs and Reform Department (General Affairs Department) Payment Management Division, the Income and Fund Policy Management Division, the Housing and Land Division

在財政部歷任多項職務，包括綜合與改革司副處長、綜合與改革司(綜合司)收費管理處、收入與基金政策管理處、住房土地處處長

Education, Qualification & Experience

學歷、專業資格及經驗

University of Science and Technology of China

中國科學技術大學

Doctor of Philosophy in Management Science and Engineering

管理科學與工程專業博士學位

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. ZHU Xiangwen

Member of the Risk Management Committee

Aged 49

Joined the Board in 2013

祝向文先生

風險管理委員會成員

49歲

於二零一三年加入董事會

<p>Current Key Positions Held in TPG 於中國太平集團 所擔任的現任職務</p>	<p>TPG 中國太平集團</p>	<p>Non-Executive Director, 2013-Present 非執行董事，二零一三年至今</p>
<p>Past Offices 曾任職務</p>	<p>TPG (HK) 中國太平集團（香港）</p>	<p>Non-Executive Director, 2013-Present 非執行董事，二零一三年至今</p>
<p>Past Offices 曾任職務</p>	<p>Ministry of Finance of China 中國財政部</p>	<p>Served in several positions including Deputy Director of the Fifth Division of the Legal Affairs Department, Deputy Director of the Enterprise Financial Management Division of the Tibet Department of Finance (aid Tibet), Deputy Director, Researcher and Director of the Second Division of the Legal Affairs Department, Director of the Comprehensive Department, Deputy Director-General of the Legal Affairs Department 歷任多項職務，包括條法司五處副處長、西藏財政廳企業財務管理處副處長（援藏）、條法司二處副處長、調研員及處長、綜合處處長、條法司副司長</p>
<p>Education, Qualification & Experience 學歷、專業資格及經驗</p>	<p>Renmin University of China 中國人民大學</p>	<p>Economics Law, Law Department 法律系經濟法專業</p>

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. WU Changming

Aged 50

Joined the Board in 2013

武常命先生

50歲

於二零一三年加入董事會

Current Key Positions Held in TPG 於中國太平集團 所擔任的現任職務	TPG 中國太平集團	Non-Executive Director, 2013-Present 非執行董事，二零一三年至今
	TPG (HK) 中國太平集團（香港）	Non-Executive Director, 2013-Present 非執行董事，二零一三年至今
Past Offices 曾任職務	People's Bank of China 中國人民銀行	Served in several positions including Assistant Researcher of the Business Management Supervision Division of the Internal Audit Department, Deputy Director and Director of the Financial Audit Division of the Internal Audit Department, Director of the Exit Audit Department, Deputy Director of the Graduate School, Director of the Second Division of the Disciplinary Committee and Supervisory Bureau 歷任多項職務，包括內審司業務管理監督處助理調研員、內審司財務審計處副處長及處長、離任審計處處長、研究生部副主任、紀委及監察局紀檢監察二室主任
Education, Qualification & Experience 學歷、專業資格及經驗	Hunan College of Finance and Economics, China 中國湖南財經學院	Master of Finance, International Finance Department 國際金融系金融學專業碩士

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. NI Rongming

Member of the Risk Management Committee

Aged 59

Joined the Board in 2013

倪榮鳴先生

風險管理委員會成員

59歲

於二零一三年加入董事會

Current Key Positions Held in TPG 於中國太平集團 所擔任的現任職務	TPG 中國太平集團	Non-Executive Director, 2013-Present 非執行董事，二零一三年至今
	TPG (HK) 中國太平集團（香港）	Non-Executive Director, 2013-Present 非執行董事，二零一三年至今
Past Offices 曾任職務	People's Bank of China 中國人民銀行	Served in several positions including Vice President and President of the Liupanshui Branch, President of the Guiyang Branch and Vice President of the Guiyang Central Sub-Branch 歷任多項職務，包括六盤水市分行副行長及行長、貴陽市分行行長、貴陽中心支行副行長
	CIRC 中國保監會	Served in several positions including Assistant Director of the Chengdu Office, Deputy Director and Director of the Sichuan Bureau 歷任多項職務，包括成都保監辦主任助理、四川保監局副局長及局長
Education, Qualification & Experience 學歷、專業資格及經驗	Party School of Guizhou Province, China 中國貴州省委黨校	Economics Management 經濟管理專業

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. WU Jiesi

Chairman of the Audit Committee, Member of the
Remuneration Committee and the Nomination Committee

Aged 65

Joined the Board in 2000

獨立非執行董事

武捷思博士

審核委員會主席、薪酬委員會及提名委員會成員

65歲

於二零零零年加入董事會

Other Current Offices 其他現任職務	<p>China Citic Bank International Limited 中信銀行(國際)有限公司</p> <p>Industrial and Commercial Bank of China (Asia) Limited 中國工商銀行(亞洲)有限公司</p> <p>China Life Franklin Asset Management Co., Limited 中國人壽富蘭克林資產管理有限公司</p> <p>Silver Base Group Holdings Limited 銀基集團控股有限公司</p> <p>Shenzhen Investment Limited 深圳控股有限公司</p> <p>Beijing Enterprises Holdings Limited 北京控股有限公司</p>	<p>Independent Non-Executive Director ("INED") 獨立非執行董事</p> <p>INED 獨立非執行董事</p> <p>Independent Director 獨立董事</p> <p>Non-Executive Director 非執行董事</p> <p>Non-Executive Director 非執行董事</p> <p>INED 獨立非執行董事</p>
Past Offices 曾任職務	<p>China Merchant Securities Co. Ltd. 招商證券股份有限公司</p> <p>China Aoyuan Property Group Limited 中國奧園地產集團股份有限公司</p> <p>China Water Affairs Group Limited 中國水務集團有限公司</p> <p>China Merchants Bank Co., Ltd 招商銀行股份有限公司</p> <p>Zhonghui Mining Industry Africa Limited 中輝礦業非洲有限公司</p> <p>Yingli Green Energy Holding Company Limited 英利綠色能源有限公司</p> <p>Hopson Development Holdings Limited 合生創展集團有限公司</p> <p>Guangdong Tannery Limited 粵海制革有限公司</p> <p>Guangdong Investment Limited 粵海投資有限公司</p> <p>GDH Limited 廣東控股有限公司</p> <p>Guangdong Yue Gang Investment Holdings Company Limited 廣東省粵港投資控股有限公司</p> <p>Guangdong Province, China 中國廣東省</p> <p>Shenzhen Municipal Government, China 中國深圳市政府</p> <p>ICBC Shenzhen Branch 中國工商銀行深圳分行</p>	<p>Independent Director 獨立董事</p> <p>Vice Chairman 董事會副主席 Non-Executive Director 非執行董事</p> <p>Non-Executive Director 非執行董事</p> <p>INED 獨立非執行董事</p> <p>Chairman 董事長</p> <p>INED 獨立非執行董事</p> <p>Managing Director 董事總經理 Chief Executive Officer 行政總裁</p> <p>Honorary President 名譽董事長</p> <p>Honorary President 名譽董事長</p> <p>Chairman 董事長</p> <p>Chairman 董事長</p> <p>Assistant to the Governor 省長助理</p> <p>Deputy Mayor 副市長</p> <p>President 行長</p>
Education, Qualification & Experience 學歷、專業資格及經驗	<p>Nankai University, China 中國南開大學</p>	<p>Professor of Theoretical Economics 理論經濟學教授 Doctorate Degree in Economics 經濟學博士學位 Extensive experience in finance and management 擁有豐富的金融和管理經驗</p>

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. ZHU Dajian

Chairman of the Remuneration Committee,

Member of the Audit Committee and the Nomination Committee

Aged 63

Joined the Board in 2014

諸大建先生

薪酬委員會主席、

審核委員會及提名委員會成員

63歲

於二零一四年加入董事會

Other Current Offices
其他現任職務

Tongji University
同濟大學

Distinguished Professor
特聘教授
PhD instructor, School of Economics and
Management
經濟與管理學院博士生導師
Director of Institute of Governance for Sustainable
Development
可持續發展與管理研究所所長

**The State Foundation
for Social Sciences**
國家哲學社會科學規劃管理學科組

Expert
專家

**Social Science Commission,
Ministry of Education of China**
中國教育部社會科學委員會

Member
管理學部委員

**Shanghai Municipal Government,
China**
中國上海市政府

Special Policy Advisor
決策諮詢特聘專家

**Ellen MacArthur Foundation,
United Kingdom; Enel
Foundation, Italy;
Firmenich, Switzerland**
英國 Ellen MacArthur Foundation、
意大利 Enel Foundation、
瑞士 Firmenich 基金會及跨國公司

Member of International Expert Committee
國際專家委員會成員

Chiho-Tiande Group Limited
齊合天地集團有限公司

INED
獨立非執行董事

Past Offices
曾任職務

Harvard University, United States
美國哈佛大學

Senior Research Scholar
高級研究學者

Melbourne University, Australia
澳洲墨爾本大學

Senior Visiting Scholar
高級訪問學者

Education, Qualification &
Experience
學歷、專業資格及經驗

Tongji University, China
同濟大學

Doctorate Degree in Management
管理學博士學位

Chinese Academy of Sciences
中國科學院

Master of Science Degree
理學碩士學位

Qinghai University, China
中國青海大學

Graduate
畢業

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. WU Ting Yuk Anthony

Member of the Remuneration Committee and
the Nomination Committee

Aged 62

Joined the Board in 2013

胡定旭先生

薪酬委員會及提名委員會成員

62歲

於二零一三年加入董事會

Other Current Offices 其他現任職務	<p>12th Chinese People's Political Consultative Conference National Committee 第十二屆中國人民政治協商會議全國委員會</p> <p>The China Oxford Scholarship Fund 英國牛津大學中國獎學基金會</p> <p>Power Assets Holdings Limited 電能實業有限公司</p> <p>Guangdong Investment Limited 粵海投資有限公司</p> <p>Bank of Tokyo-Mitsubishi UFJ, Ltd. 三菱東京UFJ銀行</p> <p>State Council's Medical Reform Leadership Advisory Committee, PRC 國務院深化醫改領導小組專家諮詢委員會</p> <p>Public Policy Advisory Committee of the National Health and Family Planning Commission of the PRC 中國國家衛生和計劃生育委員會公共政策專家諮詢委員會</p> <p>State Administration of Traditional Chinese Medicine, PRC 國家中醫藥管理局</p> <p>Chinese Medicine Reform and Development Advisory Committee, PRC 中醫藥改革發展專家諮詢委員會</p> <p>Sincere Watch (Hong Kong) Limited</p> <p>Hong Kong General Chamber of Commerce 香港總商會</p>	<p>Member of Standing Committee 常務委員</p> <p>Chairman 主席</p> <p>INED 獨立非執行董事</p> <p>INED 獨立非執行董事</p> <p>Chief Advisor 首席顧問</p> <p>Member 委員</p> <p>Advisor 顧問</p> <p>Principal Advisor 首席顧問</p> <p>Member 委員</p> <p>Deputy Chairman 副主席 Executive Director 執行董事</p> <p>Director 理事</p>
Past Offices 曾任職務	<p>Agricultural Bank of China Limited 中國農業銀行股份有限公司</p> <p>Fidelity Funds 富達基金</p> <p>Hong Kong Hospital Authority 香港醫院管理局</p> <p>Hong Kong General Chamber of Commerce 香港總商會</p> <p>Bauhinia Foundation Research Center 智經研究中心</p> <p>Ernst & Young PLLC 安永會計師事務所</p>	<p>INED 獨立非執行董事</p> <p>INED 獨立非執行董事</p> <p>Chairman 主席</p> <p>Chairman 主席</p> <p>Chairman and Director 主席及理事</p> <p>Chairman of Far East and China 遠東及中國區主席</p>
Education, Qualification & Experience 學歷、專業資格及經驗	<p>Institute of Chartered Accountants in England and Wales 英格蘭及威爾斯特許會計師公會</p> <p>Faculty of Medicine of the Chinese University of Hong Kong 香港中文大學醫學院</p> <p>Hong Kong College of Community Medicine 香港社會醫學院</p> <p>Peking Union Medical College Hospital 北京協和醫院</p> <p>Institute of Certified Management Accountants, Australia, Hong Kong Branch 澳洲管理會計師公會香港區</p> <p>Government of HKSAR 香港特別行政區政府</p>	<p>Fellow 資深會員</p> <p>Honorary Professor 榮譽教授</p> <p>Honorary Fellow 榮譽院士</p> <p>Honorary Professor 榮譽教授</p> <p>Honary Chairman 榮譽主席</p> <p>Justice of the Peace 太平紳士 Awarded Gold Bauhinia Star 頒授金紫荊星章</p>

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. XIE Zhichun

Chairman of the Risk Management Committee,
Member of the Audit Committee,
the Remuneration Committee and
the Nomination Committee

Aged 59

Joined the Board in 2015

解植春先生

風險管理委員會主席及審核委員會、
薪酬委員會及提名委員會成員

59歲

於二零一五年加入董事會

Other Current Offices 其他現任職務	<p>China Fortune Financial Group Limited 中國富強金融集團有限公司</p> <p>China Minsheng Banking Corp., Ltd. 中國民生銀行股份有限公司</p> <p>Elife Holdings Limited 易生活控股有限公司</p> <p>Consultation Committee of Shenzhen Qianhai Shekou Free Trade Zone and Qianhai Shenzhen Hong Kong Cooperation Zone 深圳前海蛇口自貿片區及前海深港合作區諮詢委員會</p> <p>PBC School of Finance, Tsinghua University, China 中國清華大學·五道口金融學院</p> <p>China Center for Special Economic Zone Research, Shenzhen University, China 中國深圳大學·中國經濟特區研究中心</p>	<p>Chairman, Executive Director 執行董事及主席</p> <p>INED 獨立非執行董事</p> <p>Non-Executive Director 非執行董事</p> <p>Vice Chairman 副主任委員</p> <p>Graduate Supervisor 碩士研究生導師</p> <p>Distinguished Professor 特聘教授</p>
Past Offices 曾任職務	<p>China Investment Corporation 中國投資有限責任公司</p> <p>Central Huijin Investment Ltd. 中央匯金投資有限責任公司</p> <p>China Everbright Group Limited 中國光大集團股份公司</p> <p>Sun Life Everbright Life Insurance Co., Ltd. 光大永明人壽保險有限公司</p> <p>China Everbright Bank Company Limited 中國光大銀行</p> <p>Everbright Securities Company Limited 光大證券有限責任公司</p> <p>Securities Association of China 中國證券業協會</p> <p>China Everbright Asia-Pacific Company Limited 中國光大亞太有限公司</p> <p>China Enterprises Association (Singapore) 新加坡中資企業協會</p> <p>China Everbright Ltd. 中國光大控股有限公司</p> <p>China Everbright Bank, Dalian Branch 中國光大銀行大連分行</p> <p>China Everbright Bank, Heilongjiang Branch 中國光大銀行黑龍江分行</p>	<p>Executive Vice President 副總經理</p> <p>Executive Director, President 執行董事·總經理</p> <p>Executive Director 執行董事</p> <p>Vice-President 副總經理</p> <p>Chairman 董事長</p> <p>Vice President 副行長</p> <p>Director 董事 Chief Executive Officer 總裁 Vice President 副總裁</p> <p>Vice Chairman (unattending) 副會長(不駐會)</p> <p>Executive Director 執行董事</p> <p>President 總裁</p> <p>Vice Chairman 副會長</p> <p>Director 董事</p> <p>Deputy President 副行長</p> <p>General Manager of International Department 國際業務部總經理</p>
Education, Qualification & Experience 學歷、專業資格及經驗	<p>Institute of Economic Research of Nankai University, China 中國南開大學經濟研究所</p> <p>Harbin Institute of Technology, China 中國哈爾濱工業大學</p> <p>Heilongjiang University, China 中國黑龍江大學</p>	<p>Doctor of Philosophy in Economics 經濟學博士學位</p> <p>Master Degree in Economics 經濟學碩士學位</p> <p>Bachelor Degree in Philosophy 哲學學士學位</p> <p>Senior Economist 高級經濟師</p>

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

SENIOR MANAGEMENT

高級管理層

Mr. REN Shengjun

任生俊先生

Deputy General Manager

副總經理

Aged 53

53歲

Became Senior Management in 2015

於二零一五年成為高級管理層

Current Positions Held within the Group 於本集團所擔任的其他現任職務	TPL 太平人壽	Director 董事
	TPI 太平財險	Director 董事
	TPP 太平養老	Director 董事
	TPAM 太平資產	Chairman 董事長
	TPFH 太平金控	Chairman 董事長
Current Key Positions Held in TPG 於中國太平集團所擔任的現任職務	TPG 中國太平集團	Deputy General Manager 副總經理
	TPG (HK) 中國太平集團(香港)	Deputy General Manager 副總經理
Education, Qualification & Experience 學歷、專業資格及經驗	Central University of Finance and Economics, China (Former Central Institute of Finance and Banking) 中國中央財經大學 (原中央財政金融學院)	Master Degree in Economics 經濟學碩士學位
	Central Institute of Finance and Banking, China 中國中央財政金融學院	Accountancy 會計專業

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. HONG Bo

Deputy General Manager

Aged 46

Became Senior Management in August 2016

洪波先生

副總經理

46歲

於二零一六年八月成為高級管理層

Current Positions Held within the Group 於本集團 所擔任的其他現任職務	TPAM 太平資產	Director 董事
	TPP 太平養老	Director 董事
	TPeC 太平電商	Chairman 董事長
Current Key Positions Held in TPG 於中國太平集團 所擔任的現任職務	TPG 中國太平集團	Deputy General Manager 副總經理
	TPG (HK) 中國太平集團(香港)	Deputy General Manager 副總經理
Education, Qualification & Experience 學歷、專業資格及經驗	School of Power and Energy Engineering, Shanghai Jiaotong University, China 中國上海交通大學 動力與能源工程學院	Doctorate Degree in Thermal Turbomachinery Engineering 熱力葉輪機械專業博士學位
	Shanghai Jiaotong University, China 中國上海交通大學	Master Degree in Power Engineering 電廠熱能動力工程專業碩士學位
	Shanghai Jiaotong University, China 中國上海交通大學	Bachelor Degree in Thermal Energy Engineering 熱能工程專業學士學位

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. JIAO Yanjun

Assistant to General Manager

Aged 44

Became Senior Management in 2013

焦艷軍先生

總經理助理

44歲

於二零一三年成為高級管理層

Current Positions Held within the Group 於本集團 所擔任的其他現任職務	TPAM 太平資產	Director 董事
	TPP 太平養老	Director 董事
	SZTPI 深圳市太平投資	Chairman 董事長
	TPIH 太平投資控股	Chairman 董事長
	TPSM 太平養管	Executive Director 執行董事
Current Key Positions Held in TPG 於中國太平集團 所擔任的現任職務	TPG 中國太平集團	Assistant to General Manager 總經理助理
	TPG (HK) 中國太平集團(香港)	Assistant to General Manager 總經理助理
Education, Qualification & Experience 學歷、專業資格及經驗	Tsinghua University School of Economics and Management, China 中國清華大學經濟管理學院	Executive Master of Business Administration 高級管理人員工商管理碩士學位
	Beijing Agricultural Engineering University, China 中國北京農業工程大學	Bachelor Degree in Engineering 工學學士學位

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. CHEN Mo

Chief Internal Auditor

Aged 57

Became Senior Management in 2013

陳默先生

稽核總監

57

於二零一三年成為高級管理層

Current Positions Held within the Group 於本集團 所擔任的其他現任職務	<p>TPL 太平人壽</p> <p>TPI 太平財險</p> <p>TPP 太平養老</p> <p>TPFAS 太平金融稽核服務</p> <p>TPFH 太平金控</p> <p>TP Macau 太平澳門</p> <p>TP Japan 太平日本</p>	<p>Chairman of the Board of Supervisors 監事長</p> <p>Director 董事</p> <p>Director 董事</p> <p>Executive Director 執行董事</p> <p>Director 董事</p> <p>Chairman of the Board of Supervisors 監事長</p> <p>Board of Supervisor 監事</p>
Current Key Positions Held in TPG 於中國太平集團 所擔任的現任職務	<p>TPG 中國太平集團</p> <p>TPG (HK) 中國太平集團(香港)</p>	<p>Person-in-charge of Auditing Chief Internal Auditor 審計責任人、稽核總監</p> <p>Person-in-charge of Auditing Chief Internal Auditor 審計責任人、稽核總監</p>
Education, Qualification & Experience 學歷、專業資格及經驗	<p>University of South Australia 澳大利亞南澳大學</p> <p>Sichuan School of Finance and Economics, China 中國四川財經學院</p>	<p>Master of Business Administration 工商管理碩士學位</p> <p>Bachelor Degree in Economics 經濟學學士學位</p>

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

Mr. ZHANG Ruohan

Joint Company Secretary

Aged 41

Became Senior Management in 2013

張若哈先生

聯席公司秘書

41歲

於二零一三年成為高級管理層

Current Positions Held within the Group 於本集團 所擔任的其他現任職務	TPL 太平人壽	Director 董事
	TPI 太平財險	Director 董事
	TPAM 太平資產	Director 董事
	TPL (HK) 太平人壽香港	Director 董事
Current Key Positions Held in TPG 於中國太平集團 所擔任的現任職務	TPG 中國太平集團	Secretary of the Board of Directors 董事會秘書
	TPG (HK) 中國太平集團(香港)	Company Secretary 公司秘書
Education, Qualification & Experience 學歷、專業資格及經驗	University of Giordano Dell' Amore Foundation, Italy	Master Degree in Finance 經濟學學士學位
	Central University of Finance and Economics, China 中國中央財經大學	Bachelor Degree in Finance 金融學碩士學位

Biographical Details of Directors, Senior Management and Joint Company Secretary 董事、高級管理層及聯席公司秘書之履歷

JOINT COMPANY SECRETARY

聯席公司秘書

Mr. ZHANG Ruohan

(For biographical details, please refer to the "Senior Management" Section)

張若晗先生

(有關履歷請參閱「高級管理層」一段)

Mr. NGAI Wai Fung

Joint Company Secretary

Aged 55

Became Joint Company Secretary in 2015

魏偉峰先生

聯席公司秘書

55歲

於二零一五年成為聯席公司秘書

Current Offices 現任職務	SW Corporate Services Group Limited 信永方圓企業服務集團有限公司	Director 董事
		Chief Executive Officer 行政總裁
	The Hong Kong Institute of Chartered Secretaries 香港特許秘書公會	Past President 前會長
	Working Group on Professional Services of the Economic Development Commission by the Chief Executive of the HKSAR 香港特別行政區行政長官委任經濟發展委員會專業服務業工作小組	Member 成員
	Qualifications and Examinations Board by the Hong Kong Institute of Certified Public Accountants 香港會計師公會專業資格及考試委員會	Member 成員
	Hong Kong Shue Yan University 香港樹仁大學	Adjunct Professor of Law 法律兼任教授
Education, Qualification & Experience 學歷、專業資格及經驗	Shanghai University of Finance and Economics, China 中國上海財經大學	Doctor of Finance 金融博士學位
	Andrews University, United States 美國安德魯大學	Master of Business Administration 工商管理碩士學位
	The Hong Kong Polytechnic University 香港理工大學	Master of Corporate Finance 企業融資碩士學位
	University of Wolverhampton, United Kingdom 英國華瑞漢普頓大學	Bachelor of Laws (with Honours) 法律(榮譽)學士學位
	The Hong Kong Institute of Chartered Secretaries 香港特許秘書公會	Fellow 資深會員
	The Institute of Chartered Secretaries and Administrators of the United Kingdom 英國特許秘書及行政人員公會	Fellow 資深會員
	The Hong Kong Institute of Certified Public Accounts 香港會計師公會	Member 會員
	The Association of Chartered Certified Accountants of the United Kingdom 英國特許公認會計師公會	Fellow 資深會員

Report of the Directors

董事會報告書

The directors respectfully submit their annual report together with the audited financial statements for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are the underwriting of direct life insurance business in the PRC and Hong Kong, direct property and casualty insurance business in the PRC, Hong Kong and overseas, pension and group life business, and all classes of global reinsurance business. The Company's subsidiaries also carry on operations in asset management, insurance intermediary, E-commerce for insurance, financial leasing, property investment, senior living investment, securities dealing and broking business. The principal activities and other particulars of the subsidiaries are set out in Note 17 of the consolidated financial statements.

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

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

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2016 are set out in the sections headed "Chairman Statement" and "Management Review and Analysis" of this annual report, respectively. This discussion forms part of this Directors' Report.

董事會全人謹將截至二零一六年十二月三十一日止年度的年報及經審核財務報表呈覽。

主要業務

本公司的主要業務是投資控股。本公司之附屬公司主要從事中國內地及香港的直接人壽保險業務、中國內地、香港及海外的直接財產保險業務、養老及團體人壽保險，以及各類全球再保險業務。此外，本公司之附屬公司亦從事資產管理、保險中介、保險有關的電子商務、金融租賃、物業投資、養老產業投資、證券交易及經紀業務。附屬公司的主要業務及其他資料載於綜合財務報表附註17。

本公司及其附屬公司於本財務年度的主要業務分析載於綜合財務報表附註3。

董事相信毋須分析各地區之溢利貢獻亦可對其業務作合理評估。

業務回顧

本集團截至二零一六年十二月三十一日止年度的業務回顧分別載於本年報之「董事長致辭」及「管理層回顧和分析」一節。有關討論屬本董事會報告的一部分。

Report of the Directors

董事會報告書

BUSINESS REVIEW (Continued)

Risk Factors

In the future, downside risks of the global economy increase constantly, growth of emerging markets and economies in developing countries continue to slow down, economy of China is under pressure, and uncertainties in capital markets continued to heighten; in respect of regulations, there is continuous promotion in rate marketisation, C-ROSS becomes effective in 2016, and demands for quality customer services increase continuously; in respect of other industry players, new companies from banking sector, channel sector, geographical sector and internet emerge, the use of new technologies becomes more popular, all these pose huge challenges to the Company. It is expected that the PRC insurance industry will have a growth rate of approximately 10% to 15% this year. Below are our assessments on major risks considering current macroeconomic development and the changes in the insurance market, together with the internal development trend of the Company and the requirements under the latest insurance regulations:

(I) Insurance Risk, Market Risk, Credit Risk and Liquidity Risk

The details of the insurance risk, market risk, credit risk and liquidity risk faced by the Company and their mitigation measures are elaborated in Note 2 “Insurance, financial and capital risk management” to the consolidated financial statements.

(II) Strategic Risks

In order to achieve the “creating the most unique and high potential boutique insurance company” strategic target of the Group, the Group continued to seek a wider room for market development with an open-minded vision. Under the reformation and upgrade of insurance industry, the Group will continuously carry out reformation and innovation, optimise strategic planning, endeavour to push forward innovative business areas or strategies, such as agricultural insurance, pension and health insurance, developing cross-border life reinsurance business, developing internet insurance and internet finance, innovating new products in order to strengthen its competitiveness and provide new motivation for development. However innovations also bring uncertainty to the Group and increase the difficulty for risk management.

業務回顧 (續)

風險因素

未來全球經濟下行的風險不斷增大，新興市場和發展中經濟體增長繼續放緩，中國經濟面臨下行壓力，資本市場不確定性持續增加；監管方面費率市場化持續推進、中國「償二代」政策二零一六年開始實施、客戶服務要求不斷提升；保險同業方面銀行板塊、條線板塊、地方板塊以及互聯網等新公司不斷湧現，新技術運用越來越快，給公司帶來了很大的挑戰。今年中國保險行業發展初步預期增速在10%~15%左右。根據目前宏觀經濟形勢及保險市場環境變化，結合公司內部發展趨勢及最新保險監管要求，評估公司面臨的主要風險如下：

(一) 保險風險、市場風險、信用風險及流動性風險

有關本公司面臨的保險風險、市場風險、信用風險及流動性風險的描述及減低風險的措施詳情載於綜合財務報表附註2「保險、財務及資本風險管理」一節。

(二) 戰略風險

為實現集團「打造最具特色和潛力的精品保險公司」的戰略目標，集團持續以開放的視野尋求更廣闊的市場發展空間。在保險業轉型升級新形勢下，為提升競爭力，集團未來將持續推進轉型升級和創新，優化戰略佈局，大力推動諸如農業保險、養老健康保險、跨境壽險再保業務、互聯網保險和互聯網金融、創新型產品等業務，為公司提供新的發展動力，但同時也可能給集團帶來不確定性因素，風險管理難度增大。

Report of the Directors

董事會報告書

BUSINESS REVIEW (Continued)

Risk Factors (Continued)

(II) Strategic Risks (Continued)

For the next step, the Group will continue to implement active management of innovation risks while promoting innovation, intensify the risk study on innovating new fields, implement the risk management and control mechanism of “synchronised planning, synchronised design and synchronised operation” of risk management and business innovation, continuously enhance the establishment of internal control system with new development, new policy, new field, new business, new technique and new product and strictly prevent risks incurred from the innovation process through establishing a management mechanism and process for new business.

(III) Operational Risks

The regulatory authorities continued to carry out special inspection and onsite inspection and evaluation for the industry last year. The overall status of the Group is good, yet with room for improvement on certain aspects. The Group will continue to rely on its “four in one” risk governance mechanism to conduct a comprehensive monitoring and inspection over the problems occurred in the business and strengthen the management correspondingly. Through continued measures of strengthening the compliance training and promoting risk oriented evaluation, the Group will practically intensify the sense of compliance for the front line staff and improve business and management compliance standard in order to safeguard the successful implementation of the Group’s “creating the most unique and high potential boutique insurance company” strategy.

Compliance with Laws and Regulations

The Group consistently complies with the relevant laws and regulations and regulatory requirements, operates each task combing the features of the Group. To the best of our knowledge, in 2016, the Group complied with the Hong Kong Companies Ordinance, the Listing Rules, and the SFO, while complying with the requirements of domestic regulatory authorities including CIRC to ensure that the Group will not occur systematic and regional risk.

業務回顧 (續)

風險因素 (續)

(二) 戰略風險 (續)

下一步，集團將繼續在推進創新的同時實施對創新風險的主動管理，加大對創新領域的風險研究，實施風險管理與業務創新「同步規劃、同步設計、同步運作」的風險管控機制，持續加強新動態、新政策、新領域、新業務、新技術以及新產品的內控體系建設，通過建立創新業務的風險管理機制與流程嚴防創新過程中出現的風險。

(三) 操作風險

過去一年監管機構持續開展行業專項檢查及現場檢查評估等工作，集團總體情況良好，但在某些方面還存在改進空間。未來集團繼續依託集團「四位一體」監督機制，對業務和管理過程中存在的問題進行全方位、立體式的監督檢查。通過持續強化合規培訓及推進風險考核等措施切實增強基層工作人員的依法合規意識，提高業務和管理的合規水準，從而保障集團「打造最具特色和潛力的精品保險公司」戰略順利實施。

遵守法律及法規

本集團一貫遵循外部相關法律法規及監管規定要求，並結合本集團特點開展各項工作。盡我們所知，二零一六年本集團遵照香港《公司條例》、《上市規則》、《證券及期貨條例》等法規及監管要求，同時遵守中國保監會等境內監管機構規定，確保集團嚴守不發生系統性、區域性風險的底線。

Report of the Directors

董事會報告書

BUSINESS REVIEW (Continued)

Environmental policy and performance

The Group has devoted itself to promote the development of the environmental, social and corporate governance and endeavoured to “Be a responsible corporate citizen and contribute to the sustainable development of the market, working environment, society and environment” (「做個有責任的企業公民，銳意為市場、工作環境、社區及環境的可持續發展貢獻力量」)。In respect of environmental management, China Taiping directed active publicity campaigns of environmental protection to its staff and have staff jointly involved in putting into practice the environmental protection through conveying green environmental protection notion. The Group advocated that staff should commute by subway, by bus and other environmentally friendly means and organized tree planting. Subsidiaries of the Group including TPL organised “Taiping Loves Forest” (「太平愛心林」) tree planting activities for organizations in nearly 20 provinces, including Beijing, Heilongjiang and Jiangxi, etc.

For the management of office of the major headquarters, we have adopted measures including strengthening the environmental protection target responsibility, promoting the usage of new techniques for energy conservation and environmental protection, eliminating the lighting products with low efficiency, strictly controlling the air-conditioners and heaters, improving the cleansing and discharging of sewage, and further categorising the waste treatment, which built an energy conservation and environmental protection management measure.

Details of the Group’s Corporate Social Responsibility (“CSR”) performance in 2016 are disclosed in the 2016 CSR Report.

Relationships with key stakeholders

The Group’s success also depends on the support from key stakeholders which comprise employees, customers, individual agents and bancassurance staff and shareholders.

業務回顧 (續)

環境政策及表現

本集團一直以來致力於推動環境、社會與企業管治的發展，努力「做個有責任的企業公民，銳意為市場、工作環境、社區及環境的可持續發展貢獻力量」。在環境治理方面，中國太平積極開展面向員工的環保宣傳活動，通過傳遞綠色環保理念，帶動員工共同踐行環境保護。集團宣導員工採用地鐵、公車等綠色出行方式上下班，組織參加植樹。集團旗下太平人壽等在北京、黑龍江、江西等近二十省市機構廣泛開展「太平愛心林」植樹活動。

對於主要機關辦公大樓的管理，採取了強化節能環保目標責任、推廣使用節能環保新技術、淘汰低效照明產品、嚴格空調和熱流量控制、做好污水淨化排放、細化垃圾分檢處理等措施，構建了節能環保的管理模式。

有關本集團在二零一六年企業社會責任表現的詳情載於《二零一六年企業社會責任報告》。

與主要持份者的關係

本集團的成功亦依賴主要持份者，包括客戶、僱員、個險代理人及銀保業務人員及股東的支持。

Report of the Directors

董事會報告書

BUSINESS REVIEW *(Continued)*

Relationships with key stakeholders *(Continued)*

Clients

The Group proactively takes care of the needs of clients at all time. Guided by the philosophy of “Customer Care” (「客戶關懷」) and “Brand Pioneering” (「品牌引領」), subsidiaries including TPL have launched a series of customer service brands and health brands, such as “Taiping Meeting With Masters” talk (「太平名家之約」), “Taiping Hand-in-hand Public Welfare” (「太平手把手公益」), “Taiping Family” (「太平家文化」). “Taiping Green Tree Space” (「太平綠樹空間」) and “Taiping Health Management” (「太平健康管理」), and strived to offer all-around top-quality experience to customers of Taiping through our annual “Customer Service Festival”. The four major customer service campaigns brands “Taiping Hand-in-hand Public Welfare” (「太平手把手公益」), “Taiping Family” (「太平家文化」). “Taiping Green Tree Space” (「太平綠樹空間」) have been registered in Trademark Office of The State Administration for Industry & Commerce of the People’s Republic of China, which was pioneer in the industry, having making achievements in branding the customer service peculiar to China Taiping.

TPI focused on the new trend including big data, real-time communication and internet finance and constantly speeded up the input in information technologies and the introduction of emerging technologies. TPI adopted the leading service technologies including automatic quoting, automatic loss accounting, automatic claim accounting, E-Claims (E 理賠) and WeChat Claims (微信理賠), to provide customers with more efficient and convenient insurance services.

To better serve customer demands, TPP continued to innovate products and operation models and achieved rapid development in individual pension protection by such innovative initiatives as cooperating with internet-based banks. TPP is exploring to start worksite marketing, proactively providing medical and health protection for enterprise staff, so as to serve our customers wholeheartedly.

業務回顧 *(續)*

與主要持份者的關係 *(續)*

客戶

本集團始終積極關注客戶需求，旗下太平人壽等近年來在「客戶關懷」方面，以「品牌引領」為主旨，體系化推出了「太平名家之約」、「太平手把手公益」、「太平家文化」、「太平綠樹空間」和「太平健康管理」等客戶服務活動品牌和健康品牌，並通過每年一度的「客戶服務節」，為太平客戶打造全方位的優質體驗。其中，四大客服活動品牌「太平名家之約」、「太平手把手公益」、「太平家文化」、「太平綠樹空間」在國家商標總局進行註冊，開行業之先河，在打造中國太平獨有的客服烙印方面，已取得了階段性成果。

太平財險著眼於大數據、即時通訊、互聯網金融等新趨勢，不斷加大信息化投入和新興技術引進步伐，通過自動報價、自動核損、自動理算、自動核賠、E理賠、微信理賠等業內領先的服務技術，為廣大客戶提供更高效更便捷的保險服務。

太平養老為更好滿足客戶需求，持續創新產品和運營模式，通過與互聯網銀行合作等創新舉措，實現了個人養老保障業務迅猛發展；探索開展職域行銷業務，積極為企業員工提供符合需求的醫療健康保障產品，用心為客戶提供貼心的服務。

Report of the Directors

董事會報告書

BUSINESS REVIEW (Continued)

Relationships with key stakeholders (Continued)

Employees

For employees, the Group establishes sound training system, scientific and reasonable remuneration and incentive scheme for employees. It facilitates the development of the employees in multi-channels and attaches great importance on their health and families so as to raise their happiness as a whole. In addition, the Group advocated “All staff fitness and the strengthening of staff bodies”, the life philosophy of sports and health and a balance between work and life.

Individual Insurance Agent and Bancassurance Staff

The Group provides all kinds of training for individual insurance agent, such as pre-post training for newly recruited employees, basic insurance knowledge training, 135 training and link-up training, helping newcomers to learn industry regulations, master essential knowledge and skills, and have clear development goals. The Group also provides training for associate business managers, business managers promotion training and quarterly theme training for business managers, so as to improve business managers’ team management ability. Meanwhile, the Group offers senior managers promotion training, senior executive management seminar, sales-related practical courses for sales department, in order to achieve synergetic development of high performance individual and organization by improving team management ability from both theory cognition and practical operation perspectives.

As for bancassurance channel, the Group is committed to maintaining good business partnerships with banks and promoting long-term business interest, while adhering to the philosophy of “training is the greatest staff benefits” to offer basic training projects such as pre-post training, link-up training, sales department managers/regional director training and internet online-learning and to actively promote performance incentives training such as Nova Forum, Fortune 500 Forum, and Organization Development Forum. Apart from providing various training courses, the Group has also built a development platform and an effective incentive system for bancassurance sales staff to enable them to develop rapidly and to provide them with broad development space, which in turn making our bancassurance sales team highly competitive.

業務回顧 (續)

與主要持份者的關係 (續)

僱員

在僱員方面，本集團建立起良好的培訓體系和科學合理的員工薪酬激勵機制，構建員工發展的多通道，重視員工身心健康與家庭，提高員工幸福指數。此外，本集團號召「全民健身運動、增強員工體質」，宣導運動健康的生活理念和工作與生活的平衡。

個險代理人及銀保業務人員

本集團向個險代理人提供各級制式的培訓，如新人崗前培訓、保險基礎知識培訓、135培訓和銜接培訓等，幫助新人瞭解行業法規，掌握必備的知識和技能，明確發展目標；準業務經理培訓、業務經理晉升培訓、業務經理季度主題輪訓，提升業務經理人員的小組經營能力；高級經理晉升培訓、高階主管經營研討會和營業部專業經營的相關實戰課程，從理論認知和實務操作兩個方面提升團隊經營能力，以推動績優人力和績優組織協同發展。

而銀保渠道方面，本集團在與銀行維持良好業務夥伴關係並促進長遠商業利益的同時，秉持「培訓是最大的福利」原則，不僅持續舉辦新人崗前培訓、銜接育成培訓、營業部經理／區域總監培訓及互聯網在線學習等基礎培訓項目，而且積極推動「新星論壇」「財富500強論壇」「組織發展論壇」等績優激勵培訓。除提供豐富立體的培訓課程外，本集團還為銀保業務人員搭建快速成長平臺，建立有效的激勵體系並營造廣闊發展空間，銀保業務隊伍極具競爭力。

Report of the Directors

董事會報告書

BUSINESS REVIEW (Continued)

Relationships with key stakeholders (Continued)

Shareholders

One of the corporate goals of the Group is to enhance corporate value to shareholders. The Group is promoting business developments for achieving the sustainability of earnings growth.

MAJOR INSURANCE CUSTOMERS

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

		Percentage of the Group's total gross premiums written and policy fees 佔本集團毛承保保費及保單費收入總額的百分比
The largest insurance customer	最大保險客戶	1.1%
Five largest insurance customers in aggregate	五大保險客戶合計	3.8%

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

CONSOLIDATED FINANCIAL STATEMENTS

The profit of the Group for the year ended 31 December 2016 and the state of the Group's affairs at that date are set out in the consolidated financial statements on page 122 to 306.

業務回顧 (續)

與主要持份者的關係 (續)

股東

本集團其中一個企業目標是為股東提升企業價值。本集團旨在促進業務發展以實現可持續盈利增長。

主要保險客戶

主要保險客戶於本財務年度佔本集團的毛承保保費及保單費收入的資料載列如下：

本公司的董事、其緊密聯繫人士或任何股東（據董事所知持有本公司已發行股份數目5.0%以上）均沒有於本年度內任何時間擁有這些主要保險客戶的任何權益。

綜合財務報表

本集團截至二零一六年十二月三十一日止年度的溢利和本集團於該日的財務狀況載於第122至306頁的綜合財務報表內。

Report of the Directors

董事會報告書

DIVIDEND

No interim dividend was declared during the Year (2015: Nil). The Board recommended the payment of a final dividend of 10 HK cents per share in respect of the year ended 31 December 2016 (2015: Nil), which is subject to the approval by the shareholders at the forthcoming annual general meeting of the Company. If approved, the said dividend will be paid on or about 12 July 2017 to shareholders whose names appear on the register of members of the Company on 3 July 2017.

SHARE CAPITAL

During the Year, there is no exercise of options under the Company's share option scheme. Details of the shares issued in the year ended 31 December 2016 are set out in Note 38 of the consolidated financial statements.

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

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

DISTRIBUTABLE RESERVES

As at 31 December 2016, the Company's reserves available for distribution amounted to HK\$1,544 million (2015: HK\$22.10 million).

EQUITY LINKED AGREEMENTS

Save for the share option schemes of the Company as set out in Note 42 of the consolidated financial statements and "Share Option Scheme" section contained in this Director's Report, no equity linked agreements entered into by the Group, or existed during the Year.

DONATIONS

During the Year, the Group made charitable donations of HK\$2.79 million (2015: HK\$3.22 million).

股息

本年度內並無宣派中期股息(二零一五年:無)。董事會建議派發截至二零一六年十二月三十一日止年度末期股息每股10港仙(二零一五年:無),股息須於本公司即將舉行之股東周年大會中獲股東批准。如獲得批准,本公司將於二零一七年七月十二日左右向於二零一七年七月三日名列本公司股東名冊之股東派發上述股息。

股本

於本年度內並無根據本公司認股權計劃行使之認股權。有關本公司截至二零一六年十二月三十一日止年度已發股本的詳情載於綜合財務報表附註38。

購買、出售或贖回本公司的上市證券

本公司或任何其附屬公司於本年度內概無購入、出售或贖回任何本公司的上市證券。

可分配儲備

於二零一六年十二月三十一日,本公司可供分配的儲備合共為15.44億港元(二零一五年:2,210萬港元)。

股票掛鈎協議

除於綜合財務報表附註42及本董事會報告書「認股權計劃」一節載述的本公司認股權計劃外,本集團並無訂立或存在任何股票掛鈎協議。

捐款

於本年度內,本集團作出279萬港元(二零一五年:322萬港元)的慈善捐款。

Report of the Directors

董事會報告書

BOARD OF DIRECTORS

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

Executive directors

WANG Bin
LI Jinfu
WANG Tingke (appointed on 25 August 2016)
YU Xiaoping (appointed on 28 February 2017)
MENG Zhaoyi (resigned on 25 August 2016)

Non-executive directors

HUANG Weijian
ZHU Xiangwen
WU Changming
NI Rongming
WU Jiesi*
ZHU Dajian*
WU Ting Yuk Anthony*
XIE Zhichun*

* Independent

In accordance with Articles 93 and 97 of the Company's articles of association, Messrs. WANG Tingke, YU Xiaoping, WU Changming and ZHU Dajian, shall retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

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

Subject to the approval of the shareholders at the Company's annual general meeting, the emoluments of the directors will be determined by the Remuneration Committee and the Board of Directors of the Company.

A list of names of all the directors who have served on the boards of the Company's subsidiaries during the Year is available on the Company's website at www.ctih.cntaiping.com.

董事會

於本年度及截至本年報日本公司的董事如下：

執行董事

王濱
李勁夫
王廷科(於二零一六年八月二十五日委任)
于小萍(於二零一七年二月二十八日委任)
孟昭億(已於二零一六年八月二十五日請辭)

非執行董事

黃維健
祝向文
武常命
倪榮鳴
武捷思*
諸大建*
胡定旭*
解植春*

* 獨立

根據本公司的組織章程細則條文第93及97條，王廷科先生、于小萍女士、武常命先生及諸大建先生將於即將召開的股東周年大會退任，而他們均符合資格及願膺選連任。

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

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

於本年度內，所有出任本公司附屬公司董事會的董事姓名名單已載於本公司網站 www.ctih.cntaiping.com。

Report of the Directors

董事會報告書

CONFIRMATION OF INDEPENDENCE

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

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

In accordance with Rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by the Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) between 25 August 2016 (being the date of approval of the Company's 2016 Interim Report and 23 March 2017 (being the date of approval of the Company's 2016 Annual Report) is set out below:

Mr. WANG Bin has resigned as the chairman of TPAM with effect from September 2016 and resigned as a director of TPAM with effect from November 2016.

Mr. WU Ting Yuk Anthony was re-designated from Co-Chairman to Deputy Chairman of Sincere Watch (Hong Kong) Limited with effect from October 2016, and was appointed as an honorary professor of Peking Union Medical College Hospital with effect from March 2017.

Mr. WANG Tingke was appointed as a director of TPG and TPG (HK) with effect from December 2016.

Ms. YU Xiaoping was appointed as an executive director, a member of the corporate governance committee and a member of the risk management committee with effect from February 2017.

Mr. XIE Zhichun was appointed as an independent non-executive director of China Minsheng Banking Corp., Ltd. with effect from October 2016, and was appointed as a non-executive director of Elife Holdings Limited, with effect from November 2016, and was appointed as an executive director and the chairman of the board of China Fortune Financial Group Limited with effect from January 2017.

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

DIRECTORS' SERVICE CONTRACTS

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

獨立性的確認

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

董事資料的變動

根據上市規則第13.51B(1)條，於二零一六年八月二十五日（為通過本公司二零一六年中期報告當日）至二零一七年三月二十三日（為通過本公司二零一六年年報當日）期間，董事按第13.51(2)條第(a)至(e)段及第(g)段規定披露資料的變動如下：

於二零一六年九月，王濱先生辭任太平資產董事長，並於二零一六年十一月，辭任太平資產董事。

於二零一六年十月，胡定旭先生於Sincere Watch (Hong Kong) Limited的任職由聯席主席調任為副主席，並於二零一七年三月，獲委任為北京協和醫院榮譽教授。

於二零一六年十二月，王廷科先生獲委任為中國太平集團及中國太平集團（香港）董事。

於二零一七年二月，于小萍女士獲委任為本公司執行董事、企業管治委員會成員及風險管理委員會成員。

於二零一六年十月，解植春先生獲委任為中國民生銀行股份有限公司獨立非執行董事；於二零一六年十一月，獲委任為易生活控股有限公司非執行董事；及於二零一七年一月，獲委任為中國富強金融集團有限公司執行董事及董事會主席。

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

董事的服務合約

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

Report of the Directors

董事會報告書

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

As at 31 December 2016, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise which had to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

During the Year, save as disclosed in the section headed "Share option scheme", no Directors nor any of their spouses or children under the age of 18 years held any rights to subscribe for equity or debt securities of the Company nor was there been any exercise of any such rights by any of them.

PERMITTED INDEMNITY PROVISION

The Company's Articles of Association provides that every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities which they may sustain or incur in or about the execution of the duties of their office or otherwise in relation thereto.

The Company has taken out and maintained directors' liability insurance throughout the year, which provides appropriate cover for the Directors and directors of the subsidiaries of the Group.

SHARE OPTION SCHEME

At the extraordinary general meeting of the Company held on 7 January 2003, the shareholders of the Company approved the adoption of the New Scheme and the termination of the Old Scheme. The New Scheme is in line with the prevailing requirements of Chapter 17 of the Listing Rules in relation to share option schemes. The New Scheme expired on 6 January 2013, and no more options will be granted. However, in respect of any options which remain exercisable at the end of the Year, the provisions of the New Scheme shall remain in full force and effect. No options have been cancelled during the Year.

董事及最高行政人員的股份、相關股份及債權證的權益及淡倉

於二零一六年十二月三十一日，本公司董事及最高行政人員在本公司及其相聯法團（根據證券及期貨條例第XV段的釋義）的股份、相關股份或債權證中概無擁有任何按證券及期貨條例第352條規定存置登記冊的記錄所載，或按上市公司董事進行證券交易的標準守則要求，需要知會本公司及聯交所的權益及淡倉。

在本年度，除於「認股權計劃」一段所披露外，並無任何董事或任何他們的配偶或未滿十八歲的子女擁有權利認購本公司的股本或債務證券，亦並無任何上述人士行使任何此等權利。

獲准許的彌償條文

本公司組織章程細則規定，每位董事有權就其任期內或因執行其職務而可能遭致或發生與此相關之損失或責任從本公司資產中獲得賠償。

本公司於年內已購買及維持董事責任保險，為本公司及本集團附屬公司董事提供適當的保障。

認股權計劃

於本公司在二零零三年一月七日舉行的股東特別大會上，本公司股東批准採納新計劃，並終止舊計劃。新計劃符合上市規則第十七章有關認股權計劃當時的規定。新計劃已於二零一三年一月六日到期及不會再授出任何認股權，惟就於期限結束之時所有仍可行使的認股權而言，新計劃的條文將繼續全面有效。本年度內並無認股權取消。

Report of the Directors

董事會報告書

SHARE OPTION SCHEME (Continued)

As of 31 December 2016, the directors and employees of the Company had the following interests in options to subscribe for shares of the Company (market value per share at 31 December 2016 was HK\$16.00) granted at nominal consideration under the New Scheme. Each unit of option gives the holder the right to subscribe for one share.

Grantees 承授人	No. of options outstanding at the beginning of the Year 於年初 未行使的 認股權數目	No. of options outstanding at the end of the Year 於年末 未行使的 認股權數目	Date granted 賦予日期	Period during which options exercisable 可行使認股權期間	No. of options granted during the Year 已授出的 認股權數目	No. of shares acquired in exercise of options during the Year 年內行使 認股權 購入的 股份數目	No. of options lapsed during the Year 年內失效 認股權數目	Price	¹ Market value	² Market value
	per share to be paid on exercise of options 行使 認股權時 應付的 每股股價	per share at date of grant of options during the Year 於年內 授出認股權 日期的 每股股價						per share on exercise of options during the Year 於年內 行使認股權 日期的 每股股價		
Employee 僱員	842,240	842,240	26/02/2007	26/02/2007 to 25/02/2017	-	-	-	HK\$9.014	-	-

notes:

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

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

SHARE AWARD SCHEME

The Share Award Scheme of the Company was adopted by the board of directors (the "Board") on 10 September 2007 ("Adoption Date"). Unless terminated earlier by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date, and after such period no new award of Shares shall be granted.

As at 31 December 2016, the net total number of shares held under the Share Award Scheme was 969,200 shares (2015: 969,200 shares). As at 31 December 2016, no shares were awarded to selected employees (2015: Nil shares) subject to the terms of the Share Award Scheme, but have not yet vested in such selected employees.

No Shares were awarded to the Directors during the Year.

認股權計劃 (續)

於二零一六年十二月三十一日，本公司的董事及僱員根據新計劃以名義價款獲賦予可認購本公司股份（於二零一六年十二月三十一日每股市價為16.00港元）的認股權中擁有以下權益。每份認股權賦予持有人認購一股股份的權利。

註：

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

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

股份獎勵計劃

董事會已於二零零七年九月十日（「採納日」）採納本公司的股份獎勵計劃。除非董事會提早終止計劃，否則，股份獎勵計劃由採納日期起十年內有效，於該期間後不得獎授新股份。

於二零一六年十二月三十一日，根據股份獎勵計劃持有之股份淨額為969,200股（二零一五年：969,200股）。於二零一六年十二月三十一日，當中並無已根據股份獎勵計劃的條款獎授但未歸屬予選定僱員（二零一五年：無）。

本年度內沒有獎授股份予董事。

Report of the Directors

董事會報告書

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

主要股東及其他人士的股份及相關股份的權益及淡倉

As of 31 December 2016, the interests and short positions of the shareholders, other than a director or chief executive of the Company, in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

於二零一六年十二月三十一日，按證券及期貨條例第336條規定存置之登記冊的記錄所載不屬於本公司董事或最高行政人員的股東在本公司的股份及相關股份中擁有的權益及淡倉如下：

Substantial shareholders 主要股東	Capacity 身份	Number of ordinary shares 普通股股數	Long position/ short position 好倉／淡倉	Percentage of issued share capital 佔已發行股份%
TPG 中國太平集團	Interest of controlled corporation 控股公司的權益	2,143,423,856 (note 1) (註1)	Long Position 好倉	59.64
TPG (HK) 中國太平集團(香港)	1,822,454,779 shares as beneficial owner and 320,969,077 shares (note 2) as interest of controlled corporation 1,822,454,779股為實益擁有人及320,969,077股(註2)為受控法團的權益	2,143,423,856	Long Position 好倉	59.64

notes:

註：

(1) TPG's interest in the Company is held by TPG (HK), Easiwell Limited ("Easiwell"), Golden Win Development Limited ("Golden Win") and Manhold Limited ("Manhold"), all of which are wholly-owned subsidiaries of TPG.

(1) 中國太平集團於本公司之權益由中國太平集團(香港)、易和有限公司(「易和」)、金和發展有限公司(「金和」)及汶豪有限公司(「汶豪」)持有，各公司均為中國太平集團之全資附屬公司。

(2) 168,098,887 shares are held by Easiwell, 86,568,240 shares are held by Golden Win and 66,301,950 shares are held by Manhold.

(2) 168,098,887股股份由易和持有，86,568,240股股份由金和持有，而66,301,950股股份由汶豪持有。

Save as disclosed above, the register required to be kept under section 336 of the SFO showed that the Company had not been notified of any interests or short positions in the Shares and underlying Shares of the Company as at 31 December 2016.

除上述者外，按《證券及期貨條例》第336條規定存置之登記冊的記錄所示，本公司並無接獲通知任何有關於二零一六年十二月三十一日在本公司的股份及相關股份中擁有的權益或淡倉。

Report of the Directors

董事會報告書

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

DIRECTORS' MATERIAL INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transactions, arrangements and contract of significance in relation to the Group's business to which the Company, subsidiaries or fellow subsidiaries or its holding companies, was a party in which a director of the Company had a material interest subsisted at the end of the Year or at any time during the Year.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the Year, the Group does not have any connected transaction or continuing connected transactions which are required to be disclosed in accordance with the requirement of the Listing Rules and none of the related party transactions as disclosed in Note 48 to the consolidated financial statements constitutes a disclosable connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules.

INTEREST BEARING NOTES

Particulars of the interest bearing notes of the Company and the Group as at 31 December 2016 are set out in Note 32 to the consolidated financial statements.

PERPETUAL SUBORDINATED CAPITAL SECURITIES

Particulars of the perpetual subordinated capital securities of the Company as at 31 December 2016 are set out in Note 40 to the consolidated financial statements.

FIVE YEAR SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 316 to 317.

RETIREMENT SCHEMES

Particulars of the retirement schemes are set out in Note 41 to the consolidated financial statements.

管理合約

在本年度內，本公司並無就全盤業務或其中任何重要部份簽訂或存有管理及行政合約。

董事在重要交易、安排或合約擁有的重大權益

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

關連交易及持續關連交易

本集團於本年度內並無訂立任何重大的關連交易或持續關連交易需要根據上市規則的相關要求披露。而於綜合財務報表附註48所披露的關連交易，並不屬上市規則第14A章下的須予披露的關連交易或持續關連交易。

需付息票據

本集團及本公司於二零一六年十二月三十一日有關需付息票據的摘要載於綜合財務報表附註32。

永續次級資本證券

本公司於二零一六年十二月三十一日有關永續次級資本證券的摘要載於綜合財務報表附註40。

五年概要

本集團於過去五個財務年度的業績及資產與負債概要載於第316至317頁。

退休計劃

有關該等退休計劃的摘要載於綜合財務報表附註41。

Report of the Directors

董事會報告書

CORPORATE GOVERNANCE

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

AUDIT COMMITTEE

The Audit Committee has reviewed the results of the Company for the year ended 31 December 2016.

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

PUBLIC FLOAT

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

AUDITOR

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

Prior to the annual general meeting held in 12 June 2014, Messrs. Deloitte Touche Tohmatsu was the auditor of the Company, with its retirement upon the expiration of its terms of office at the conclusion of the annual general meeting for 2014, with Messrs. PricewaterhouseCoopers being appointed as the auditor of the Company.

By Order of the Board
WANG Bin
Chairman

Hong Kong, 23 March 2017

企業管治

有關本年度的本公司企業管治常規的資料載於本年報「企業管治報告書」之內文。

審核委員會

審核委員會已審閱本公司截至二零一六年十二月三十一日止年度之業績。

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

公眾持股量

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

核數師

羅兵咸永道會計師事務所即將告退，並符合資格及願膺選續聘。由羅兵咸永道會計師事務所續聘為本公司核數師的決議，將於即將召開的股東周年大會上提出。

於二零一四年六月十二日的股東周年大會之前，德勤•關黃陳方會計師行為本公司之核數師，德勤•關黃陳方會計師行已於二零一四年股東周年大會結束任期屆滿時退任，並由羅兵咸永道會計師事務所接任為本公司的核數師。

承董事會命
董事長
王濱

香港，二零一七年三月二十三日

Corporate Governance Report

企業管治報告書

CORPORATE GOVERNANCE PRACTICES

The Company is committed to the establishment of good standards of corporate governance practices by emphasizing transparency, accountability and responsibility to our shareholders. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of our shareholders, to comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance practices.

During the Year under review, the Company has complied with the Code Provisions set out in the “Corporate Governance Code” contained in Appendix 14 of the Listing Rules (the “Code”) with the following exceptions:

1. Non-executive directors are not appointed for a specific term, but are subject to retirement by rotation and re-election at the Company’s annual general meeting in accordance with the Company’s Articles of Association.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by directors. Having made specific enquiries of all of the directors, the Company confirms that all of the directors have complied with the required standards set out in the Model Code during the Year under review.

BOARD OF DIRECTORS

The Board is collectively responsible for overseeing the management of the business and affairs of the Group. The Board currently is comprised of a total of twelve directors, with four executive directors, four non-executive directors, and four independent non-executive directors.

The names of the directors are set out in this annual report under the section headed “Corporate Information”.

The biographies of the directors are set out in this annual report under the section headed “Biographical Details of Directors, Senior Management and Joint Company Secretary”.

企業管治常規

本公司致力於制訂良好的企業管治常規，尤其著重公司透明度及問責性。董事會不時審閱其企業管治常規，以滿足股東期望及符合越趨嚴謹的監管要求，並履行其優質企業管治的承諾。

於本年度內，本公司已遵守上市規則附錄14所載之企業管治守則（「守則」），惟以下除外：

1. 非執行董事是沒有指定的任期，惟須根據本公司組織章程細則於本公司的股東周年大會上輪值告退及膺選連任。

董事進行證券交易

本公司已採納上市規則附錄10所載的標準守則作為有關董事進行證券交易的守則。在向所有董事作出特定查詢後，所有董事確認於本年度內已遵守標準守則規定所載的要求標準。

董事會

董事會共同負責監察本集團的業務及各事務的管理工作。董事會現時由十二位董事組成，包括四位執行董事、四位非執行董事及四位獨立非執行董事。

董事名單詳載於本年報「公司資料」標題下之內文。

董事的履歷詳載於本年報「董事、高級管理層及聯席公司秘書之履歷」標題下之內文。

Corporate Governance Report

企業管治報告書

BOARD OF DIRECTORS (Continued)

董事會 (續)

During the Year, the attendance records of the directors for Board, various board committees and general meetings are as follows:

本年度內，各董事出席董事會會議、各董事委員會會議及股東大會的出席紀錄如下：

		Attendance/No. of meetings 出席次數/會議次數							
		Board Meetings 董事會	AC 審核委員會	RC 薪酬委員會	NC 提名委員會	CGC 企業管治 委員會	RMC 風險管理 委員會	General Meeting 股東大會	
Executive Directors									
Mr. WANG Bin	王濱先生	4/6	-	0/1	0/1	0/1	-	1/1	
Mr. LI Jinfu	李勁夫先生	6/6	-	1/1	-	1/1	2/4	1/1	
Mr. WANG Tingke (appointed on 25 August 2016)	王廷科先生 (於二零一六年 八月二十五日委任)	2/2	-	-	-	-	-	-	
Mr. MENG Zhaoyi (resigned on 25 August 2016)	孟昭億先生 (於二零一六年 八月二十五日辭任)	2/4	-	-	-	1/1	-	0/1	
Non-executive Directors									
Mr. HUANG Weijian	黃維健先生	6/6	-	-	-	-	-	1/1	
Mr. ZHU Xiangwen	祝向文先生	6/6	-	-	-	-	4/4	0/1	
Mr. WU Changming	武常命先生	6/6	-	-	-	-	-	1/1	
Mr. NI Rongming	倪榮鳴先生	6/6	-	-	-	-	4/4	1/1	
Independent Non-executive Directors									
Dr. WU Jiesi	武捷思博士	6/6	1/2	1/1	1/1	-	-	0/1	
Mr. ZHU Dajian	諸大建先生	4/6	2/2	0/1	1/1	-	-	0/1	
Mr. WU Ting Yuk Anthony	胡定旭先生	6/6	-	1/1	1/1	-	-	1/1	
Mr. XIE Zhichun	解植春先生	4/6	1/2	1/1	0/1	-	3/4	0/1	

Note: AC – Audit Committee
RC – Remuneration Committee
NC – Nomination Committee
CGC – Corporate Governance Committee
RMC – Risk Management Committee

Corporate Governance Report

企業管治報告書

BOARD OF DIRECTORS (Continued)

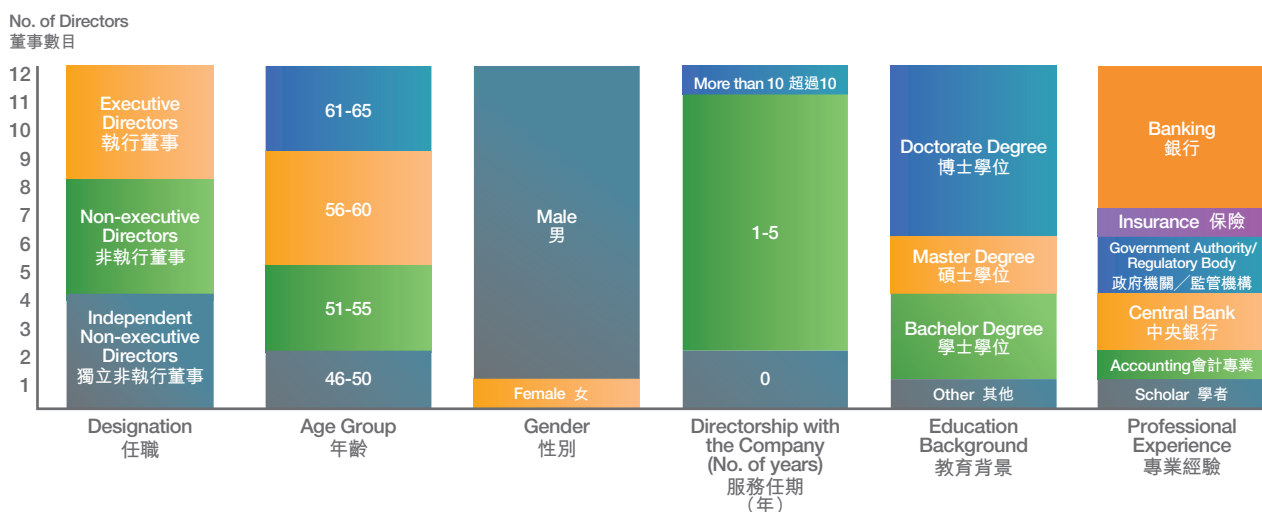
The Board formulates the overall strategy of the Group, monitors its financial performance and maintains an effective corporate governance structure in each individual subsidiary. Daily operations and administration are delegated to the management of each individual subsidiary. During the Year under review, none of the directors above has or maintained any financial, business, family or other material/relevant relationships with any of the other directors.

The non-executive directors and the independent non-executive directors are not appointed for specific terms but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Articles of Association.

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (including without limitation, age, cultural and educational background, professional experience, skills, knowledge, length of service and gender) in August 2013 to comply with the code provision on board diversity.

As at the date of this report, the Board's composition under major criteria for diversity was summarised as follows:



The Board considers that the current board composition is diverse and meets the criteria of the board diversity policy. The Board will review the board diversity from time to time to ensure that the board diversity policy is complied with.

董事會 (續)

董事會擬定本集團之整體戰略，監管其財務表現及確保各間附屬公司具備有效的企業管治架構。日常營運及行政由各間附屬公司的管理層負責。於回顧年度，上述之董事概無與任何其他董事有或保持任何財務、業務、家族或其他重大／相關關係。

非執行董事及獨立非執行董事是沒有指定的任期，惟須根據本公司組織章程細則於本公司的股東周年大會上輪值告退及膺選連任。

董事會多元化政策

董事會於二零一三年八月採納了成員多元化政策（包括但不限於年齡、文化及教育背景、專業經驗、技能、知識、服務任期及性別）以符合有關董事會多元化的守則條文。

於本報告日期，按主要的多元角度看董事會的組成概覽如下：

董事會認為現行董事會的組成是多樣的，符合董事會多元化政策的標準。董事會將不時檢討董事會的多樣性，以確保符合董事會的多元化政策。

Corporate Governance Report

企業管治報告書

DIRECTORS' TRAINING

Directors were given relevant guideline materials regarding the duties and responsibilities for being a director, relevant laws and regulations applicable to the directors and the duties on disclosures of interests. Such induction materials will also be provided to newly appointed directors. All directors, including Mr. WANG Bin, Mr. LI Jinfu, Mr. WANG Tingke, Mr. HUANG Weijian, Mr. ZHU Xiangwen, Mr. WU Changming, Mr. NI Rongming, Dr. WU Jiesi, Mr. ZHU Dajian, Mr. WU Ting Yuk Anthony and Mr. XIE Zhichun, provided their training record and confirmed that they have complied with the code provision A.6.5 by attending relevant seminars, training sessions and reading materials to develop and refresh their knowledge and skills.

CHAIRMAN AND GENERAL MANAGER

Mr. WANG Bin is the chairman, while Mr. LI Jinfu is the General Manager. The roles of the chairman and the general manager are clearly defined, segregated and established in writing and are not exercised by the same individual.

BOARD COMMITTEES

The Company currently has five board committees (namely the Audit Committee, Remuneration Committee, Nomination Committee, Corporate Governance Committee and Risk Management Committee) with defined terms of reference which are posted on the websites of the Company and the Stock Exchange (Terms of reference of the Corporate Governance Committee are posted on the website of the Company only).

董事培訓

各董事已獲提供有關擔任董事之職責及責任、適用於董事之相關法例及規例及權益披露之責任之相關指引資料，而於新任董事獲委任為董事後，亦會向其提供該等就任須知資料。所有董事，包括王濱先生、李勁夫先生、王廷科先生、黃維健先生、祝向文先生、武常命先生、倪榮鳴先生、武捷思博士、諸大建先生、胡定旭先生及解植春先生，均提供其培訓紀錄及確認彼等已透過出席相關主題之座談會、培訓課程及閱讀資料以發展及更新彼等之知識及技能及遵守守則條文第A.6.5條的規定。

董事長及總經理

董事長為王濱先生，而總經理則為李勁夫先生。董事長及總經理的角色是清晰界定、分開並以書面列載的，並非由同一人士擔任。

董事委員會

本公司現設有五個董事委員會（分別為審核委員會、薪酬委員會、提名委員會、企業管治委員會及風險管理委員會），其界定的其職權範圍已載於本公司網站及聯交所網站（企業管治委員會的職權範圍僅載於本公司網站）。

Corporate Governance Report

企業管治報告書

AUDIT COMMITTEE

An Audit Committee with specific written terms of reference was established by the Company on 29 May 2000.

The written terms of reference for the Audit Committee are in accordance with the Code. The Audit Committee meets with the Group's senior management and external auditors regularly to review the effectiveness of the internal control system and the interim and annual results of the Group.

Currently, independent non-executive director, Dr. WU Jiesi, is the chairman of the Audit Committee, with two independent non-executive director, namely Mr. ZHU Dajian and Mr. XIE Zhichun as members.

During the period from 1 January 2016 to the date of this annual report, the Audit Committee held three meetings. The subject matters of the work performed are mainly as set out below:

- Reviewed the interim results, annual results and the system of internal controls of the Company and its subsidiaries for the 2016 financial year;
- Reviewed and recommended the re-appointment of the auditors, approved the remuneration and terms of engagement of the auditors and assessed the auditors' independence, objectivity and the effectiveness of the audit process;
- Reviewed the findings and recommendations of the internal audit function.

審核委員會

本公司於二零零零年五月二十九日成立具有特定成文權責範圍的審核委員會。

審核委員會的書面權責範圍已根據守則編制。審核委員會定期與本集團高級管理層及外聘核數師舉行會議，檢討本集團的內部監控系統的成效及中期與年度業績。

現時審核委員會主席為獨立非執行董事武捷思博士，成員包括兩位獨立非執行董事諸大建先生及解植春先生。

二零一六年一月一日起至本年報日期，審核委員會曾舉行三次會議。審核委員會所履行的主要工作如下：

- 審閱本公司及其附屬公司二零一六年度的中期及年度業績與及內部監控系統；
- 檢討及建議核數師的重新委任、批准核數師的薪酬及聘用條款及檢討核數師的獨立客觀性及核數程序是否有效；
- 審閱內部審計功能的調查結果。

Corporate Governance Report

企業管治報告書

REMUNERATION COMMITTEE

A Remuneration Committee with specific written terms of reference was established by the Company on 24 February 2005.

The principal duties of the Remuneration Committee include the making of recommendations to the Board on the Company's policy and structure for all remuneration of the directors and senior management; the establishment of a formal and transparent procedure for developing the policy on such remuneration and to determine the specific remuneration packages of all executive directors and senior management.

The main principles of the Group's remuneration policies are:

- (a) Remuneration should be determined by taking into consideration factors such as salaries paid by comparable companies, time commitment, responsibility, employment conditions elsewhere in the Group and the appropriateness of performance-based remuneration;
- (b) Performance-based remuneration should be reviewed and approved by reference to the corporate goals and objectives approved by the Board from time to time; and
- (c) No director should be involved in deciding his or her own remuneration.

Currently, independent non-executive director, Mr. ZHU Dajian, is the chairman of the Remuneration Committee, with two executive directors, namely Mr. WANG Bin and Mr. LI Jinfu, three independent non-executive directors, namely Dr. WU Jiesi, Mr. WU Ting Yuk Anthony and Mr. XIE Zhichun, as members.

薪酬委員會

本公司於二零零五年二月二十四日成立具有特定成文權責範圍的薪酬委員會。

薪酬委員會的主要職責包括向董事會就公司所有董事及高級職員薪酬的政策及架構提交建議；設立正式及富透明度的程序以制定該等薪酬的政策及訂定全體執行董事及高級管理層的薪酬待遇。

本集團薪酬政策之主要原則包括下列各項：

- (a) 薪酬應參考如同類公司提供的薪酬，工時、職責、集團內其他職位的僱用條件及應否按表現釐定薪酬等因素而釐定；
- (b) 在審閱及批准按表現而釐定的薪酬時，應參照董事會不時已修訂的公司目標；及
- (c) 董事不應參與釐定其自身的薪酬。

現時薪酬委員會主席為獨立非執行董事諸大建先生，成員包括兩位執行董事王濱先生及李勁夫先生，三位獨立非執行董事，武捷思博士、胡定旭先生及解植春先生。

Corporate Governance Report

企業管治報告書

REMUNERATION COMMITTEE (Continued)

During the period from 1 January 2016 to the date of this annual report, the Remuneration Committee held one meeting. The subject matters of the work performed are mainly as set out below:

- Approved the remuneration and discretionary bonuses of the directors and senior management; and
- Approved the appointment letters of directors.

NOMINATION COMMITTEE

A Nomination Committee with specific written terms of reference was established by the Company on 29 March 2012.

The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of directors and assessing the independence of the independent non-executive directors to ensure that the Board has a balance of expertise, skills, experience and diversity.

Currently, executive director, Mr. WANG Bin, is the chairman of the Nomination Committee, with four independent non-executive directors, namely Dr. WU Jiesi, Mr. ZHU Dajian, Mr. WU Ting Yuk Anthony and Mr. XIE Zhichun, as members.

During the period from 1 January 2016 to the date of this annual report, the Nomination Committee held one meeting. The subject matter of the work performed are mainly as set out below:

- Reviewed the structure, size and composition of the Board;
- Assessed the independence of the independent non-executive directors; and
- Made recommendations to the Board on the appointment and reappointment of directors.

薪酬委員會 (續)

二零一六年一月一日起至本年報日期，薪酬委員會曾舉行一次會議。薪酬委員會所履行的主要工作如下：

- 批准董事及高級管理人員薪酬及酌情花紅；及
- 批准董事的委任函件。

提名委員會

本公司於二零一二年三月二十九日成立具有特定成文職權範圍的提名委員會。

提名委員會主要職責包括負責檢討董事會的組成、就董事的提名及委任制定相關的程序及評核獨立非執行董事的獨立性，以確保董事會之專業知識、技能、經驗及多元化取得平衡。

現時提名委員會主席為執行董事王濱先生，成員包括四位獨立非執行董事，武捷思博士、諸大建先生、胡定旭先生及解植春先生。

由二零一六年一月一日起至本年報日期，提名委員會曾舉行一次會議。提名委員會所履行的主要工作如下：

- 檢討董事會架構、人數及組成；
- 評估獨立非執行董事的獨立性；及
- 就委任及重新委任董事向董事會提供建議。

Corporate Governance Report

企業管治報告書

CORPORATE GOVERNANCE COMMITTEE

A Corporate Governance Committee with specific written terms of reference was established by the Company on 17 October 2014. The principal duties of the Corporate Governance Committee includes developing and reviewing the Company's policies and practices on corporate governance, and the compliance with the corporate governance code.

Ms. YU Xiaoping was appointed as a member of the Corporate Governance Committee on 28 February 2017. Mr WANG Tingke was appointed as a member of the Corporate Governance Committee on 25 August 2016, and Mr. MENG Zhaoyi resigned as a member of the Corporate Governance Committee on the same day. Currently, executive director, Mr. WANG Bin, is the chairman of the Corporate Governance Committee, with three executive directors, namely Mr. LI Jinfu, Mr. WANG Tingke and Ms. YU Xiaoping, as members.

During the period from 1 January 2016 to the date of this annual report, the Corporate Governance Committee held two meetings. The subject matters of the work performed are mainly as set out below:

- Reviewed the training and continuous professional development of the directors and senior management; and
- Reviewed compliance with the code and disclosure in the Corporate Governance Report.

RISK MANAGEMENT COMMITTEE

A Risk Management Committee with specific written terms of reference was established by the Company on 30 December 2016. The principal duties of the Risk Management Committee includes overseeing the Company's and its subsidiaries overall risk management framework with a focus on the second line of defense and to advise the Board on the Group's risk-related matters.

Ms. YU Xiaoping was appointed as a member of the Risk Management Committee on 28 February 2017. Currently, independent non-executive director, Mr. XIE Zhichun, is the chairman of the Risk Management Committee, with two executive directors, namely Mr. LI Jinfu and Ms. YU Xiaoping, two non-executive directors, namely Mr. ZHU Xiangwen and Mr. NI Rongming, as members.

企業管治委員會

本公司於二零一四年十月十七日成立具有特定成文權責範圍的企業管治委員會。企業管治委員會主要職責包括制定及檢討企業管治政策和常規及企業管治守則的遵守情況。

于小萍女士於二零一七年二月二十八日獲委任為企業管治委員會成員，王廷科先生於二零一六年八月二十五日獲委任為企業管治委員會成員，同日孟昭億先生辭任企業管治委員會成員。現時企業管治委員會主席為執行董事王濱先生，成員包括三位執行董事李勁夫先生、王廷科先生和于小萍女士。

二零一六年一月一日起至本年報日期，企業管治委員會曾舉行兩次會議。企業管治委員會所履行的主要工作如下：

- 審閱各董事及高級管理層的培訓及持續專業發展；及
- 審閱守則的合規情況及企業管治報告的披露。

風險管理委員會

本公司於二零一五年十二月三十日成立具有特定成文權責範圍的風險管理委員會。風險管理委員會的主要職責包括監察本公司及其附屬公司的整體風險管理框架，擔當第二道防線，並就本集團的風險相關事宜向董事會提供意見。

于小萍女士於二零一七年二月二十八日獲委任為風險管理委員會成員，現時風險管理委員會主席為獨立非執行董事解植春先生，成員包括兩名執行董事李勁夫先生和于小萍女士、兩名非執行董事祝向文先生及倪榮鳴先生。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT COMMITTEE (Continued)

During the period from 1 January 2016 to the date of this annual report, the Risk Management Committee has held five meetings. The subject matters of the work performed are mainly set out below:

- Reviewed the annual risk management report and compliance report;
- Reviewed a series of administrative measures in respect of risk management; and
- Reviewed the risk appetite of the Group.

AUDITOR'S REMUNERATION

PricewaterhouseCoopers is the auditor of the Company. The services provided by them include audit, other assurance and non-audit services. During the 2016 financial year, the fees paid and payable for the Group was HK\$25.88 million, of which the fees for the statutory audit and other assurance services were HK\$18.66 million and HK\$7.22 million respectively.

DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

The directors acknowledge that it is their responsibility for preparing financial statements which give a true and fair view. The financial statements is prepared on a going concern basis. The directors are not aware of material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The statement of the auditor of the Company on their responsibilities on the financial statements is set out in the Independent Auditor's Report on page 307 to 315.

JOINT COMPANY SECRETARY

Mr. ZHANG Ruohan ("Mr. Zhang") and Mr. NGAI Wai Fung ("Mr. Ngai") are the joint company secretary of the Company. Mr. Zhang is the senior management and joint company secretary. Mr. Ngai is the director and chief executive officer of a corporate service provider, SW Corporate Services Group Limited, and assists Mr. Zhang in company secretarial affairs. Mr. Zhang serves as the primary contact person between Mr. Ngai and the Company. Each of Mr. Zhang and Mr. Ngai has taken no less than 15 hours of the relevant professional training on review of Listing Rules and other compliance requirements during the Year.

風險管理委員會 (續)

由二零一六年一月一日起至本年報日期，風險管理委員會曾舉行五次會議。風險管理委員會所履行的主要工作如下：

- 審閱年度全面風險管理報告及合規報告；及
- 審閱一系列有關風險管理的管理辦法；
- 審閱集團的風險偏好。

核數師酬金

羅兵咸永道會計師事務所為本公司的核數師。彼等所提供的服務包括審計、其他鑑證及非審計服務。於二零一六年財務年度，有關本集團已付及應付的服務費為2,588萬港元，當中法定審計及其他鑑證服務費分別為1,866萬港元及722萬港元。

董事負責編製財務報表

董事確認編製真實與公允的財務報表是彼等的責任。財務報表以公司持續經營為基礎準備。董事並不知悉有重大不明朗事件或情況可能會嚴重影響本公司持續經營的能力。

有關本公司的核數師就財務報表應承擔的責任聲明，詳列於第307至315頁獨立核數師報告書內。

聯席公司秘書

張若晗先生（「張先生」）及魏偉峰先生（「魏先生」）為本公司之聯席公司秘書。張先生為高級管理人員及聯席公司秘書。魏先生為企業服務供應商信永方圓企業服務集團有限公司董事及行政總裁，並協助張先生處理公司秘書事務。張先生為魏先生於本公司主要聯絡人。年內，張先生及魏先生各自參加不少於15小時有關上市規則及其他合規要求的專業培訓。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT

The Company has set up a comprehensive risk management system covering the entire group. The governance structure, rules and regulations, working mechanisms and procedures for risk management have been established and further improved. Additionally, the Board conducted annual review on the Group's risk management according to its duties in order to ensure effectiveness of risk management practice.

During 2016, in compliance with the regulatory requirements including C-ROSS, the Company adopted a "prudently aggressive" risk appetite to cope with various risks during its operation with emphasis on the principle of risk-return tradeoff, thereby pursuing the Company's strategic objective of being "the most unique and potential boutique insurance company" and pushing forward the implementation of China's C-ROSS regulatory requirements in the Group. Meanwhile, the Group continued to improve its comprehensive risk management system by various measures, such as optimizing its risk management organization structure, system procedures, work procedures and human resources allocation, and enhance the independent risk assessment function of the risk management department so as to promote the independent risk assessment in our core businesses and management procedures. At the same time, the Group pushed forward the development of risk management information system and its application to risk management to improve its risk assessment mechanism, and strictly prevent and screen key risks, thus ensuring legal and compliant operation. The Board considers that the risk management and internal control of the Group during 2016 was effective as a whole and that risks were manageable.

I. The Board's Statement in Respect of Comprehensive Risk Management Responsibilities

The Board of the Company will be responsible for establishing and maintaining an effective comprehensive risk management system. The comprehensive risk management of the Company are jointly supervised and implemented by the Board, the management and the staff. The goal of the comprehensive risk management of the Company is to provide reasonable assurance of the legal compliance of our operations and management, assets security and reliability, truthfulness and completeness of financial reports and related information, improvement of operational efficiency and the achievement of company strategies.

全面風險管理

本公司已建立覆蓋全集團的全面風險管理體系，風險管理的組織架構、制度、工作機制與流程等進一步得到建立健全，董事會也根據職責對風險管理工作進行年度審查，保證其執行有效性。

二零一六年本公司結合「償二代」等監管要求，採用「積極進取、穩健審慎」的風險偏好對待經營中面臨的各類風險，強調風險與收益相匹配的原則，以此來支持本公司「打造最具特色和潛力的精品保險公司」戰略目標的實現，並進一步推進中國「償二代」監管要求在集團的落地實施，從風險管理組織架構、制度流程、工作機制、人員配備等方面繼續完善全面風險管理體系，並持續強化風險管理部門獨立風險評估職能，推進獨立風險評估在主要業務與管理流程中的應用，同時推進風險管理信息系統的建設及其在風險管理工作的應用，完善風險考核機制，嚴抓重點風險防範及排查，保證依法合規經營。董事會認為本公司二零一六年風險管理及內部控制整體有效，風險可控。

一、董事會對於全面風險管理責任的聲明

建立健全並有效實施全面風險管理是本公司董事會的職責，本公司全面風險管理由董事會、管理層和全體員工共同實施，本公司全面風險管理的目標為在強調風險與收益相匹配的原則下，確保公司經營管理合法合規、資產安全可靠、財務報告及相關信息真實完整，經營效率效果提高，促進企業實現發展戰略。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT *(Continued)*

I. The Board's Statement in Respect of Comprehensive Risk Management Responsibilities *(Continued)*

Given the limitations of current risk management system, reasonable guarantees can only be given in relation to the objectives mentioned above, and the effectiveness of our risk management over the Company may change as the internal environment, external environment and business situation change.

The Directors conduct regular self-assessment on the risk management system each year and continue to improve its performance. It was considered that no material defect was found in the both the framework design and the execution of the risk management during the reporting period. Although general shortcomings and deficiencies in the risk management found during routine inspections may lead to certain risks, these risks were considered manageable and did not create substantial impact on the financial reporting objectives of the Group. Corrective measures for such risks have been and continue to be implemented. The Board considers that, since the year commencing 1 January of the reporting period, the Group's risk management system has been sound and effective.

The Company's risk management report of 2016 has been completed and has been reviewed and approved by the Board. The Board and all of its members are responsible for the risk management report's truthfulness, accuracy and integrity.

全面風險管理 (續)

一、董事會對於全面風險管理責任的聲明 (續)

由於全面風險管理體系存在固有局限性，本公司對達到上述目標僅提供合理保證；且風險管理的有效性亦可能隨公司內、外部環境及經營情況的改變而改變。

公司董事定期對每年度的全面風險管理體系進行自我評估和持續改進。評估認為，於本報告期內，未發現本公司存在風險管理設計或執行方面的重大缺陷。日常檢查發現的風險管理存在的不足和缺陷可能導致的風險均在可控範圍內，並認真整改落實，對本公司財務報告目標的實現不構成實質性影響。本公司董事會認為，自本年度一月一日起至本報告期末止，本公司全面風險管理體系是健全的、執行是有效的。

本公司二零一六年度全面風險管理報告已完成並已經過董事會審議，本公司董事會及其全體成員對風險管理報告內容的真實性、準確性和完整性承擔責任。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT (Continued)

II. Three Lines of Defense for Risk Management and Internal Control Compliance

The Company has formulated three lines of defense for its risk management framework and internal control process. The Board leads the risk management process and assumes direct responsibility for the effectiveness of the risk management system. Under the Board, there is a Risk and Compliance committee at the management level. The Management level Risk and Compliance Committee is responsible for execution of risk management practices with the direct support from Risk Management Department, Risk Management Department itself works closely with various departments and functions. The Audit Committee under the Board, the Audit Committee at the management level and the internal audit divisions are responsible for internally supervising and assessing the management effectiveness of the three lines of defense.

All business departments constitute the first line of defense. The responsibilities are to identify, analyze, evaluate, respond, monitor and report risks at the front end, to develop and implement the risk management and internal control system, to follow the procedures prescribed, and to report on any risks and defects in the operations and management.

The Risk Management Committee under the Board, the Risk and Compliance Committees at the management level, together with the Risk Management and Compliance Department constitute the second line of defense. Their functional responsibilities for risk management and internal control are to promote the development and the daily operations of the internal control system and to organise real-time monitoring and regular checks on management activities.

The Audit Committee under the Board and the Audit Committee at the management level constitute the third line of defense. As part of the internal audit division, the Audit Center's responsibility is to carry out risk-based auditing and supervision over the risk management controls and assessments of all of the subsidiaries and business units, to analyze and evaluate the effectiveness of the internal controls, to find internal control and operational compliance risks and to ensure that all of the recommendations from the internal audits are implemented.

全面風險管理(續)

二、公司風險管理及內控合規的三道防線

本公司已建立在董事會的直接領導下，由經營層風險及合規委員會協助，管理層直接管理或執行，風險管理及合規部門牽頭組織，各職能部門各司其職，全體員工共同參與，董事會審核委員會、經營層審計及稽核委員會和內部審計機構負責監督的風險管理及內部控制三道防線。

第一道防線由各職能部門和業務單位組成。在業務前端辨識、分析、評價、應對、監控與報告風險，參與制定並嚴格執行風險管理及內控制度，按照規定的流程和方式進行操作，報告內控缺陷和經營管理中發生的風險問題。

第二道防線由董事會風險管理委員會、經營層風險及合規委員會、風險管理及合規部門組成，具體負責推動風險管理及內控制度的制定和宣導、內控體系的日常運作及完善、組織推動、即時監控和定期排查各項管理活動。

第三道防線由董事會審核委員會、經營層審計及稽核委員會、內部審計機構組成。稽核中心作為內部審計機構，以全面風險管理為工作導向，定期對各子公司已建立的風險管理流程及各項風險的控制程序和活動進行獨立稽核，分析評估內控效果，發現內控及經營合規風險並提出改進建議，督促其整改。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT *(Continued)*

III. Status of Risk Management and Internal Control Assessment

3.1 Status of the Risk Management Assessment

In 2016, the Company continued to maintain and enhance its risk management system in line with the regulatory requirements under C-ROSS and facilitated the implementation of C-ROSS for PRC companies. In particular, we further improved the supporting systems and procedures associated with comprehensive risk management, promoted the development of risk management information system and its application in risk management to the management of the information system over risks. At the same time, the Company continued to establish and improve risk assessment mechanism and procedures to increase the effectiveness of risk management by strengthening risk assessment.

3.1.1 The Establishment of Risk Management System

In 2016, on the one hand, in compliance with CIRC requirements in relation to solvency, the Company continued to establish and improve the framework and functional division of our risk management and enhance its working process and mechanism. On the other hand, according to regulatory requirements and the actual situation of the Company, the Company further advance the combination of the risk management function and the operation management of the Company and continued to advance the risk management framework and staff hiring of its subsidiaries on the basis of improved risk management organization framework of each company.

全面風險管理 (續)

三、風險管理及內部控制工作開展情況

3.1 風險管理工作開展情況

本公司二零一六年繼續建立健全與「償二代」監管要求相適應的風險管理體系並推進其與經營管理的結合，進一步完善全面風險管理配套的制度、流程建設，推進風險管理信息系統的建設及其在風險管理工作中的應用，提升利用信息系統對風險的管理。同時建立完善全集團的風險考核機制及流程，通過強化風險考核提升風險管理工作的有效性。

3.1.1 風險管理組織體系建設情況

於二零一六年度，公司一是按照保監會償付能力管理相關要求，持續建立健全風險管理組織架構及職能分工，風險管理條線工作流程與機制得到繼續提升；二是根據監管要求及公司實際情況，在完善各公司風險管理組織架構的基礎上進一步推進風險管理職能與公司經營管理的結合，同時持續推進各子公司風險管理組織架構及人員配備。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT *(Continued)*

III. Status of Risk Management and Internal Control Assessment *(Continued)*

3.1 Status of the Risk Management Assessment *(Continued)*

3.1.2 The Overall Strategies and Implementation Status of Risk Management

With regard to the overall interests of the shareholders and clients, the Company implemented an comprehensive risk management strategy under the framework of comprehensive risk management framework, with the aims to enhance the effectiveness of operation management, improve the efficiency and effects of operation activities, and reduce the uncertainties in achieving operation targets, thus ensuring the continued growth of the Company's value. Furthermore, the Company established the risk appetite framework in accordance with the development strategies based on its own capabilities and external environment.

3.1.3 Status of Risk Management Framework Design

In respect of the risk management system construction, the Company has initially established a relatively comprehensive risk management system covering principal businesses and management procedures by the end of 2016. Particularly required by the C-ROSS regulation in China, the existing regime of the Company has been refined and revised and risk management system in conformity with C-ROSS regulatory requirements have been established and improved. To date, the Company has established the management policies for each of the seven risk categories and also the risk management policies for the Company's particular risk categories, further enhancing the integrity and applicability of risk management system of the Group.

全面風險管理 *(續)*

三、風險管理及內部控制工作開展情況 *(續)*

3.1 風險管理工作開展情況 *(續)*

3.1.2 風險管理總體策略及其執行情況

公司綜合考慮股東、客戶雙方的利益，在全面風險管理體系框架下實行全面風險管理策略，增強經營管理的有效性，提高經營活動的效率和效果，降低實現經營目標的不確定性，保障公司價值持續增長，並根據自身條件和外部環境，圍繞發展戰略，確定風險偏好體系。

3.1.3 風險管理基礎建設情況

在風險管理制度建設方面，截至二零一六年末，公司已基本建立起較為全面、覆蓋主要業務與管理流程的風險管理制度體系。特別是在中國「償二代」監管要求下，對公司現有制度進行梳理和修訂，建立了符合償二代監管要求的風險管理制度體系，目前已完成七大類風險及公司特有風險管理制度制定，進一步提升了集團風險管理制度的完整性和適用性。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT *(Continued)*

全面風險管理 (續)

III. Status of Risk Management and Internal Control Assessment *(Continued)*

三、風險管理及內部控制工作開展情況 (續)

3.1 Status of the Risk Management Assessment *(Continued)*

3.1 風險管理工作開展情況 (續)

3.1.3 Status of Risk Management Framework Design *(Continued)*

3.1.3 風險管理基礎建設情況 (續)

In respect of risk management information system, as per the China's C-ROSS requirements in relation to information system, we continued to upgrade the existing information system based on difference analysis, completed the major part of the work required by C-ROSS for the system and made the system go online.

在風險管理信息系統建設方面，按照中國「償二代」對信息系統相關要求，在差距分析的基礎上持續推進對現有信息系統改造升級，在二零一六年完成「償二代」對系統要求的主體工作並實現上線。

3.2 Status of the Internal Control Process

3.2 內部控制工作開展情況

In respect of internal control process, in 2016, pursuant to the Listing Rules, Basic Standards for Enterprise Internal Control and the supplementary guidelines jointly promulgated by the Ministry of Finance, National Audit Office, China Banking Regulatory Commission, China Securities Regulatory Commission and the CIRC, the requirements on internal control guidelines for insurance companies issued by the CIRC and other regulations, the Company established the internal control assessment team and conducted a self-assessment in 2016 in accordance with the actual condition of the internal control system and the requirements for the future development of the Company.

內部控制評價工作方面，二零一六年公司繼續根據《上市規則》、中國財政部、證監會、審計署、銀監會、保監會聯合頒佈的《企業內部控制基本規範》及其配套指引，以及《保險公司內部控制基本準則》的要求和其他監管規則確定，成立內部控制評價小組，開展符合內部控制體系實際狀況及本公司未來發展需求的二零一六年度內控自評價工作。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT *(Continued)*

全面風險管理 *(續)*

III. Status of Risk Management and Internal Control Assessment *(Continued)*

三、風險管理及內部控制工作開展情況 *(續)*

3.2 Status of the Internal Control Process *(Continued)*

3.2 內部控制工作開展情況 *(續)*

3.2.1 The Scopes of the Internal Control Assessment *(Continued)*

3.2.1 內部控制評價的範圍 *(續)*

The internal control assessment is to review and evaluate adjustments and improvements of the internal control system, according to the requirements of the Company's development strategy, the Company's actual situation and changes in the market, specifically in the areas of control environment, risk identification and assessment, control activities, information and communication, and monitoring.

根據發展戰略要求、公司實際情況及市場變化等內部控制評價主要檢查及評價公司在控制環境、風險識別與評估、控制活動、信息與溝通、監督五個方面對內部控制體系進行調整和完善的狀況。

3.2.2 The Methods and Procedures of the Internal Control Assessment

3.2.2 內部控制評價的方法和程序

Pursuant to the above-mentioned regulations and guidelines and such five elements as control environment, risk identification and assessment, control activities, information and communication, and monitoring within the COSO internal control framework, the internal control assessment team has updated the internal control assessment points for 2016 regarding to the functions of all departments based on the Company's real situation, and the internal control assessment report was formulated by carrying out evaluations on the soundness, rationality and effectiveness of each assessment points.

根據上述制度規定，以及COSO內部控制框架的控制環境、風險識別與評估、控制活動、信息與溝通、內部監督等五要素，並結合公司實際情況，內部控制評價小組針對各部門工作職能更新了二零一六年度內部控制評價點，對每個評價點從健全性、合理性、有效性三方面進行評價，形成內部控制評價報告。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT (Continued)

全面風險管理 (續)

III. Status of Risk Management and Internal Control Assessment (Continued)

三、風險管理及內部控制工作開展情況 (續)

3.2 Status of the Internal Control Process (Continued)

3.2 內部控制工作開展情況 (續)

3.2.2 The Methods and Procedures of the Internal Control Assessment (Continued)

3.2.2 內部控制評價的方法和程序 (續)

The internal control assessment comprises four phases: assessment preparation, assessment implementation, assessment feedback, and report preparation. The internal control assessment preparation includes formulating the annual assessment plan, setting up the internal control assessment team, designing the assessment plans, and collecting the assessment materials. The implementation of the internal control assessment consists of two stages: self-assessment and review assessment, which focus on the understanding of the internal control system and are implemented through the two steps of testing and analysis. The internal control assessment team employs techniques such as interviews, questionnaires, seminars, walkthroughs, onsite inspections, sampling and comparative analysis and others, to ascertain the effectiveness of the internal control design and implementation. Through reviewing the internal control self-assessment forms, it is possible to identify and analyze the weaknesses and defects of the internal control system and to also conduct a comprehensive review. The findings of the internal control assessment are forwarded to the relevant departments of the assessed companies for comments and feedback before the report is finalised.

Pursuant to the internal control assessment results, the Company will continue to rectify any internal control deficiencies and regularly follows up on the progress of the improvement measures.

內部控制評價的程序包括評價準備、評價實施、評價回饋和報告形成四個階段。內部控制評價準備包括制定年度評價計劃、成立內部控制評價小組、制定評價方案、評價資料準備等步驟。內部控制評價實施包括自我評價及覆核評價兩個階段，分為瞭解內部控制體系、實施測試與分析兩個步驟。內部控制評價小組綜合運用訪談、調查問卷、專題討論、穿行測試、實地查驗、抽樣和比較分析等方法，收集公司內部控制設計和執行是否有效的證據，包括審核內部自評價填報表，分析、識別內部控制體系缺陷，並進行全面覆核。覆核工作結束後，內部控制評價小組與被評價部門進行溝通、反饋，經確認後得出評價結果，最終形成正式內部控制評價報告。

本公司將根據內部控制評價結果，對發現的內部控制缺陷進行持續整改，定期跟進措施評價。

Corporate Governance Report

企業管治報告書

RISK MANAGEMENT (Continued)

III. Status of Risk Management and Internal Control Assessment (Continued)

3.2 Status of the Internal Control Process (Continued)

3.2.3 The Conclusions of the Internal Control Assessment

Pursuant to the “Basic Guidelines for Internal Control of Insurance Companies” issued by CIRC and other laws and regulations, the Company conducted an internal control self-assessment in 2016 on the control environment, risk identification and assessment, control activities, information and communication, and monitoring. The internal control assessment team inspected and issued the assessment results after a comprehensive review. The assessment results show that the Company has further strengthened its internal control infrastructure, improved the risk management system, has optimised the business control processes, improved the information systems and have promoted the use of information systems for controls, strengthened internal control management and supervision, ensured the achievement of the Company’s internal control objectives in terms of organization, personnel, systems, processes and execution, and continues to develop and improve the internal control system according to any changes in external policy. The Company’s internal control system is functioning well and provides reasonable guarantees to achieve the objectives of the Company’s operational management. No major deficiencies were found.

IV. Handling and Dissemination of Inside Information

For the purpose of handling and disseminating inside information, the Group has taken various procedures and measures, including arousing the awareness to preserve confidentiality of inside information within the Group, disseminating information to specified persons on a need-to-know basis and regarding closely to the relevant Listing Rules, Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) and its relevant guidelines.

全面風險管理 (續)

三、風險管理及內部控制工作開展情況 (續)

3.2 內部控制工作開展情況 (續)

3.2.3 內部控制評價的結論

本公司根據相關法律法規的要求，對公司二零一六年度的內部控制情況在控制環境、風險識別和評估、控制活動、信息與溝通、監督方面進行了自我評價，內部控制評價小組全面覆核後得出評價結果。評價結果表明公司進一步強化內部控制組織架構，完善風險管理體系，優化業務控制流程，改進信息系統及推進利用信息系統進行控制，強化內控管理和監督，從組織、人員、制度、流程和執行等方面確保公司內部控制目標的實現，並根據外部政策變化不斷建立和加強內控體系。內控機制基本健全、合理，並得到有效執行，公司內部控制體系運作情況良好，為公司經營管理目標的實現提供了合理的保證，未發現存在重大缺陷。

四、處理及發佈內幕消息

就處理及發佈內幕消息而言，本集團已採取不同程序及措施，包括提高本集團內幕信息的保密意識，在需要知情的基礎上向指定人員傳播信息以及嚴格遵守相關的上市規則、香港法例第571章證券及期貨條例及相關指引。

Corporate Governance Report

企業管治報告書

SHAREHOLDERS' RIGHTS

Convening of extraordinary general meeting on requisition by shareholders

Shareholder(s) representing at least 5% of the total voting rights of all shareholders having a right to vote at general meeting of CTIH may request the Board to convene an extraordinary general meeting, pursuant to Section 566 to 568 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The objects of the meeting must be stated in the related requisition signed by the shareholders concerned and deposited at the registered office of the Company at 22/F, China Taiping Tower Phase I, 8 Sunning Road, Causeway Bay, Hong Kong, for the attention of the Company Secretary. The requisition may consist of several documents in like form, each signed by one or more of the shareholders concerned.

Procedures for putting forward proposals at shareholders' meetings by shareholders

To put forward a resolution in an annual general meeting, shareholders are requested to follow the requirements and procedures as set out in Section 615 to 616 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). A copy of the requisition/request signed by the shareholders concerned (or 2 or more copies which between them contain the signatures of all the shareholders concerned) needs to be deposited at the registered office of the Company.

Pursuant to Article 95 of the Articles of Association, no person other than a director retiring at the meeting (whether by rotation or otherwise) shall be appointed or reappointed a director at any general meeting unless:

- (a) he/she is recommended by the Board, or
- (b) during a period of not less than seven days commencing no earlier than the day after the despatch of the notice of the meeting and ending no later than seven days prior to the date appointed for the meeting, there has been given to the Company Secretary notice in writing by some Shareholder(s) (not being the person to be proposed) qualified to attend and vote at the meeting of his intention to propose that person for appointment or reappointment and also notice in writing signed by the person to be proposed of his willingness to be appointed or reappointed.

Detailed procedures for shareholders to propose a person for election as a Director can be found on the Company's website.

股東權利

應股東的請求召開股東特別大會

根據香港法例第622章《公司條例》第566至568條，股東可要求本公司董事會安排召開股東特別大會，惟股東在存放請求書當日須佔全體有權在中國太平控股股東大會上表決的股東總表決權最少5%。該書面請求必須述明會議目的，並由有關的股東簽署及送遞致本公司註冊辦事處（地址為香港銅鑼灣新寧道八號中國太平大廈一期二十二樓），並註明致公司秘書。請求書可包含數份同樣格式的文件，而每份文件均由一名或多於一名有關的股東簽署。

將股東的建議提呈予股東大會的程序

當股東擬於股東周年大會上提呈一項決議，須依照香港法例第622章《公司條例》第615至616條的要求及程序。有關股東須將一份由有關股東簽署的請求書／請求（或兩份或多於兩份載有全體有關股東簽署的請求書）存放於本公司的註冊辦事處。

根據章程細則第95條，在大會上退任的董事（無論為輪值退任或以其他方式退任）以外的任何人士概無於任何股東大會上獲委任或重新委任為董事，除非：

- (a) 其獲董事會推薦，或
- (b) 在不早於大會通告寄發後翌日起至不遲於大會指定舉行日期前七日止不少於七日的期間內，合資格出席大會並於大會上投票的股東（擬被提名的人士除外）向公司秘書發出書面通知表示有意建議委任或重新委任該名人士，而被提名人士亦發出簽署書面通知表示願意獲委任或重新委任。

有關股東提名候選董事的程序可於本公司網站查閱。

Corporate Governance Report

企業管治報告書

SHAREHOLDERS' RIGHTS (Continued)

Procedures for directing shareholders' enquiries to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to our Investor Relations team, the contact details of which are as follows:

Investor Relations
China Taiping Insurance Holdings Company Limited
22/F, China Taiping Tower Phase I, 8 Sunning Road, Causeway Bay, Hong Kong

Telephone: (852) 2854 6555
Fax: (852) 2866 2262
Email: ir@cнтаiping.com

The Company Secretary will forward the enquiries and concerns to the Board and/or relevant board committees of the Company, where appropriate, to answer the shareholders' questions and/or to meet the shareholders' concerns.

CONSTITUTIONAL DOCUMENTS

There was no change to the Company's Articles of Association during the Year. A copy of the latest consolidated version of the Articles of Association is posted on the website of the Company and the Stock Exchange.

INVESTOR RELATIONS AND COMMUNICATIONS

The Company recognises the importance of communications with the shareholders of the Company and the investment community, and also recognises the value of providing current and relevant information on the Company to the shareholders and investors. The Company's corporate website, www.ctih.cнтаiping.com, features a dedicated Investor Relations section, and is aimed at facilitating effective communications with the shareholders, investors and other stakeholders. Corporate information, including both financial and non-financial information, are available in a timely manner on the website. The latest information on the Company, including annual and interim reports, announcements, circulars, press releases as well as constitutional documents, are also available on the website.

股東權利 (續)

將股東的查詢送達董事會的程序

股東可以書面形式經投資者關係團隊轉交彼等的查詢及關注事項予本公司的董事會，聯絡詳情如下：

投資者關係
中國太平保險控股有限公司
香港銅鑼灣新寧道八號中國太平大廈第一期二十二樓

電話：(852) 2854 6555
傳真：(852) 2866 2262
電郵：ir@cнтаiping.com

公司秘書將轉交股東的查詢及關注事項予本公司董事會及／或有關的董事委員會（若適當），以便回覆股東的提問及／或與有關股東會面。

組織章程文件

本公司組織章程細則於本年度內並無變動。組織章程細則的最新綜合版本載於本公司及聯交所網站。

投資者關係及通訊

本公司明白與本公司股東及投資者保持良好溝通的重要性，也認識到向股東及投資者提供當前及相關資訊的價值。本公司透過設有投資者關係專頁的公司網站 www.ctih.cнтаiping.com 推動與股東、投資者及其他權益持有人的有效通訊，適時發放公司資訊及其他相關的財務及非財務資料。本公司的最新資料包括年報、中期報告、公告及新聞稿以及組織章程文件。

Consolidated Statement of Profit or Loss

綜合損益表

for the year ended 31 December 2016
截至二零一六年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港幣列示)

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
	Notes 附註		
Income	收入		
Total premiums written and policy fees	總保費及保單費收入	149,265,378	138,431,538
Less: Premiums ceded to reinsurers	減：分出保費	(4,615,285)	(6,718,355)
Net premiums written and policy fees	淨保費收入及保單費收入	144,650,093	131,713,183
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(1,081,519)	(1,056,420)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	143,568,574	130,656,763
Net investment income	淨投資收入	17,656,423	16,525,110
Net realised investment gains	已實現投資收益淨額	2,594,713	10,820,481
Net unrealised investment gains/(losses) and impairment	未實現投資收益／(虧損)及減值淨額	(232,682)	806,092
Other income	其他收益	2,911,572	1,859,982
Total income	收入總額	166,498,600	160,668,428
Benefits, losses and expenses	給付、賠款及費用		
Net policyholders' benefits	保單持有人利益淨額	(32,832,962)	(61,519,614)
Net commission expenses	佣金支出淨額	(16,704,474)	(12,872,561)
Administrative and other expenses	行政及其他費用	(22,680,494)	(23,391,703)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	(83,642,837)	(50,824,406)
Total benefits, losses and expenses	給付、賠款及費用總額	(155,860,767)	(148,608,284)
Profit from operations	經營溢利	10,637,833	12,060,144
Share of results of associates and joint ventures	應佔聯營公司及合營公司業績	(10,136)	(2,393)
Finance costs	財務費用	(1,377,203)	(1,049,337)
Profit before taxation	除稅前溢利	9,250,494	11,008,414
Income tax charges	稅項支出	(2,948,018)	(2,840,176)
Profit after taxation	除稅後溢利	6,302,476	8,168,238
Attributable to:	應佔：		
Owners of the Company	本公司股東權益	4,774,248	6,341,236
Non-controlling interests	非控股股東權益	1,528,228	1,827,002
		6,302,476	8,168,238
		<i>dollars</i> 元	<i>dollars</i> 元
Earnings per share attributable to the owners of the Company	本公司股東應佔每股盈利		
			13
Basic	基本	1.258	1.783
Diluted	攤薄	1.258	1.781

The accompanying notes on pages 132 to 306 form an integral part of these consolidated financial statements.

第132及306頁所附附註為本綜合財務報表的組成部份。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

for the year ended 31 December 2016
截至二零一六年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港幣列示)

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Profit after taxation	除稅後溢利	6,302,476	8,168,238
Other comprehensive income:	其他全面收益：		
Items that will not be reclassified to profit or loss:	將不會重新分類至損益之項目：		
Revaluation gain arising from reclassification of own-use properties to investment properties	因自用物業重新分類為投資物業而產生之重估收益		
– Revaluation gain arising during the year	– 本年度來自重估的收益	36,706	66,316
– Net deferred tax	– 遞延稅項淨額	(3,474)	(10,783)
Exchange differences on translation of the financial statements of subsidiaries, associates and joint ventures which are not foreign operations	換算非境外的附屬公司、聯營公司及合營公司財務報表的匯兌差額	(3,551,631)	(2,585,605)
Items that may be subsequently reclassified to profit or loss:	隨後可能重新分類至損益之項目：		
Exchange differences on translation of the financial statements of foreign operations	換算境外的營運業務財務報表的匯兌差額	(86,903)	(510,415)
Available-for-sale securities	可供出售證券		
– Net fair value changes during the year including the impact of impairment and disposal	– 本年度公允價值變動淨額包括減值及出售的影響	(9,104,039)	3,011,620
– Net deferred tax	– 遞延稅項淨額	2,272,126	(741,073)
Total comprehensive income for the year	本年度全面收益總額	(4,134,739)	7,398,298
Attributable to:	應佔：		
Owners of the Company	本公司股東權益	(3,304,744)	5,831,417
Non-controlling interests	非控股股東權益	(829,995)	1,566,881
		(4,134,739)	7,398,298

Consolidated Statement of Financial Position

綜合財務狀況表

as at 31 December 2016
於二零一六年十二月三十一日
(Expressed in Hong Kong dollars)
(以港幣列示)

			At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Assets	資產			
Statutory deposits	法定存款	14	5,643,348	5,896,222
Fixed assets	固定資產			
– Property and equipment	– 物業及設備	15(a)	8,321,111	7,617,058
– Investment properties	– 投資物業	15(b)	18,447,196	15,156,180
– Prepaid lease payments	– 預付租賃付款	15(c)	621,689	966,197
			27,389,996	23,739,435
Goodwill	商譽	16(a)	762,041	668,517
Intangible assets	無形資產	16(b)	261,668	261,668
Interests in associates and joint ventures	於聯營公司及合營公司的權益	18	1,184,297	978,429
Deferred tax assets	遞延稅項資產	31(a)	687,189	365,493
Investments in debt and equity securities	債務及股本證券投資	19	305,489,307	273,574,170
Securities purchased under resale agreements	買入返售證券	36	5,497,736	5,116,737
Amounts due from group companies	應收集團內公司款項	20(a)	21,434	19,704
Insurance debtors	保險客戶應收賬款	21	6,693,635	9,237,674
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	22	5,835,514	34,155,408
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	46	1,206,983	1,780,194
Finance lease receivables	應收金融租賃	23	37,788,259	23,030,665
Other assets	其他資產	24	38,308,453	33,749,076
Pledged deposits at banks	已抵押銀行存款	25	535,452	399,172
Deposits at banks with original maturity more than three months	原到期日超過三個月的銀行存款		29,555,963	27,439,338
Cash and cash equivalents	現金及現金等價物	26	38,544,484	47,619,452
			505,405,759	488,031,354
Liabilities	負債			
Life insurance contract liabilities	壽險合約負債	27	291,843,971	254,020,785
Unearned premium provisions	未到期責任準備金	28	11,815,453	11,118,272
Provision for outstanding claims	未決賠款準備	29	16,716,058	16,003,013
Investment contract liabilities	投資合約負債	30	22,436,805	18,762,573
Deferred tax liabilities	遞延稅項負債	31(a)	1,576,076	4,195,575
Interest-bearing notes	需付息票據	32	5,835,209	6,269,898
Bank borrowings	銀行貸款	37	41,706,427	25,908,893
Securities sold under repurchase agreements	賣出回購證券	36	732,217	16,647,650
Amounts due to group companies	應付集團內公司款項	20(b)	25,401	59,907
Insurance creditors	保險應付賬款	33	29,465,086	48,609,208
Other payables and accruals	其他應付及應計款項	34	13,628,007	12,068,242
Current taxation	當期稅項		2,488,109	2,418,249
Insurance protection fund	保險保障基金	35	134,276	150,456
			438,403,095	416,232,721
Net assets	資產淨值		67,002,664	71,798,633

Consolidated Statement of Financial Position (Continued)

綜合財務狀況表 (續)

as at 31 December 2016
 於二零一六年十二月三十一日
 (Expressed in Hong Kong dollars)
 (以港幣列示)

		Notes	At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
		附註		
Capital and reserves attributable to the owners of the Company	本公司股東應佔資本及儲備			
Share capital	股本	38	40,771,408	40,771,408
Reserves	儲備	39	10,690,707	14,249,248
			51,462,115	55,020,656
Perpetual subordinated capital securities	永續次級資本證券	40	4,706,947	4,707,349
			56,169,062	59,728,005
Non-controlling interests	非控股股東權益	39	10,833,602	12,070,628
Total equity	總權益		67,002,664	71,798,633

Approved and authorised for issue by the board of directors on 23 March 2017.

董事會於二零一七年三月二十三日核准及授權發布。

WANG Bin
 王濱
 Director
 董事

LI Jinfu
 李勁夫
 Director
 董事

The accompanying notes on pages 132 to 306 form an integral part of these consolidated financial statements.

第132及306頁所附附註為本綜合財務報表的組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2016
截至二零一六年十二月三十一日止年度
(Expressed in Hong Kong dollars)
(以港幣列示)

		Share capital 股本 \$'000 千元	Capital reserve 資本儲備 \$'000 千元	Merger reserve 合併儲備 \$'000 千元
	Note 附註			
Balance at 1 January 2016	於二零一六年一月一日之結餘	40,771,408	(6,396,801)	(4,932,468)
Profit for the year	本年度溢利	-	-	-
Other comprehensive income for the year, net of deferred tax	本年度其他全面收益，減遞延稅項	-	-	-
Total comprehensive income	全面收益總額	-	-	-
Dividend declared by subsidiaries to non-controlling interests	附屬公司向非控股股東宣布的股息	-	-	-
Distributions to holders of perpetual subordinated capital securities	向永續次級資本證券持有人分配	-	-	-
Capital injections made to subsidiaries	向附屬公司注入資本	-	-	-
Acquisition of a subsidiary	購入一間附屬公司	-	-	-
	17A(a)			
Balance at 31 December 2016	於二零一六年十二月三十一日之結餘	40,771,408	(6,396,801)	(4,932,468)

		Share capital 股本 \$'000 千元	Capital reserve 資本儲備 \$'000 千元	Merger reserve 合併儲備 \$'000 千元
	Note 附註			
Balance at 1 January 2015	於二零一五年一月一日之結餘	27,291,104	(6,478,938)	(4,932,468)
Profit for the year	本年度溢利	-	-	-
Other comprehensive income for the year, net of deferred tax	本年度其他全面收益，減遞延稅項	-	-	-
Total comprehensive income	全面收益總額	-	-	-
Dividend declared by subsidiaries to non-controlling interests	附屬公司向非控股股東宣布的股息	-	-	-
Share issued under Placing and Subscription	配股及股份認購中發行的股份	13,480,304	-	-
Distributions to holders of perpetual subordinated capital securities	向永續次級資本證券持有人分配	-	-	-
Settlement of share-base payment and share options lapsed	僱員補償支付結算及認股權失效	-	-	-
Transfer to capital reserve due to the capitalisation of retained earnings as share capital from a subsidiary	因附屬公司資本化保留溢利為股本而轉移至資本儲備	-	82,137	-
Balance at 31 December 2015	於二零一五年十二月三十一日之結餘	40,771,408	(6,396,801)	(4,932,468)

Note: For the nature or purpose of reserves, please refer to Note 39(a).

註：有關儲備目的或性質，請參閱附註39(a)。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

(Expressed in Hong Kong dollars)

(以港幣列示)

Exchange reserve 匯兌儲備 \$'000 千元	Fair value reserve 公允價值儲備 \$'000 千元	Employee share-based compensation reserve 以股份為本之僱員補償儲備 \$'000 千元	Shares held for Share Award Scheme 為股份獎勵計劃而持有之股份 \$'000 千元	Revaluation reserve 重估儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Perpetual subordinated capital securities 永續次級資本證券 \$'000 千元	Attributable to owners of the Company 本公司股東應佔權益 \$'000 千元	Non-controlling interests 非控股股東權益 \$'000 千元	Total 總額 \$'000 千元
(1,080,446)	5,060,733	4,077	(19,438)	639,021	20,974,570	4,707,349	59,728,005	12,070,628	71,798,633
-	-	-	-	-	4,520,451	253,797	4,774,248	1,528,228	6,302,476
(2,833,667)	(5,278,557)	-	-	33,232	-	-	(8,078,992)	(2,358,223)	(10,437,215)
(2,833,667)	(5,278,557)	-	-	33,232	4,520,451	253,797	(3,304,744)	(829,995)	(4,134,739)
-	-	-	-	-	-	-	-	(584,503)	(584,503)
-	-	-	-	-	-	(254,199)	(254,199)	-	(254,199)
-	-	-	-	-	-	-	-	176,074	176,074
-	-	-	-	-	-	-	-	1,398	1,398
(3,914,113)	(217,824)	4,077	(19,438)	672,253	25,495,021	4,706,947	56,169,062	10,833,602	67,002,664

Exchange reserve 匯兌儲備 \$'000 千元	Fair value reserve 公允價值儲備 \$'000 千元	Employee share-based compensation reserve 以股份為本之僱員補償儲備 \$'000 千元	Shares held for Share Award Scheme 為股份獎勵計劃而持有之股份 \$'000 千元	Revaluation reserve 重估儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Perpetual subordinated capital securities 永續次級資本證券 \$'000 千元	Attributable to owners of the Company 本公司股東應佔權益 \$'000 千元	Non-controlling interests 非控股股東權益 \$'000 千元	Total 總額 \$'000 千元
1,320,298	3,220,417	27,961	(19,438)	588,412	14,975,635	4,707,267	40,700,250	10,638,266	51,338,516
-	-	-	-	-	6,087,735	253,501	6,341,236	1,827,002	8,168,238
(2,400,744)	1,840,316	-	-	50,609	-	-	(509,819)	(260,121)	(769,940)
(2,400,744)	1,840,316	-	-	50,609	6,087,735	253,501	5,831,417	1,566,881	7,398,298
-	-	-	-	-	-	-	-	(134,519)	(134,519)
-	-	-	-	-	-	-	13,480,304	-	13,480,304
-	-	-	-	-	-	(253,419)	(253,419)	-	(253,419)
-	-	(23,884)	-	-	(6,663)	-	(30,547)	-	(30,547)
-	-	-	-	-	(82,137)	-	-	-	-
(1,080,446)	5,060,733	4,077	(19,438)	639,021	20,974,570	4,707,349	59,728,005	12,070,628	71,798,633

Consolidated Statement of Cash Flows

綜合現金流量表

for the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

(Expressed in Hong Kong dollars)

(以港幣列示)

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Operating activities	經營業務		
Profit before taxation	除稅前溢利	9,250,494	11,008,414
Adjustments for:	就下列各項作出調整：		
– Depreciation of property and equipment	– 物業及設備折舊	591,087	524,528
– Amortisation of prepaid lease payments	– 預付租賃付款攤銷	19,733	29,666
– Revaluation of investment properties	– 投資物業重估盈餘	(919,192)	(796,995)
– Finance costs	– 財務費用	1,377,203	1,049,337
– Dividend income	– 股息收入	(1,945,158)	(849,533)
– Interest income	– 利息收入	(14,998,362)	(14,925,994)
– Share of results of associates and joint ventures	– 應佔聯營公司及合營公司業績	10,136	2,393
– Loss on disposal of an associate	– 出售聯營公司虧損	2,193	–
– (Gain)/loss on disposal of property and equipment	– 出售物業及設備(收益)/虧損	1,692	(4,584)
– Gain on disposal of investment properties	– 出售投資物業收益	–	(39,208)
– Gain on disposal of property held for sale	– 出售持有作出售物業收益	–	(390)
– Net realised gains on listed and unlisted debt securities, equity securities and investment funds classified as held-to-maturity and available-for-sale	– 歸類為持有至到期日及可供出售的上市及非上市債務及股本證券之已實現收益淨額	(2,558,633)	(10,482,661)
– Net realised and unrealised (gains)/losses on derivatives	– 衍生工具之已實現及未實現(收益)/虧損	(7,765)	14,475
– Recognition of impairment on investments in debt and equity securities	– 確認債務及股本證券減值	1,156,981	56,565
– Recognition of impairment losses on insurance debtors and other debtors	– 確認保險客戶應收賬款及其他應收賬款減值	13,505	27,267
– Recognition of impairment losses on finance lease receivables	– 確認應收金融租賃款減值	374,192	192,703
Operating loss before changes in working capital	營運資金變動前之經營虧損	(7,631,894)	(14,194,017)

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表 (續)

for the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

(Expressed in Hong Kong dollars)

(以港幣列示)

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Increase in held-for-trading securities (Increase)/decrease in securities designated at fair value through profit or loss	持有作交易用途證券增加 指定為通過損益以反映公允價值 證券(增加)/減少	(8,757,559)	(4,784,747)
(Increase)/decrease in insurance debtors and other assets	保險客戶應收賬款及其他資產 (增加)/減少	369,502	(120,521)
Decrease in reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備 減少	2,408,295	(1,729,691)
Decrease in policyholder account assets in respect of unit-linked products	有關投資連結產品之 保單持有人賬戶資產減少	27,482,142	5,024,665
Increase in finance lease receivables	應收金融租賃增加	573,211	720,893
Increase in loans and advances	貸款及墊款增加	(17,346,016)	(18,284,244)
Increase in life insurance contract liabilities	壽險合約負債增加	(9,676,188)	(6,846,030)
Increase in unearned premium provisions	未到期責任準備金增加	56,217,762	44,844,532
Increase in provision for outstanding claims	未決賠款準備增加	1,312,123	1,599,674
Increase in bank borrowings for finance lease receivables	給予應收金融租賃的 銀行貸款增加	1,314,001	3,073,122
Increase in investment contract liabilities	投資合約負債增加	15,411,908	16,075,815
Increase/(decrease) in insurance creditors and other payables and accruals	保險應付賬款及其他應付及 應計款項增加/(減少)	4,992,156	2,291,140
Increase/(decrease) in insurance protection fund	保險保障基金增加/(減少)	(17,182,787)	204,359
		(16,180)	35,067
Cash generated from operations	經營業務所產生之現金	49,470,476	27,910,017
Income tax paid	已付稅項	(3,050,348)	(2,439,721)
Net cash from operating activities	經營業務所產生之現金淨額	46,420,128	25,470,296

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表 (續)

for the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

(Expressed in Hong Kong dollars)

(以港幣列示)

	Notes 附註	2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Investing activities	投資業務		
(Increase)/decrease in pledged deposits at banks	已抵押銀行存款 (增加) / 減少	(136,280)	116,725
(Increase)/decrease in statutory deposits	法定存款 (增加) / 減少	252,874	(841,666)
(Increase)/decrease in deposits at banks with original maturity more than three months	原到期日為三個月以上之銀行存款 (增加) / 減少	(2,116,625)	19,902,619
Increase in amounts due from group companies	應收集團內公司款項增加	(1,730)	(7,450)
Payment for purchase of securities classified as loans and receivables	購入被歸類為貸款及應收款項之證券付款	(35,386,551)	(28,011,528)
Proceeds from redemption of loans and receivables	贖回貸款及應收款項所得款項	22,359,059	11,564,384
Payment for purchase of held-to-maturity debt securities	購入持有至到期債務證券付款	(27,877,869)	(12,843,353)
Proceeds from redemption of held-to-maturity debt securities	贖回持有至到期債務證券所得款項	1,776,428	1,844,921
Payment for purchase of available-for-sale securities	購入可供出售證券付款	(62,940,796)	(93,843,931)
Proceeds from sale of available-for-sale securities	出售可供出售證券所得款項	55,379,877	98,038,136
Increase in securities purchased under resale agreements	買入返售證券增加	(380,999)	(4,199,887)
Decrease in securities sold under repurchase agreements	賣出回購證券減少	(15,915,433)	(22,876,460)
Interest income received	已收利息收入	15,806,664	15,024,689
Dividend income received	已收股息收入	1,945,158	849,533
Payment for purchase of property and equipment	購入物業及設備付款	(1,089,371)	(860,420)
Proceeds from sale of property and equipment	出售物業及設備所得款項	94,163	101,244
Payment for purchase of investment properties	購入投資物業付款	(862,315)	(40,720)
Proceeds from sale of investment properties	出售投資物業所得款項	-	96,560
Proceeds from sale of property held for sale	出售持有作出售物業所得款項	-	45,520
Payment for purchase of associates and joint ventures	購入聯營公司及合營公司的付款	(286,191)	(960,408)
Capital distributions from associates	聯營公司資本分配	8,748	734
Proceeds from disposal of associates	出售聯營公司所得款項	18(a) 16,413	-
Net cash outflow from acquisition of a subsidiary	收購附屬公司產生的現金流出淨額	17A(b) (99,648)	-
Net cash used in investing activities	投資業務所動用之現金淨額	(49,454,424)	(16,900,758)

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表 (續)

for the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

(Expressed in Hong Kong dollars)

(以港幣列示)

			2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Financing activities	融資活動			
Decrease in amounts due to group companies	應付集團內公司款項減少		(34,506)	(68,158)
Net proceeds from placing and subscriptions	配股及股份認購所得款項淨額	38	-	13,480,304
Redemption of interest-bearing notes	贖回需付息票據		(358,089)	(4,690,268)
Proceeds from bank borrowings	銀行貸款所得款項		600,000	75,000
Repayment of bank borrowings	償還銀行貸款		(215,406)	(600,000)
Settlement of share-based payment	僱員補償支付結算		-	(30,547)
Distributions to holders of perpetual subordinated capital securities	向永續次級資本證券持有人分配	40	(254,199)	(253,419)
Capital injections made to subsidiaries by non-controlling shareholders	非控股股東向附屬公司注入資本		176,074	-
Dividend paid by subsidiaries to non-controlling interests	附屬公司向非控股股東派發股息		(584,503)	(134,519)
Interest paid	支付利息		(1,857,325)	(779,274)
Net cash from/(used in) financing activities	融資活動所產生/(動用)之現金淨額		(2,527,954)	6,999,119
Effect of changes in exchange rates	匯率轉變影響		(3,512,718)	(1,921,622)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額		(9,074,968)	13,647,035
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	26	47,619,452	33,972,417
Cash and cash equivalents at 31 December	於十二月三十一日的現金及現金等價物	26	38,544,484	47,619,452

The accompanying notes on pages 132 to 306 form an integral part of these consolidated financial statements.

第132及306頁所附附註為本綜合財務報表的組成部份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT

Significant Accounting Policies

(a) Statement of compliance

The Company is a limited liability company incorporated in Hong Kong and its shares are listed on the Stock Exchange of Hong Kong Limited. The address of the registered office of the Company is disclosed in the corporate information section to the annual report.

The principal activities of the Company and its subsidiaries are set out in Note 17.

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) and requirement of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

The presentation of financial statement in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group’s accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the Note 50.

(b) Basis of preparation of the financial statements

The consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”).

The functional currency of the majority number of operating subsidiaries in the Group is RMB, the currency of the primary economic environment in which the respective entities in the Group operate. For the convenience of the consolidated financial statements users, the consolidated financial statements are presented in Hong Kong dollars.

1 主要會計政策、會計政策改變及重列

主要會計政策

(a) 遵例聲明

本公司為於香港註冊成立的有限責任公司，其股份於香港聯合交易所有限公司上市。本公司之註冊辦事處及主要營業地點之地址於年報「公司資料」內披露。

本公司及其附屬公司之主要業務載於附註17。

本財務報表乃按照所有適用的香港財務報告準則（「香港財務報告準則」）及香港《公司條例》（第622章）規定所編撰。綜合財務報表同樣遵守香港聯合交易所有限公司證券上市規則所規定之適用披露事項。本集團採用之主要會計政策概述如下。

根據香港財務報告準則規定編製財務報表需進行若干會計估計，而規定管理層在採用本集團會計政策時作出判斷。有關範圍涉及較高程度判斷或複雜性，或對綜合財務報表而言屬重大範疇之假設及估計，於附註50披露。

(b) 財務報表的編製基準

綜合財務報表包括本公司及其附屬公司（合稱為「本集團」）。

本集團內大部份營運附屬公司的功能貨幣為人民幣，功能貨幣為本集團有關實體公司經營的主要經濟環境內通行的貨幣。為方便綜合財務報表使用者，本綜合財務報表以港幣呈列。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(b) Basis of preparation of the financial statements (Continued)

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value or measured primarily based on actuarial methods as explained in the accounting policies set out below:

Stated at fair value

- (i) investment properties;
- (ii) investments in debt and equity securities classified as available-for-sale, other than those carried at cost less impairment;
- (iii) investments in debt and equity securities classified as held-for-trading and designated at fair value through profit or loss;
- (iv) policyholder account assets in respect of unit-linked products; and
- (v) investment contract liabilities in respect of unit-linked products.

Measured primarily based on actuarial methods

- (i) life insurance contract liabilities;
- (ii) Unearned premium provisions; and
- (iii) Provision for outstanding claims.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(b) 財務報表的編製基準 (續)

除以下資產及負債是以公允價值列賬或按精算方法計量外，本財務報表是以歷史成本作為編製基準。有關詳情載列於下列會計政策：

以公允價值列賬

- (i) 投資物業；
- (ii) 歸類為可供出售的債務及股本證券投資，按成本減任何累計減值列賬的則除外；
- (iii) 持有作交易用途及指定為通過損益以反映公允價值的債務及股本證券投資；
- (iv) 有關投資連結產品之保單持有人資產；及
- (v) 有關投資連結產品之投資合約負債。

主要是基於精算方法計量

- (i) 壽險合約負債；
- (ii) 未到期責任準備金；及
- (iii) 未決賠款準備。

公允價值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特性，則本集團於估計資產或負債的公允價值時會考慮該等特性。此等綜合財務報表中作計量及／或披露用途的公允價值乃按此基準釐定，惟屬於香港財務報告準則第2號範圍內的以股份付款的交易、屬於香港會計準則第17號範圍內的租賃交易，以及與公允價值有部份相若地方但並非公允價值的計量，譬如香港會計準則第2號內的可變現淨額或香港會計準則第36號的使用價值除外。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(b) Basis of preparation of the financial statements (Continued)

Measured primarily based on actuarial methods (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the following year are discussed in Note 50.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(b) 財務報表的編製基準 (續)

主要是基於精算方法計量 (續)

此外，就財務報告而言，公允價值計量根據公允價值計量的輸入數據可觀察程度及公允價值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級別的輸入變數是指個體能於計量日在活躍市場上得到已識別資產或負債的標價（不做任何調整）；
- 第二級別的輸入變數是指除包含在第一級別的標價以外，可直接或間接觀察得到的資產或負債的輸入變數；及
- 第三級別的輸入變數是指資產或負債不可觀察得到的輸入變數。

按《香港財務報告準則》之要求，在編製財務報表時，管理層須作判斷、估計及假設從而影響政策實施及資產、負債、收入及支出之呈報金額。有關估計及假設乃按在既定情況下可合理地相信，根據過往之經驗及其他因素，作出判斷那些未能從其他來源確定的資產及負債的賬面值。實際結果可能與此等估計不盡相同。

有關估計及假設須不斷檢討。若修訂只影響該修訂期，會計估計的修訂於該修訂期內確認；或如該修訂影響本期及未來會計期，則於修訂期及未來會計期確認。

在附註50內，已載有管理層估計《香港財務報告準則》對下年度的財務報表及估計有重大影響引致可能產生重大的調整風險。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(c) Classification of contracts

(i) Insurance contracts

Contracts under which the Group accepts significant insurance risk from another party ("the policyholder") by agreeing to compensate the policyholder or other beneficiary if a specified uncertain future event ("the insured event") adversely affects the policyholder or other beneficiary are classified as insurance contracts. Insurance risk is risk other than financial risk that is transferred from the holder of a contract to the issuer. Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party of the contract.

Insurance risk is significant if, and only if, an insured event could cause the Group to pay significant additional benefits. Once a contract is classified as an insurance contract it remains classified as an insurance contract until all rights and obligations are extinguished or have expired.

Some contracts of the Group have both the insurance and investment components. These contracts are unbundled into the respective components as set out in Note 1(d)(ix).

(ii) Investment contracts

Insurance policies that are not considered insurance contracts under HKFRS 4 are classified as investment contracts, which are accounted for under HKAS 39.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(c) 合約分類

(i) 保險合約

倘將來特定的不確定事件(「承保事件」)對另一方(「保單持有人」)有不利影響,而本集團透過合約接受來自該保單持有人或受益人的重大保險風險並同意賠償該保單持有人或受益人,該等合約歸類為保險合約。保險風險為由合約持有人轉移至發行人的財務風險以外之風險。財務風險指特定利率、證券價格、商品價格、匯率、價格或利率指數、信貸評級或信貸指數或其他變量等等的其中一項或多項將來可能出現變動的風險,惟倘為非財務變量,則並非專門針對合約的某一訂約方。

當且僅當承保事件可能引致本集團賠付重大額外利益時,保險風險乃屬重大。一旦合約歸類為保險合約,在全部權利及義務獲解除或屆滿前,其將一直歸類為保險合約。

本集團一些合約包含保險及投資部份。這些合約需要按附註1(d)(ix)分拆有關部份。

(ii) 投資合約

根據香港財務報告準則第4號而不被視為保險合約之保單歸類為投資合約,並根據香港會計準則第39號列賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts

(i) Recognition of gross premiums written

Gross premiums written in respect of life insurance contracts are recognised as revenue when due from the policyholders. Gross premiums written from short-term accident and health insurance contracts are recognised when written.

Gross premiums written in respect of property and casualty insurance contracts are recognised as revenue when the amount is determined, which is generally when the risk commences.

Gross premiums written in respect of reinsurance contracts reflect business written during the Year, and exclude any taxes or duties based on premiums. Premiums written include estimates for “pipeline” premiums and adjustments to estimates of premiums written in previous years.

Gross premiums written in respect of investment contracts and the investment component of unbundled contracts are accounted for as deposits and booked directly to a liability account.

(ii) Life insurance contract liabilities

Life insurance contract liabilities, other than universal life and unit-linked insurance contracts, are determined using a gross premium approach plus a residual margin. Under the gross premium approach, the assumptions used in the actuarial valuation of life insurance contract liabilities reflect the management’s assessment of the expected best estimate of future policy cash flows subject to allowance for risk. The residual margin is estimated so that, after considering the effects of acquisition costs related to the acquisition of new business, including but not limited to commissions, underwriting, marketing and policy issue expenses, no gain or loss will be recognised on the initial recognition of the life insurance contract. Profits are expected to emerge over the life of the insurance contracts as the residual margins are released over the life of the contracts in proportion to insurance policies in force and as the allowance for risk is released.

(iii) Unearned premium provisions

The unearned premium provisions comprise the proportion of gross premiums written which is estimated to be earned in the following or subsequent financial years, computed on a time-apportioned basis, adjusted if necessary to reflect any variation in the incidence of risk during the period covered by the contract.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(d) 合約確認及計量

(i) 毛承保保費之確認

有關人壽保險合約的毛承保保費，於應收保單持有人時確認為收入。短期意外及健康保險合約的毛承保保費，於承保時記入。

有關財產保險合約的毛承保保費於數額釐定後確認為收入，一般為風險開始時。

有關再保險合約的毛承保保費可反映本年度內已承保的保險業務，並經扣除任何保費稅項或稅務。承保保費包括「在途」保費估計及對過往年度承保保費估計作出的調整。

有關投資合約及已分拆合約的投資部份之毛承保保費按存款計入並直接於負債賬項入賬。

(ii) 壽險合約負債

除萬能壽險及投資連結保險合約以外的壽險合約負債乃以毛承保保費計算法加上剩餘價差釐定。根據毛承保保費計算法，壽險合約負債精算估值之假設是反映管理層對未來保單現金流量所作出之預期最佳估計，以提撥風險準備。剩餘價差已考慮到獲得新業務的相關成本，包括但不限於佣金、承保、市場推廣及簽發保單之費用後，不會於首次確認壽險合約時確認任何損益估計。當剩餘價差在保單期內按有效保單及風險準備釋放之比例釋放，溢利預計將會在保險合約期內顯現。

(iii) 未到期責任準備金

未到期責任準備金包括毛承保保費中估計將於下個或其後財政年度賺取的部份，按時間劃分進行計算，如有必要，可予以調整，以反映合約承保期內風險產生的任何變動。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts (Continued)

(iv) Provision for outstanding claims

Provision for outstanding claims comprises provision for the Group's estimate of the ultimate cost of settling all claims incurred but unpaid at the end of the reporting period, whether reported or not, and related internal and external claims handling expenses and an appropriate prudential margin. Provision for outstanding claims is assessed by reviewing individual claims and making allowance for claims incurred but not yet reported, the effect of both internal and external foreseeable events, such as changes in claims handling procedures, inflation, judicial trends, legislative changes and past experience and trends. Adjustments to claims provisions established in prior years are reflected in the consolidated financial statements for the year in which the adjustments are made and disclosed separately if material. The methods used, and the estimates made, are reviewed regularly.

(v) Liability adequacy test

At the end of each reporting period, liability adequacy tests are performed to determine if the life insurance contract liabilities are adequate. Current best estimates of all future contractual cash flows and related expenses, such as claims handling expenses are used in performing these tests. Any deficiency is recognised in the consolidated statement of profit or loss for the current year.

Provision is made for unexpired risks arising from property and casualty insurance contracts and reinsurance contracts where the expected value of claims and expenses attributable to the unexpired periods of policies in force at the end of the reporting period exceeds the unearned premium provisions in relation to such policies. The unexpired risk provision, which is included in provision for outstanding claims at the reporting date, is calculated by reference to classes of business which are managed together, after taking into account the future investment return on investments held to back the unearned premium provisions and the unexpired risk provision.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(d) 合約確認及計量 (續)

(iv) 未決賠款準備

未決賠款準備包括就本集團於報告期末已產生但尚未支付(不論是否已申報)的全部賠款最終結算成本所估計作出的準備,及相關內部及外部賠款處理費用以及合適的保守利潤。評估未決賠款準備時,需對個別賠款進行審核,並對已發生但尚未申報的賠款、內部及外部可預見事件(如賠款處理程序變動、通脹、司法趨勢、立法變動及過往經驗及趨勢等)的影響提撥準備。對於過往年度賠款準備作出的調整載於作出該等調整年度的綜合財務報表,如屬重大,須分開披露。所採用的方法及所作估計會定期檢討。

(v) 負債充足性測試

於各報告期末,本集團均會進行負債充足性測試,以確定壽險責任負債是否充足。在進行該等測試時,將採用目前對例如賠款處理費用等所有將來的合約現金流及相關費用的當期最佳估計以及就壽險合約負債所持資產的投資收入。任何虧蝕會於當年的損益表內確認。

倘於報告期末未到期的有效保單應佔賠款及開支的估計價值超過就相關保單作出的未到期責任準備金,則會就財產保險合約及再保險合約的未到期風險提撥準備。包含於報告日期之未決賠款準備內的未到期風險準備金,乃參照與其一併管理的業務種類,並經計及為進行未到期責任準備金及未到期風險準備金而持有投資的未來投資回報計算。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts (Continued)

(vi) Investment contracts liabilities

Investment contract liabilities of the Group include liabilities arising from investment contracts that carry no significant insurance risk and also investment components of universal life contracts and unit-linked contracts that carry no significant insurance risk.

The liability of the investment component of an unbundled universal life contract is measured at amortised cost using effective interest rate while the liability arising from unit-linked contract is measured at fair value. The liability for the insurance component is calculated as the excess, if positive, of a gross premium liability over the account value.

Assets related to unit-linked contracts are presented as "policyholder account assets in respect of unit-linked products" and are presented separately from the rest of the Group's assets. The liability for such contracts is adjusted for all changes in their fair value of the underlying assets.

(vii) Policyholders' benefits

Policyholders' benefits include maturities, annuities, surrenders, claims and claims handling expenses, and policyholder dividend allocated in anticipation of a dividend declaration. Maturity and annuity claims are recognised as an expense when due for payment. Surrender claims are recognised when due for payments. Claims are recognised when notified but not settled and an estimate is made for claims incurred but not reported at the reporting date. Policyholder dividends are recognised when declared.

(viii) Embedded derivatives in insurance contracts

The Group has taken advantage of the exemptions available in HKFRS 4, Insurance Contracts, not to separate and fair value a policyholder's option to surrender an insurance contract for a fixed amount (or for an amount based on a fixed amount and an interest rate) even if the exercise price differs from the carrying amount of the host insurance liability.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(d) 合約確認及計量 (續)

(vi) 投資合約負債

本集團的投資合約負債包括沒有附帶重大保險風險的投資合約及萬能壽險合約及投資連結合約的投資部份所產生之負債。

萬能壽險合約已分拆投資部份之負債按有效利率方法計算之攤銷成本計量，而投資連結合約之負債按公允價值計量。保險部份之負債，按毛承保保費責任超過賬值的部份計算（如屬正數）。由於萬能壽險合約及投資連結合約的保險部份之負債非常少，因此整份合約歸類為投資合約。

有關投資連結合約的資產以「有關投資連結產品之保單持有人賬戶資產」呈列，並與本集團其他資產分開呈列。

(vii) 保單持有人利益

保單持有人利益包括到期、年金、退保、賠款及賠款處理費用，以及按預期宣派及配發予保單持有人的紅利。到期及年金賠款於滿期給款時確認為開支。退保賠款於支付時予以確認。賠款於獲通知但未支付時予以確認及已發生但於結算日尚未報告時以估算確認。保單持有人的紅利於宣派時確認。

(viii) 嵌入在保險合約的衍生工具

本集團利用香港財務報告準則第4號「保險合約」的豁免，即使保單持有人的保險合約定額退保選擇權（或基於定額及利率的數額）的行使價與主保險合約負債的賬面值有所差異，此退保選擇權無需與主保險合約負債分離及按公允價值調整。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts (Continued)

(ix) Unbundling

The Group unbundles the investment component of insurance contracts when the Group can measure separately the investment component. Receipts and payments such as premiums, policy benefit and claims relating to the investment component, except for the policy fee income which is recognised in accordance with HKAS 18, are not recognised in the consolidated statement of profit or loss but as financial assets and financial liabilities. The financial assets or financial liabilities arising from the investment component are accounted for under HKAS 39.

(x) Reinsurance

The Group cedes insurance/reinsurance in the normal course of business for the purpose of limiting its net loss potential through the diversification of its risks. Assets, liabilities, income and expense arising from ceded insurance/reinsurance contracts are presented separately from the assets, liabilities, income and expense arising from the related insurance contracts because the reinsurance arrangements do not relieve the Group from its direct obligations to its policyholders.

Only contracts that give rise to a significant transfer of insurance risk are accounted for as reinsurance contracts. Rights under contracts that do not transfer significant insurance risk are accounted for as financial instruments.

The benefits to which the Group is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of balances due from reinsurers, as well as other receivables (classified as reinsurance assets) that are dependent on the expected claims and benefits arising under related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts, which are recognised as an expense when due.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(d) 合約確認及計量 (續)

(ix) 分拆

如投資部份可分開計量，本集團將分拆保險合約的投資部份。有關投資部份的收入及支出，如保費、保單利益及賠款，除保單費收入按香港會計準則第18號確認外，並不在綜合損益表內確認，而確認為金融資產及金融負債。來自投資部份的金融資產及金融負債按香港會計準則第39號計入。

(x) 再保險

本集團在日常業務過程中會分出保險／再保險以分散風險，以限制其潛在賠款淨額。來自已分出保險／再保險合約的資產、負債、收入及開支與有關保險合約的相關資產、負債、收入及開支分開呈列，原因為再保險安排並無解除本集團對保單持有人的直接責任。

只有引致保險風險大部份轉移的合約，方可列作再保險合約。合約下並無轉移大部份保險風險的權利列作金融工具。

本集團依據持有的再保險合同而擁有的保險利益為再保險資產。這些資產包括取決於有關再保險合約之預期賠款及利益而引致的分保公司應收款及其他應收款（列為再保險資產）。分保公司的應收應付金額與有關再保險合同的約定金額一致並滿足再保險合同條款的規定。再保險負債主要是再保險合同的應付分保費，並在到期時確認為費用。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts (Continued)

(x) Reinsurance (Continued)

Amounts due/recoverable under reinsurance and the reinsurers' share of insurance contract provisions are assessed for impairment at end of each reporting period. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition, that the Group may not recover all amounts due and that the event has a reliably measurable impact on the amounts that the Group will receive from the reinsurers. The impairment loss is calculated following the same method used for financial assets held at amortised cost and the carrying amount is reduced through the use of an allowance account similar to insurance receivables.

(xi) Commission

Commission include both amounts paid or payable to agents and brokers and amounts received or receivable from reinsurers. Commission expense is accounted for when paid or payable and therefore varies in line with insurance premiums written.

(e) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year, except those acquired under common control combinations for which merger accounting method is used, are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(d) 合約確認及計量 (續)

(x) 再保險 (續)

再保險應收/可收回款項及分保公司應佔保險合約準備均會於各報告期末進行減值評估。倘有客觀證據顯示，於該資產初次被確認後發生了一些事件，令本集團不可收回全部到期款項以及該事件可對本集團從分保公司收取的金額造成可靠地計量的影響。減值是按攤銷成本持有之金融資產所採用之相同方法計算，其賬面值透過準備賬沖減，與保險應收賬款相似。

(xi) 佣金

佣金包括應付或已付代理及經紀之金額及應收或已收再保險商之金額。佣金支出於支付或應付時計入。因此，計入方法會隨承保保費的種類而有所不同。

(e) 綜合基準

綜合財務報表包括本公司及由本公司控制之個體及附屬公司之財務報表。控制權被定為擁有，當本公司：

- 可對被投資者行使權力；
- 從參與被投資者之業務獲得或有權獲得可變回報；及
- 有能力藉對被投資者行使其權力而影響其回報。

若上述三項因素中之一項或多項出現變化，本公司將重新評估其是否對被投資者擁有控制權。

附屬公司之綜合由本公司對附屬公司擁有控制權開始，並於本公司失去對附屬公司的控制權時終止。尤其是對於本年度內所收購或出售一間附屬公司之收入及開支，除共同控制合併者使用合併會計法外，將由本公司獲得控制權日期起直至本公司終止控制附屬公司當日止計入綜合損益及其他全面收益表。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(e) Basis of consolidation (Continued)

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interest having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and the liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(e) 綜合基準 (續)

各損益及其他全面收益項目乃分配至本公司擁有人及非控股權益。附屬公司的全面收益總額乃分配至本公司擁有人及非控股權益，即使此舉導致非控股權益出現虧絀結餘。

如有需要，會對附屬公司之財務報表作出調整，以使其會計政策與本集團會計政策一致。

有關本集團股東之間的所有集團內資產及負債、權益、收入、開支及現金流量均於綜合賬目時全面對銷。

本集團於現有附屬公司擁有權之變動

本集團於現有附屬公司擁有權出現並無導致本集團失去該等附屬公司的控制權之變動，均以權益交易入賬。本集團之權益與非控股股東權益之賬面值均予以調整，以反映彼等於附屬公司之相關權益之變動。非控股股東權益所調整之款額與所付或所收代價之公允價值兩者之間的差額，均直接於權益確認並歸屬於本公司股東。

當本集團失去一間附屬公司的控制權時，盈虧於損益內確認，並按：(i) 已收代價公允價值及任何保留權益公允價值總額與(ii) 資產（包括商譽）的先前賬面值及附屬公司的負債及任何非控股權益之間的差額計算。所有先前於其他全面收益就該附屬公司確認的金額會予以入賬，猶如本集團已直接出售該附屬公司的相關資產及負債（即按適用香港財務報告準則的規定／許可重新分類至損益或轉撥至另一類權益）。於失去控制權當日在前附屬公司保留的任何投資的公允價值，會根據香港會計準則第39號，在其後入賬時被列作首次確認的公允價值，或（如適用）首次確認於聯營公司或合營公司的投資的成本。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(e) Basis of consolidation (Continued)

Changes in the Group's ownership interests in existing subsidiaries (Continued)

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 1(o)). The results of subsidiaries are accounted for by the Company on the basis of dividends received or receivable.

(f) Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decision about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint venture are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's investment in that associate or joint venture, including any other unsecured receivables, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(e) 綜合基準 (續)

本集團於現有附屬公司擁有權之變動 (續)

在本公司的財務狀況表中，附屬公司投資是以成本減去減值（參看附註1(o)）列賬。本公司把附屬公司之業績按已收及應收股息入賬。

(f) 聯營公司及合營公司

聯營公司是指本集團對一個個體有重大影響。重大影響是指有權參與被投資者的財政及營運政策的決策但並不能夠控制或共同控制這些政策。

合營公司指一項聯合安排，對安排擁有共同控制權的訂約方據此對聯合安排的淨資產擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權的各方作出一致同意的決定時存在。

聯營公司或合營公司之業績、資產及負債均採用權益會計法計入綜合財務報表，惟投資或其中部份被分類為待出售資產，在這情況下，根據香港財務報告準則第5號記賬。按照權益法，於聯營公司的投資初步在綜合財務狀況表按成本確認，並於其後就確認本集團應佔該等聯營公司之損益及其他全面收益作出調整。倘本集團對某一聯營公司所承擔之虧損超逾對該聯營公司所享權益，（其中包括任何長期利息基本上成為本集團於聯營公司的淨投資的一部份）本集團停止確認其分佔之進一步虧損。僅當本集團招致司法或引申債務或代表聯營公司支付時，才對額外虧損額進行撥備。

投資聯營公司或合營公司是由被投資者成為聯營公司或合營公司當日起以權益會計法入賬。當收購投資聯營公司或合營公司，任何投資成本比本集團應佔被投資者的可識別資產及負債之淨公平值高出之差額便確認為商譽，已包括在投資的賬面值中。任何本集團應佔的可識別資產及負債之淨公平值比投資成本高出之差額，於重新評估後，立即於收購投資時於損益表中確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(f) Associates and joint ventures (Continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains an interest in a former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(f) 聯營公司及合營公司 (續)

香港會計準則第39號之規定予以應用，以釐定是否需要就本集團於聯營公司或合營公司之投資確認任何減值。於需要時，該項投資之全部賬面值（包括商譽）會根據香港會計準則第36號「資產減值」以單一資產的方式進行減值測試，方法是比較其可收回金額（即使用價值與公允價值減出售成本之較高者）與賬面值。任何已確認之減值構成該項投資之賬面值的一部份，有關減值之任何撥回乃於該項投資之可收回金額其後增加之情況根據香港會計準則第36號確認。

於投資不再作為聯營公司或合營公司當日或投資（或其一部份）分類為持作出售當日，本集團終止使用權益法。當本集團保留於前聯營公司或合營公司的權益，且保留權益為金融資產時，則本集團於當日按公允價值計量保留權益，而公允價值則被視為根據香港會計準則第39號首次確認時的公允價值。聯營公司或合營公司於終止使用權益法當日的賬面值與任何保留權益的公允價值及出售聯營公司或合營公司部份權益所得任何所得款項之間的差額，乃計入釐定出售聯營公司或合營公司的損益。此外，倘該聯營公司或合營公司直接出售相關資產或負債，則本集團可能需要按相同基準計入有關該聯營公司或合營公司的以往於其他全面收益確認的所有金額。因此，倘聯營公司或合營公司以往於其他全面收益確認的損益重新分類為出售相關資產或負債的損益，則本集團將於終止使用權益法時將權益盈虧重新分類至損益（列作重新分類調整）。

當於聯營公司的投資成為對合營公司的投資或於合營公司的投資成為對聯營公司的投資時，本集團繼續使用權益法。於發生該等所有權變動時，不會對公允價值進行重新計量。

當本集團削減於聯營公司或合營公司的所有權權益但繼續使用權益法時，倘以往於其他全面收益確認有關削減所有權權益的盈虧部分將於出售相關資產或負債時重新分類至損益，則本集團會將該盈虧重新分類至損益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(f) Associates and joint ventures (Continued)

When a group entity transacts with its associate or joint venture of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associates or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

In the Company's statement of financial position, its investments in associates are stated at cost less impairment losses (see Note 1(o)). The results of associates are accounted for by the Company on the basis of dividends received or receivable.

(g) Business combinations and goodwill

(i) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Noncurrent Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(f) 聯營公司及合營公司 (續)

倘一集團實體與其聯營公司及合營公司交易，與該聯營公司及合營公司交易（如出售或投入資產）所產生之損益只會在有關聯營公司及合營公司之權益與本集團無關的情況下，才會在本集團之綜合財務報表確認。

本公司財務狀況表所示於聯營公司的投資，是按成本減去減值入賬（參看附註1(o)）。本公司將聯營公司之業績按已收及應收股息入賬。

(g) 業務合併及商譽

(i) 業務合併

收購業務採用收購法入賬。業務合併之收購代價按公允價值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方原股東產生之負債及本集團於交換被收購方之控制權發行之股權之總額。有關收購之費用一般於產生時確認於損益中。

所收購之可識別資產及所承擔之負債乃於收購日按公允價值確認，惟以下情況除外：

- 遞延稅項資產或負債及僱員福利安排所產生之資產或負債分別按香港會計準則第12號「所得稅」及第19號「僱員福利」確認及計量；
- 與被收購方以股份為基礎之付款支出安排有關或以本集團以股份為基礎之付款安排取代被收購方以股份為基礎之付款支出安排有關之負債及權益工具，乃於收購日期按香港財務報告準則第2號「以股份為本之付款」計量；及
- 根據香港財務報告準則第5號「持有作出售之非流動資產及終止業務」分類為持有作出售之資產（或出售組別）根據該準則計量。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

(i) Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

(ii) Acquisition of additional interests in subsidiaries

On acquisition of additional interests in subsidiaries, the difference between the cost of additional interest acquired and the decrease in the carrying amount of the non-controlling interest is recorded in capital reserve.

(iii) Merger accounting for business combination involving entities under common control

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combinations occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

(i) 業務合併 (續)

商譽是以所轉撥之代價、非控股權益於被收購方中所佔金額、及收購方以往持有之被收購方股權之公允價值(如有)之總和,減所收購之可識別資產及所承擔之負債於收購日期之淨值後,所超出之差額計值。倘經過評估後,所收購之可識別淨資產與所承擔負債於收購日期之淨額高於轉撥之代價、非控股權益於被收購方中所佔金額以及收購方以往持有之被收購方股權之公允價值(如有)之總和,則差額即時於損益內確認為廉價收購收益。

屬現時擁有之權益且於清盤時讓持有人有權按比例佔實體淨資產之非控股權益,可初步按公允價值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型的非控股權益乃按其公允價值或(倘適用)按另一項準則規定的計量基準計量。

(ii) 購入附屬公司額外權益

於購入附屬公司額外權益時,購入額外權益的成本及非控股股東權益賬面值減少之差異於資本儲備中錄入。

(iii) 涉及受共同控制實體的業務合併之合併會計法

綜合財務報表包括共同控制合併的合併實體或業務的財務報表,猶如自該等合併實體或業務首次受控制方控制當日起已經合併一般。

合併實體或業務的資產淨值乃按控制方的現有賬面值進行合併。在控制方持續擁有權益的條件下,共同控制合併時並無就商譽或於被收購公司的可識別資產、負債及或然負債的公允淨值高出成本的部份確認任何金額。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

(iii) Merger accounting for business combination involving entities under common control (Continued)

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

(iv) Goodwill

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

(iii) 涉及受共同控制實體的業務合併之合併會計法 (續)

綜合損益表包括自最早呈列日期起或自該等合併實體或業務首次受共同控制日期起以期限較短者為準(不論共同控制合併的日期)的業績。

綜合財務報表的比較金額乃按猶如該等實體或業務於先前報告期或當該等實體或業務首次受共同控制時,以較短者為準,按已合併的方式呈列。

(iv) 商譽

收購業務所產生之商譽,按成本減累計減值(如有)列賬及於綜合財務狀況表分開呈列。

就減值測試而言,商譽分配至預期受惠於收購所產生協同效益之有關現金產生單位或一組現金產生單位。

獲分配商譽之現金產生單位會每年及當有跡象顯示該單位可能出現減值時進行減值測試。就因收購產生商譽之財政年度而言,獲分配商譽之現金產生單位會於該報告期末前進行減值測試。倘現金產生單位之可收回金額低於其賬面值,則減值會先用作減低任何分配至該單位之商譽賬面值,其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。任何商譽減值會直接於綜合損益表的損益確認。商譽減值並不會於往後期間撥回。

於出售有關現金產生單位時,釐定出售所得損益包括已撥充資本化商譽應佔金額。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

(v) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see Note 1(o)).

(h) Investments in debt and equity securities

Investments in debt and equity securities are initially measured at fair value, which is their transaction price unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Attributable transaction costs are included in the fair value, except financial assets carried at fair value through profit or loss. These investments are subsequently accounted for as follows, depending on their classification:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss has two subcategories, including financial assets held-for-trading and those designated as at fair value through profit or loss on initial recognition.

A financial asset is classified as held-for-trading if:

- (1) it has been acquired principally for the purpose of selling in the near future; or
- (2) it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- (3) it is a derivative that is not designated and effective as a hedging instrument.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

(v) 業務合併所獲得的無形資產

倘於業務合併收購之無形資產符合無形資產之定義，且其公允價值能可靠計量，則會予以識別及與商譽分開確認。該等無形資產之成本為於收購當日之公允價值。

於初次確認後，具有無限使用年期之無形資產可按成本減任何其後累計減值列賬（參看附註1(o)）。

(h) 債務及股本證券投資

債務及股本證券之投資初步按公允價值列賬。公允價值即其交易價，除非可以用估值技巧（其變數僅包括可觀察市場之數據）更可靠地估計其公允價值。應計交易成本包括在公允價值內，惟通過損益以反映公允價值的金融資產除外。該等投資其後按下列方式列賬，惟需視乎其類別而定：

(i) 通過損益以反映公允價值的金融資產

通過損益以反映公允價值的金融資產細分為兩類，包括持有作交易用途及於初始確認時被指定為通過損益以反映公允價值之金融資產。

金融資產被撥歸為持有作交易用途，如：

- (1) 收購之主要目的為於短期內出售；或
- (2) 屬本集團一併管理的已識別金融工具組合的一部份，並且具近期有實際短期套利模式；或
- (3) 其為不指定及有效作為對沖工具之衍生工具。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(h) Investments in debt and equity securities (Continued)

(i) Financial assets at fair value through profit or loss (Continued)

A financial asset other than a financial asset held-for-trading may be designated as at fair value through profit or loss upon initial recognition if:

- (1) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- (2) the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- (3) it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

At the end of each reporting period subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the net unrealised investment gains/(losses) in the consolidated statement of profit or loss.

(ii) Held-to-maturity securities

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Group's management has the positive intention and ability to hold to maturity. Subsequent to initial recognition, held-to-maturity securities are stated in the consolidated statement of financial position at amortised cost using effective interest method less impairment losses (see Note 1(o)).

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(h) 債務及股本證券投資 (續)

(i) 通過損益以反映公允價值的金融資產 (續)

除持有作交易用途的金融資產外，金融資產可能於初次確認時被指定為通過損益以反映公允價值，如：

- (1) 按該訂值可以消除或大幅減少計量或確認出現的不一致的情況；或
- (2) 金融資產構成一組金融資產、金融負債或一組金融資產及負債，根據本集團明文規定的風險管理或投資策略，按公允價值基準管理及評估表現，而內部亦根據該基準呈報該組金融工具的資訊；或
- (3) 其組成內含一種或多種嵌入式衍生工具，而香港會計準則第39號允許整份合併合約（資產或負債）劃分為通過損益以反映公允價值。

於首次確認後之每個報告期末，通過損益以反映公允價值的金融資產乃按公允價值計量，而公允價值之變動則於產生期間直接於損益表確認。於損益表確認之收益或虧損淨額（不包括任何股息或於金融資產賺取之利息），是包含於綜合損益表內之未實現投資收益／（虧損）。

(ii) 持有至到期證券

持有至到期證券為非衍生工具之金融資產，並有固定或可釐定付款以及固定到期日的債務證券，而本集團及／或本公司有肯定能力及意向持有至到期。於首次確認後，持有至到期證券按有效利率計算的已攤銷成本減任何減值後記入綜合財務狀況表（參看附註1(o)）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(h) Investments in debt and equity securities (Continued)

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At end of each reporting period subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any identified impairment losses (see Note 1(o)).

(iv) Available-for-sale securities

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. Equity and debt securities held by the Group that are classified as available-for-sale are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in consolidated statement of profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of fair value reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified to profit or loss (see Note 1(o)).

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the consolidated statement of financial position at cost less impairment losses (see Note 1(o)).

All regular way purchases or sales of investments in debt and equity securities are recognised and derecognised on a trade date basis.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount of the financial asset on initial recognition.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(h) 債務及股本證券投資 (續)

(iii) 貸款及應收款項

貸款及應收款項為附帶固定或可確定金額付款之非衍生金融資產，該等資產並非在交投活躍之市場掛牌。於首次確認後之每個報告期末，貸款及應收款項乃採用有效利率法按攤銷成本減任何已確定之減值後列賬（參看附註1(o)）。

(iv) 可供出售證券

未有分類為以上類別的證券投資，歸類為可供出售證券。由本集團持有及在活躍市場交易，並已歸類為可供出售的債務及股本證券，於每個報告期末以其公允價值計量。可供出售貨幣性金融資產的賬面價值變動與按有效利率方法計算的利息及可供出售股本證券的股息有關的，於損益表內確認。其他可供出售證券的賬面價值變動於其他全面收益內確認及累計於公允價值儲備。當投資被出售或確認減值時，過往累計於公允價值儲備之收益或虧損，重新分類至損益表（參看附註1(o)）。

沒有活躍市場報價及其公允價值不能可靠地計量的股本證券投資，按成本減去減值後確認在綜合財務狀況表內（參看附註1(o)）。

所有一般買賣之債務及股本證券投資皆以交易日基準確認及終止確認。

有效利率法乃計算金融資產之已攤銷成本及於相關期間攤分利息收入之方法。有效利率指按金融資產之預期可使用年期或較短期間內（如適用）實際折現估計未來現金收入（包括組成有效利率、交易成本及其他溢價或折價主要部份之已付或收到之全部費用）至金融資產初始確認時的賬面淨值之利率。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(i) Securities purchased under resale agreements/ securities sold under repurchase agreements

Securities sold under repurchase agreements represent short-term financing arrangements secured by the securities sold. The securities remain on the consolidated statement of financial position and a liability is recorded in respect of the consideration received. Interest is calculated based upon the effective interest method. The “securities sold under repurchase agreements” liabilities are carried in the consolidated statement of financial position at amortised cost. Conversely, securities purchased under resale agreements represent short-term lending arrangements secured by the securities purchased. The securities purchased are not recognised as financial assets on the consolidated statement of financial position and the consideration paid is recorded as “securities purchased under resale agreements” and carried in the consolidated statement of financial position at amortised cost. Interest is calculated using the effective interest method.

(j) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

Investment properties are stated in the consolidated statement of financial position at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in the consolidated statement of profit or loss. Rental income from investment properties is accounted for as described in Note 1(v)(iv).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it was held under a finance lease, and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(i) 買入返售證券／賣出回購證券

賣出回購證券指以所出售的證券作抵押之短期財務安排。該等證券仍留在綜合財務狀況表，並就所收取之代價記錄為負債。利息乃按有效利率方法計算。賣出回購證券負債是按已攤銷成本記入綜合財務狀況表。相反，買入返售證券指以所購買的證券作抵押之短期借貸安排。該等證券不會於綜合財務狀況表確認為金融資產，而已支付的代價會記入「買入返售證券」，並按已攤銷成本記入綜合財務狀況表。利息乃按有效利率方法計算。

(j) 投資物業

土地及／或建築物若持有或以租約業權擁有，目的為賺取租金及／或實現資本增值為目的，列為投資物業。投資物業包括未明確日後用途之土地。

投資物業是以公允價值於綜合財務狀況表列示。因公允價值變動或報廢或出售而產生的損益在綜合損益表內確認。投資物業租金收入按附註1(v)(iv)所述計算。

本集團是根據個別情況，把以經營租賃方式持有用作租金收入或資本增值（或二者皆是）的物業權益分類為投資物業。任何已歸類為投資物業的物業權益，當作持有融資租賃入賬。其他根據融資租賃租出的投資物業，採用同一會計政策入賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(k) Property and equipment

Property and equipment including buildings and leasehold land (classified as finance leases) held for use in supply of services, or for administrative purposes are stated at cost less subsequent accumulated depreciation and impairment losses (see Note 1(o)).

Gains or losses arising from the retirement or disposal of an item of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the consolidated statement of profit or loss on the date of retirement or disposal.

Depreciation is recognised to write off the cost of items of property and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Land and buildings are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Other fixed assets 3 – 10 years

Where parts of an item of property and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

If an item of property and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in property revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained profits.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(k) 物業及設備

物業及設備包括持有用於提供服務，或用於行政用途之建築物及租賃土地（分類為融資租賃），乃按成本減後續累計折舊及累計減值列賬（參看附註1(o)）。

由報廢或出售物業及設備項目收益或虧損是按出售所得淨額與項目賬面金額之間的差額釐定，並於報廢或出售日在綜合損益表內確認。

物業及設備折舊是根據下列分類，按預計可使用年期以直線法確認以沖銷其成本，減去其估計剩餘價值（如有）：

- 土地及建築物按以尚餘租賃期及其估計可使用年期較短者計提折舊，即於完成日期後不多於五十年。
- 其他固定資產 三至十年

倘某物業及設備項目之部份有不同可使用年期，該項目之成本須在各部份間按合理基準釐定，而各部份須分別計提折舊。資產及其剩餘價值之可使用年限（如有），須每年檢討。

當物業及設備項目因業主不再自用，證明其用途改變而成為投資物業時，該項目於轉撥當日之賬面金額及公允價值間任何差額於其他全面收益確認及累計於物業重估儲備內。日後出售或報廢該資產時，物業重估儲備將直接轉入保留溢利。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(l) Prepaid lease payments and buildings under construction

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property and equipment.

Properties in the course of construction for administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group’s accounting policy. Such properties are classified to the appropriate categories of property and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

(m) Insurance debtors, other debtors and amounts due from group companies

Insurance debtors, other debtors and amounts due from group companies are initially recognised at fair value and thereafter stated at amortised cost using effective interest method less allowance for impairment (see Note 1(o)), except where the receivables are interest-free or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(l) 預付租賃付款及發展中的建築物

倘租賃包括土地及建築物部份，則本集團根據對各部份之擁有權所附帶之絕大部份風險及回報是否已轉讓予本集團之評估，獨立將各部份分類評估為融資或經營租賃，除兩部份明顯為經營租賃，在該情況下，則整項租賃被歸類為經營租賃。具體而言，最低租賃付款（包括任何一次過預付款項）乃按租賃土地部份及建築物部份於租約開始時之租賃權益相對公允價值比例於土地及建築物部份之間分配。

倘能可靠分配租賃付款，作為經營租賃入賬之租賃土地權益於綜合財務狀況表內呈列為「預付租賃付款」並按直線法於租賃期內攤銷，被歸類為並作為投資物業及以公允價值模式列賬的則除外。當租賃付款未能於土地及建築物部份之間可靠分配時，整項租賃一般分類為融資租賃並作為物業及設備入賬。

用作行政用途的在建物業乃以成本減任何已確認減值列賬。成本包括專業費及就合資格資產根據本集團會計政策撥充資本之借貸成本。該物業竣工後並可作其擬定用途時分類至物業及設備之適當類別。該等資產於可作其擬定用途時開始折舊，所按之基準與其他物業資產相同。

(m) 保險客戶應收賬款、其他應收賬款及應收集團內公司款項

保險客戶應收賬款、其他應收賬款及應收集團內公司款項在最初產生時以公允價值確認，其後按有效利率計算的已攤銷成本減去減值入賬（參看附註1(o)）。然而，如應收賬款是無息或折算現值後的影響不大，則按成本減去減值入賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(n) Insurance creditors and amounts due to group companies

Insurance creditors and amounts due to group companies are initially recognised at fair value and thereafter stated at amortised cost using effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liabilities, or, where appropriate, a shorter period to the net carrying amount of the liability on initial recognition.

(o) Impairment of assets

(i) Impairment of financial assets other than those at fair value through profit or loss

Financial assets other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For available-for-sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(n) 保險客戶應付賬款及應付集團內公司款項

保險應付賬款及應付集團內公司款項在最初產生時以公允價值確認，其後按有效利率計算已攤銷成本入賬。然而，如折算現值後的影響不大，則按成本入賬。

有效利率法乃計算金融負債之已攤銷成本及於相關期間分攤利息成本之方法。有效利率指按金融負債之預期可使用年期或較短期間內（如適用）實際折現估計未來現金付款至負債初始確認時的賬面淨值之利率。

(o) 資產減值

(i) 除通過損益以反映公允價值外之金融資產減值

除按公允價值列賬及列入損益賬之金融資產外，金融資產會於報告期末進行減值提示測試。當有客觀的證據，於首次確認金融資產後，一件或更多的事件發生導致金融資產的估計未來現金流受影響，金融資產便要減值。

當可供出售之股本投資的公允價值大幅地或長期地下降至低於其成本，這便視為客觀的減值證據。

所有其他金融資產的客觀減值證據包括：

- 債務人有重大財務困難；
- 違反合約，如拖欠償還利息或本金；
- 債務人可能破產或進行其他財務重組；及
- 由於財務困難以致金融資產的活躍市場消失。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(o) Impairment of assets (Continued)

(i) Impairment of financial assets other than those at fair value through profit or loss (Continued)

For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities are not reversed in subsequent periods.

For insurance and other debtors and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting is material.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through the consolidated statement of profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

For available-for-sale securities, the cumulative loss that has been recognised directly in other comprehensive income and accumulated in fair value reserve is removed from fair value reserve and is recognised in the consolidated statement of profit or loss when the available-for-sale securities are disposed of or are determined to be impaired. The amount of the cumulative loss that is recognised in the consolidated statement of profit or loss is the excess of the acquisition cost (net of any principal repayment and amortisation) over the current fair value, less any impairment loss on that asset previously recognised in the consolidated statement of profit or loss.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(o) 資產減值 (續)

(i) 除通過損益以反映公允價值外之金融資產減值 (續)

就按成本列賬的無報價股本證券而言，如果折算現值的影響重大，減值將按金融資產的賬面值及估計未來現金流根據相同金融資產的現時市場回報率折算後之現值，以兩者之差額計算。股本證券的減值並不會於往後期間被撥回。

就按攤銷成本列賬的保險及其他應收賬款及其他金融資產而言，如果折算現值的影響重大，減值按金融資產的賬面值及以原有有效利率（即該資產在初始確認時計算之有效利率）估計未來現金流折算為現值，以兩者之差額計算。

若在較後期間，減值的金額減少而該減少是可客觀地與撤銷後發生的事件有關連，往年確認之減值沖回綜合損益表內，減值沖回的金額不能超過假設該資產於往年從來未有確認減值的賬面值。

就可供出售證券而言，當可供出售證券被出售或確定已減值，已直接確認在其他全面收益及累計於公允價值儲備內的累積虧損將被剔除，並於綜合損益表內確認。須於綜合損益表內確認累積虧損之金額，是購入成本（減去任何本金償還及攤銷）超出現時公允價值之差額，再減去往年已於綜合損益表內確認的減值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(o) Impairment of assets (Continued)

(i) Impairment of financial assets other than those at fair value through profit or loss (Continued)

Impairment losses recognised in the consolidated statement of profit or loss in respect of available-for-sale equity securities are not reversed through the consolidated statement of profit or loss. Any subsequent increase in the fair value of such assets is recognised directly in other comprehensive income and accumulated in fair value reserve.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in the consolidated statement of profit or loss.

For financial assets carried at amortised cost, such as insurance and other debtors, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of insurance and other debtors, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in consolidated statement of profit or loss. When an insurance or other debtor is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to consolidated statement of profit or loss.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(o) 資產減值 (續)

(i) 除通過損益以反映公允價值外之金融資產減值 (續)

有關可供出售股本證券的已確認減值是不能沖回綜合損益表。其後該資產之公允價值增加須直接在其他全面收益內確認及累計於公允價值儲備。

就可供出售債務證券而言，如其後該資產之公允價值增加，而該增加是可客觀地與確認減值後發生的事件有關連，減值可沖回。在此情況下，沖回減值於綜合損益表內確認。

就若干類別之金融資產（如保險及其他應收賬款）而言，並無個別被評估為已減值之資產隨後將按組合基準評估減值。應收款組合減值之客觀證據可包括本集團之過往收款經驗、組合內延遲還款至超逾平均信貸期之次數增加，以及與應收款逾期有關之國家或地方經濟狀況明顯改變。

除保險及其他應收賬款之賬面值通過計提撥備削減外，所有金融資產之賬面值均直接按減值予以削減。撥備賬面值之變動於綜合損益表內確認。當一項保險客戶及其他應收款被認為不可收回，其將從撥備撇銷。隨後追回以前撇銷之款項計入綜合損益表。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(o) Impairment of assets (Continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired:

- property and equipment;
- reinsurers' share of insurance contract provisions;
- investments in subsidiaries, associates and joint ventures;
- intangible asset; and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible asset and goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

(i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

(ii) Recognition of impairment losses

An impairment loss is recognised in the consolidated statement of profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(o) 資產減值 (續)

(ii) 其他資產減值

於各報告期末均會審閱內部及外部資料，以衡量下列資產有否出現減值：

- 物業及設備；
- 分保公司應佔保險合約準備；
- 附屬、聯營公司及合營公司投資；
- 無形資產；及
- 商譽。

如任何此等徵兆存在，須估計該資產的可收回金額。此外，不論是否有任何減值迹象，每年亦會估計無形資產及商譽的可收回額。

(i) 計算可收回金額

資產的可收回金額以其公允價值減去銷售成本和使用價值兩者中的較高數額為準。在評估使用價值時，以除稅前折現率將估計未來現金流量折讓至現值。該折現率是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。如果資產所產生的現金流入基本上不獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產類別（即現金產生單位）來釐定可收回金額。

(ii) 減值之確認

當資產或其所屬的現金生產單位的賬面值超過可收回金額時，須於綜合損益表內確認減值。有關確認現金生產單位減值時，首先減低分配予現金生產單位（或其單位組別）之商譽賬面值，其後再按比例減低在該單位（或其單位組別）其他資產的賬面值，但該資產的賬面值不可低過其個別公允價值減出售成本或使用價值（如可確定的話）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(o) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

(iii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the consolidated statement of profit or loss in the year in which the reversals are recognised.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

(q) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

(r) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(o) 資產減值 (續)

(ii) 其他資產減值 (續)

(iii) 減值沖回

除商譽外的有關資產，如在用來釐定可收回金額的估計發生有利的變化，則減值會被沖回。商譽的減值不可沖回。

減值沖回只局限至該資產的賬面值，猶如從未於往年年度確認該等減值。減值沖回在被確認的年度計入綜合損益表。

(p) 現金及現金等價物

現金及現金等價物包括銀行及庫存現金、存置於銀行及其他金融機構之即時存款、可隨時兌換作已知現金金額的短期且有高度流動性的投資，該等投資的到期日為其收購日期起三個月內，且受輕微價值變動的風險所影響。於要求時償還的銀行透支組成本集團的現金管理的一部份，亦就綜合現金流量表而計入現金及現金等價物一部份。

(q) 需付息借款

需付息借款在最初確認時按公允價值減去應佔交易費用。最初確認後，須付息借款按攤銷成本列賬，而最初確認數額與贖回價值之差額，按有效利率方法計算於借款期內在綜合損益表中確認。

(r) 短期僱員福利及已訂定退休供款計劃供款

與僱員所提供的服務有關的薪金、年度花紅、有薪假期、已訂定退休供款計劃供款及非金錢利益的成本均累計在年度內。倘有任何遞延付款或還款而帶有重大影響，則該等金額乃以其現值列賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(s) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interest in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(s) 利得稅

利得稅支出指當期應付稅項及遞延稅項總和。

當期應付稅項按年內應課稅溢利計算。由於應課稅溢利不包括其他年度的應課稅或可扣稅收入或開支項目，亦不包括毋須課稅或不可扣稅之項目，故與綜合損益表所列的「除稅前溢利」不同。本集團當期稅項負債按於報告期末有規定或已有頒令實施之稅率計算。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產一般會於可能有應課稅溢利以抵銷可扣稅暫時差額時就所有可扣稅暫時差額確認入賬。倘商譽或由初次確認不影響應課稅溢利或會計溢利之交易（業務合併除外）之其他資產及負債產生暫時差額，有關資產及負債不予確認。

遞延稅項負債乃就附屬公司及聯營公司，及聯合安排的權益之投資產生之暫時應課稅項差異予以確認，惟若本公司能夠控制暫時差異之撥回而短期差異有可能於可見未來不能撥回則除外。遞延稅項資產於可能有足夠應課稅溢利可用作抵銷該投資及利益有關之可扣減暫時差異的情況下確認，暫時差異預期於可預見未來撥回。

遞延稅項資產之賬面值於各報告期末審閱，並於不再可能有足夠應課稅溢利以收回全部或部份資產時減少。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(s) Income tax (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets of such investment properties are measured in accordance with the above general principles set out in HKAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. When current tax or deferred tax arises from initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(t) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(s) 利得稅 (續)

遞延稅項資產及負債乃根據報告期末已制訂或實質制訂之稅率(及稅法),按資產變現或負債清償期間之預期適用稅率計算。遞延稅項負債及資產之計量反映出倘按本集團預期於報告期末收回或結算其資產及負債賬面值計算的稅項結果。

就採用公允價值模式計量的投資物業之遞延稅項負債或遞延稅項資產而言,除非假設不成立,否則該等物業的賬面值假設可透過銷售收回。當投資物業可予折舊及在業務目標是隨時間而消耗投資物業所含有的絕大部分經濟利益的業務模式(而非透過出售)持有時,有關假設會不成立。倘有關假設不成立,則上述投資物業的遞延稅項負債及遞延稅項資產根據香港會計準則第12號所載的上述一般原則計量(即根據將如何收回有關物業的預期方式)。

當期及遞延稅項確認於損益,惟倘遞延稅項與於其他全面收益或直接於權益確認之項目有關,則當期及遞延稅項亦分別於其他全面收益或直接於權益中處理。當當期或遞延稅項乃因業務合併的初次會計處理而產生,稅項影響將包含於業務合併的會計處理內。

(t) 準備及或然負債

若本集團須就過往事件而承擔現有責任,及本集團有可能須結付該項責任,而該項責任的金額能可靠地計量,即會確認撥備。撥備乃根據報告期末結付現行責任所須代價之最佳估算釐定,並已計及履行責任之風險及不明朗因素。倘撥備按履行現行責任估計所需之現金流量計量,則其賬面值為有關現金流量之現值(如影響重大)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(t) Provisions and contingent liabilities (Continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(u) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(v) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the consolidated statement of profit or loss as follows:

(i) Gross premiums written from insurance contracts

The accounting policies for the recognition of revenue from insurance contracts are disclosed in Note 1(d).

(ii) Policy fee income

Fees from investment contracts or investment components of insurance contracts are recognised in the period in which the services are provided.

(iii) Commission income

Commission income is recognised as revenue when received or receivable from reinsurers.

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognised in the consolidated statement of profit or loss in equal installments over the periods covered by the lease term. Lease incentives granted are recognised in the consolidated statement of profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(t) 準備及或然負債 (續)

倘若含有經濟效益的資源外流的可能性不大，或是無法對有關數額作出可靠的估計，便會將該義務披露為或然負債；但假如這類資源外流的可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否的潛在義務，亦會披露為或然負債；但假如這類資源外流的可能性極低則除外。

(u) 股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

(v) 收入確認

收入是在經濟效益預期會流入本集團，以及能夠可靠地計算收入和成本（如適用）時，根據下列方法在綜合損益表中確認：

(i) 保險合約毛承保保費

有關確認保險合約收益的會計政策，詳情載於附註1(d)。

(ii) 保單費收入

投資合約或保險合約投資部份的費用在提供服務期間確認。

(iii) 佣金收入

佣金收入在從再保險商收到及應收款項時確認為收入。

(iv) 經營租賃的租金收入

經營租賃的應收租金收入於相關租賃期的會計期間內，以等額方式在綜合損益表內確認，除非另有基準能更清楚地反映源自運用租賃資產的利益模式。經營租賃協議涉及的激勵機制在綜合損益表內列作應收租賃淨付款總額的一部份。或然租金在產生的會計期間內確認為收入。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(v) Revenue recognition (Continued)

(v) Income from asset management, insurance intermediary and pension businesses

Income from asset management, insurance intermediary and pension businesses are recognised when the service is rendered.

(vi) Dividends

Dividend income from investments is recognised when the shareholder's right to receive payment is established.

(vii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(w) Translation of foreign currencies

Foreign currency transactions during the year are translated into the functional currencies of respective entities in the Group at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currencies of respective entities in the Group at the exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in the consolidated statement of profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into the functional currencies of respective entities in the Group using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into the functional currency of respective entities in the Group using the foreign exchange rates ruling at the dates the fair value was determined. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(v) 收入確認 (續)

(v) 資產管理、保險中介及養老保險業務的收入

資產管理、保險中介及養老保險業務的收入在提供服務時確認。

(vi) 股息

投資的股息收入在股東收取款項的權利確立時確認。

(vii) 利息收入

利息收入乃按有效利率方法累計確認。

(w) 外幣換算

於本年度內的外幣交易按交易日的匯率換算為本集團內有關實體公司的功能貨幣。以外幣為單位的貨幣性資產及負債則按報告期末的匯率換算為本集團內有關實體公司的功能貨幣。匯兌收益及虧損均已記錄在綜合損益表內。

按歷史成本以外幣計值之非貨幣資產及負債按交易日之匯率換算為本集團內有關實體公司的功能貨幣。以外幣計值並以公允價值列賬之非貨幣資產與負債按釐定公允價值當日之外幣匯率換算為本集團內有關實體公司的功能貨幣。因重新換算以公允價值列賬的非貨幣項目而產生之匯兌差額包含於當期的損益，惟倘若有關損益直接確認於其他全面收益的非貨幣項目而產生之匯兌差額，則有關匯兌差額亦直接於其他全面收益確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(w) Translation of foreign currencies (Continued)

The results of operations outside Hong Kong are translated into the Group's presentation currency (i.e. Hong Kong dollars) at approximately the average exchange rates for the year. Statement of financial position items are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised directly in a separate component of equity.

On the disposal of an foreign operation (i.e. a disposal of the Group's entire interest in an foreign operation, or a disposal involving loss of control over a subsidiary that includes an foreign operation, or a disposal involving loss of significant influence over an associate that includes an foreign operation, or a disposal involving loss of joint ventures that includes an foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss. In addition, in relation to a partial disposal that does not result in the Group losing control over a subsidiary that includes an foreign operation, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(x) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(w) 外幣換算 (續)

香港以外業務業績按大約相等於年內平均匯率折算為本集團之呈報貨幣，(即港元)。財務狀況表項目按報告期末之匯率折算為港元。產生之匯兌差額直接在股東權益內以一獨立組成部份確認。

出售境外業務(例如出售集團境外業務的全部利益，或涉及失去一間附屬公司控制權之出售(當中包括境外業務)，或涉及對一間聯營公司失去重大影響之出售(當中包括境外業務))，有關該業務本公司股東應佔所有累計於權益之匯兌差額，重新分類至損益。另外，部份出售但未導致集團失去控制權的附屬公司(當中包括境外業務)，其累計匯兌差額按相應比例計入非控股股東權益，而不計入損益。其他部份出售(例如部份出售不會導致集團失去重大影響、聯合控制的聯營公司或聯合安排權益)，按比例將累計匯兌差額重新分類至損益。

(x) 借款費用

購買、興建或生產合資格資產(即需經一段長時間方能作擬定用途或出售之資產)而直接產生之借款費用一律列入該資產之成本，直至資產之大部份已可作擬定用途或出售時為止。

特定借款用於合資格資產之前作為短暫投資所賺取之投資收入於符合資本化之借款費用中扣除。

所有其他借款費用在實際產生費用之時確認於損益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(y) Finance lease receivables and unearned finance income

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. At the commencement of the lease term, the Group recognises the minimum lease payments receivable by the Group as a finance lease receivable and records the unguaranteed residual value at the same time. The difference between (a) the aggregate of the minimum lease payments and the unguaranteed residual value and (b) their present value is recognised as unearned finance income. Finance lease receivable net of unearned finance income is recorded in the consolidated statement of financial position. Unearned finance income is amortised during the lease term using effective interest method.

(z) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in the profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's policy on borrowing costs (see the accounting policy above). Contingent rentals are recognised as an expense in the period in which they are incurred.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(y) 應收融資租賃款和未實現融資收益

將租賃資產的所有權所附帶的幾乎所有的風險和回報轉讓給承租人的租賃為融資租賃。在租賃開始日，本集團將租賃開始日最低租賃收款額作為應收融資租賃款的入賬價值，確認應收融資租賃款，並同時記錄未擔保餘值，將最低租賃收款額及未擔保餘值之和與其現值之和的差額記錄為未實現融資租賃收益，應收融資租賃款減去未實現融資租賃收益的淨額在合併資產負債表中確認。未實現融資租賃收益在租賃期內各個期間採用實際利率法進行分配。

(z) 租賃

倘租約條款將擁有權之絕大部份風險及回報轉歸承租人所有時，有關租賃將列作融資租賃。所有其他租賃列作經營租賃。

本集團作為出租人

經營租賃之租金收入乃按相關租賃年期以直線法於損益確認。於協商及安排經營租賃時引致之初步直接成本乃加至租賃資產之賬面值，並按租期以直線法確認為開支。

本集團作為承租人

根據融資租賃持有之資產按租賃開始時之公允價值或（倘為較低者）按最低租賃付款之現值確認為本集團之資產。出租人之相應負債於綜合財務狀況表列作融資租賃承擔。租賃付款按比例於融資費用及減少租賃承擔之間作出分配，從而使該等負債應付餘額之息率固定。融資費用按租期直接於綜合損益表中扣除，以使該等負債於各會計期間之餘額維持基本固定之費率。財務費用確認於損益，而直接有關合資格資產的財務費用，則根據本集團對借款費用的政策（參看上述的會計政策）。或然租金於所產生之期間內列作開支。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(z) Leasing (Continued)

The Group as lessee (Continued)

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

(aa) Share based payment transactions

(i) Share Option Scheme and Share Award Scheme

The fair value of share options and awarded shares granted to employees in an equity-settled share based payment transaction is recognised as an employment cost with a corresponding increase in the employee share-based compensation reserve within equity. In respect of share options, the fair value is measured at grant date using the Black Scholes pricing model, taking into account the terms and conditions upon which the options were granted. In respect of awarded shares, the fair value is based on the closing price at the grant date. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options and awarded shares, the total estimated fair value of the share options and awarded shares is spread over the vesting period, taking into account the probability that the share options and awarded shares will vest.

During the vesting period, the number of share options and awarded shares that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the consolidated statement of profit or loss for the year of the review, with a corresponding adjustment to the employee share-based compensation reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options and awarded shares that vest (with a corresponding adjustment to the employee share-based compensation reserve).

The equity amount for the share options is recognised in the employee share-based compensation reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(z) 租賃 (續)

本集團作為承租人 (續)

經營租賃付款乃按租賃年期以直線法確認。經營租賃的或然租金於所產生之期間內列作開支。

當訂立經營租賃時收到租賃優惠時，該等優惠被確認為負債。各項優惠以直線法遞減經營性租賃支出確認。

(aa) 以股份為本支付之交易

(i) 認股權計劃及股份獎勵計劃

於股本償本之股份為本交易賦予員工的認股權及獎授股份之公允價值被確認為員工成本，並在股東權益內的以股份為本之僱員補償儲備作相應的增加。有關認股權之公允價值乃採用 Black Scholes 認股權定價模式，按認股權授予日及授予認股權的條款而計算。至於獎授股份方面，其公允價值是已支付之代價。當僱員須符合歸屬期條件才可無條件享有該等認股權及獎授股份，認股權及獎授股份的預計公允價值總額在歸屬期內攤分入賬，並已考慮認股權及獎授股份歸屬的或然率。

估計可歸屬認股權及獎授股份的數目須在歸屬期內作出檢討。任何已在往年確認的累積公允價值調整須在檢討期內的損益表支銷或回撥，並在以股份為本之僱員補償儲備作相應調整。在歸屬日，確認為支出之金額按歸屬認股權及獎授股份的實際數目作調整（並在以股份為本之僱員補償儲備作相應調整）。

屬認股權的權益金額在以股份為本之僱員補償儲備確認，直至當認股權被行使時（轉入股份溢價），或當認股權之有效期屆滿時（轉入保留溢利）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Significant Accounting Policies (Continued)

(aa) Share based payment transactions (Continued)

(ii) Shares held for Share Award Scheme

Where the shares of the Company are acquired under the Share Award Scheme, the consideration paid, including any directly attributable incremental costs, is presented as “Shares held for Share Award Scheme” and deducted from total equity.

When the awarded shares are transferred to the awardees upon vesting, the related weighted average cost of the awarded shares vested are credited to “shares held for Share Award Scheme”, and the related employment costs of the awarded shares vested are debited to the employee share-based compensation reserve. The difference between the related weighted average cost and the related employment costs of the awarded shares is transferred to retained profits.

Where the shares held for Share Award Scheme are revoked and the revoked shares are disposed of, the related gain or loss is transferred to retained profits, and no gain or loss is recognised in the statement of profit or loss.

Where the cash or non-cash dividend distribution is declared in respect of the shares held for Share Award Scheme, the cash or fair value of the non-cash dividend is transferred to retained profits, and no gain or loss is recognised in the consolidated statement of profit or loss.

(ab) Perpetual subordinated capital securities

Perpetual subordinated capital securities with no contractual obligation to repay its principal nor to pay any distribution are classified as part of equity. Respective distributions if and when declared are treated as equity movement.

1 主要會計政策、會計政策改變及重列 (續)

主要會計政策 (續)

(aa) 以股份為本支付之交易 (續)

(ii) 為股份獎勵計劃而持有之股份

倘根據股份獎勵計劃下購入的公司股份，已支付之代價，包括所有直接有關的增量成本，被提出作為「為股份獎勵計劃而持有之股份」並從總權益中扣除。

當獎授股份於歸屬時轉至獲獎授人時，有關已歸屬獎授股份的加權平均成本計入「為股份獎勵計劃而持有之股份」的貸方及有關的員工成本計入以股份為本之僱員補償儲備借方。有關加權平均成本及有關獎勵計劃的員工成本之差額轉入保留溢利。

當取消為股份獎勵計劃而持有之股份時，取消之股份將出售有關損益轉入保留溢利，損益表不確認任何損益。

當為股份獎勵計劃而持有之股份宣派現金或非現金股息，分派之現金或非現金股息之公允價值轉入保留溢利，綜合損益表不確認任何損益。

(ab) 永續次級資本證券

永續次級資本證券沒有合同義務去償還本金，也沒有任何支付分派會被列為權益的一部分。假若或當宣佈分派時，會被視為股權變動。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES, CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT (Continued)

Changes in Accounting Policies and Restatement

In the current year, the Group has applied the following new and revised Hong Kong Financial Reporting Standards (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Amendments to HKFRSs 香港財務報告準則之修訂	Annual Improvements to HKFRSs 2012-2014 Cycle 香港財務報告準則二零一二年至二零一四年週期之年度
Amendments to HKAS 1 香港會計準則第1號之修訂	Disclosure Initiative 披露計劃
Amendments to HKAS 27 香港會計準則第27號之修訂	Equity Method in Separate Financial Statements 個別財務報表採用權益法
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及香港會計準則第28號之修訂	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture 投資者與其聯營或合營公司之間的資產出售或注資
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 香港財務報告準則第10號及香港財務報告準則第12號香港會計準則第28號之修訂	Investment Entities: Applying the consolidation exception 關於投資性實體：應用合併的例外規定
Amendments to HKFRS 11 香港財務報告準則第11號之修訂	Accounting for Acquisitions of Interest in Joint Operations 收購共同經營權益的會計法
Amendments to HKAS 16 and HKAS 38 香港會計準則第16號及香港會計準則第38號之修訂	Clarification of Acceptable Methods of Depreciation and Amortisation 折舊和攤銷的可接受方法的澄清
Amendments to HKAS 16 and HKAS 41 香港會計準則第16號及香港會計準則第41號之修訂	Agriculture: Bearer Plants 農業：結果實的植物
HKFRS 14 香港財務報告準則第14號	Regulatory Deferral Accounts 價格監管遞延賬戶

The application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

1 主要會計政策、會計政策改變及重列 (續)

會計政策改變及重列

本年度，本集團已應用下列由香港會計師公會頒布之新及經修訂香港財務報告準則。

除以下所述外，於本年度的新及經修訂香港財務報告準則對本集團於本年及往年度的財務表現及狀況及／或於此等綜合財務報表所載列的披露並無重大影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT

(a) Risk management objectives, policies and processes for mitigating insurance risk

The Group is principally engaged in the underwriting of life insurance business in the PRC and Hong Kong, property and casualty insurance business in the PRC, Hong Kong, Macau, Singapore, UK and Indonesia and reinsurance business around the world. The Group's management of insurance and financial risk is a critical aspect of the business. Insurance risks are managed through the application of various policies and procedures relating to underwriting, pricing, claims and reinsurance as well as experience monitoring.

The Group uses several methods to assess and monitor insurance risk exposures both for individual types of risks insured and overall risks. These methods include internal risk measurement models, sensitivity analyses and scenario analyses.

The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contracts. The principal risk is that the frequency and severity of claims is greater than expected. Insurance events are, by their nature, random, and the actual number and size of events during any year may vary from those estimated using established statistical techniques.

(b) Underwriting strategy

Life insurance business

The Group operates its life insurance business in the PRC and Hong Kong's life insurance market, offering a wide range of insurance products covering different types of individual and group life insurance, health insurance, accident insurance and annuity. With regard to the control of quality of the insurance policies underwritten, the Group has formulated strict operational procedures on underwriting and claims settlement to control risks on insurance underwriting.

Property and casualty insurance business

The Group is engaged in the underwriting of property and casualty insurance business in the PRC, Hong Kong, Macau, Singapore, UK and Indonesia. The Group focuses its property and casualty insurance business by offering a wide range of insurance products covering different types of property insurance (including compulsory motor insurance), liability insurance, credit insurance, guarantee insurance business and short-term accident and health insurance and the related reinsurance business. The Group has formulated strict operational procedures on underwriting and claims settlement to control risks on insurance underwriting.

2 保險、財務及資本風險管理

(a) 風險管理目標及降低保險風險政策和步驟

本集團的主要業務為承保內地人壽保險業務、內地、香港、澳門、新加坡、英國及印尼財產保險業務及全球各地再保險業務。本集團的保險及財務風險管理乃主要的業務領域。本集團藉應用各種與承保、定價、賠款及再保險以及經驗監測有關的政策及程序管理保險風險。

本集團採用多種方法評估及監測保險風險，包括個別類型的承保風險及整體風險。該等方法包括內部風險計量模式、敏感性分析及方案分析。

保險合約組合的定價及準備應用概率理論。主要風險為賠款次數及嚴重性超過預期。保險事件在性質上具有任意性，任何年度內事件的實際數目及規模可能與使用現行統計技術所估計者不同。

(b) 承保策略

人壽保險業務

本集團人壽保險業務營運於中國及香港人壽保險市場，提供各種各樣的保險產品，包括不同類型的個人及團體人壽保險、健康險、意外險及年金。在承保的保單質量控制方面，本集團已設立嚴格的承保及理賠操作程序，以控制保險承保的風險。

財產保險業務

本集團從事承保內地、香港、澳門、新加坡、英國及印尼財產保險業務。本集團集中其財產保險業務，提供各種各樣的保險產品，包括不同類型的財產保險（包括機動車交通事故責任強制保險）、責任險、信用保險、保證保險及短期意外及健康險及有關之再保險業務。本集團已設立嚴格的承保及理賠操作程序，以控制保險承保風險。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(b) Underwriting strategy (Continued)

Reinsurance business

The Group's reinsurance portfolio is made up of a mix of business spreading across different geographic regions with emphasis towards Asian countries, covering property damage, life, marine cargo and hull and miscellaneous non-marine classes. Whilst diversifying its underwriting portfolio, the Group does not actively seek acceptance of any liability reinsurance business from customers operating outside of the Asia Pacific region. In the Asia Pacific region, where these are core-markets of the Group, liability reinsurance businesses are written on a limited scale in order to provide customers in the region with comprehensive reinsurance services.

For life reinsurance business strategy, current portfolio of life business is mainly made up of long term business with emphasis on Hong Kong market. Besides maintaining current business scale, in order to diversify and balance the underwriting portfolio, the Group starts to emphasise on the development of yearly renewable term or coinsurance reinsurance. The Group's strategy is to develop business with prudent attitude, gain more sophisticated market experience instead of seeking fast business expansion.

(c) Reinsurance strategy

The Group purchases reinsurance protection from other reinsurers in the normal course of business in order to limit the potential for losses arising from unexpected and concentrated exposures. In assessing the credit worthiness of reinsurers, the Group takes into account, among other factors, ratings and evaluation performed by recognised credit rating agencies, their claims-paying and underwriting track record, as well as the Group's past experience with them.

(d) Asset and liability matching

The objective of the Group's asset and liability management is to match the Group's assets with liabilities on the basis of duration. The Group actively manages its assets using an approach that balances quality, diversification, asset and liability matching, liquidity and investment return. The goal of the investment process is to maximise investment returns at a tolerable risk level, whilst ensuring that the assets and liabilities are managed on a cash flow and duration basis.

2 保險、財務及資本風險管理 (續)

(b) 承保策略 (續)

再保險業務

本集團的再保險組合由涵蓋不同地區的一系列業務組成，重點在於亞洲國家，包括財產損毀、人壽、貨運及船隻保險以及其他非海事保險。除多元化承保組合外，本集團並無積極從亞太地區以外營運的客戶尋求任何責任再保險業務。在亞太地區，即本集團的核心市場，本集團會有限度承保責任再保險，為區內客戶提供全面再保險服務。

對於人壽再保險業務的承保策略而言，現時的人壽業務組合主要由香港市場的長期業務組成。除了維持現有的業務規模外，為了多元化及平衡承保組合，本集團開始強調每年續期或共保再保險的發展。本集團的策略是以審慎的態度發展業務，獲取更精密的市場經驗，而不是尋求快速業務擴張。

(c) 再保險策略

本集團於日常業務過程中向其他再保險公司購買再保險保障，以限制因不能預期及較集中風險而產生的潛在損失。在評估再保險公司的信用水平時，本集團會考慮認可信用評級機構的評級及評估、以往賠款及承保記錄及與本集團以往的交易經驗等因素。

(d) 資產與負債配比

本集團的資產與負債管理目標為按期限基準配比本集團的資產與負債。本集團通過平衡質素、多元組合、資產與負債配比、流動性與投資回報等方面來積極管理資產。投資過程的目標是在可容忍的風險程度內將投資回報提升至最高水平，同時確保資產與負債按現金流動及期限基準管理。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(d) Asset and liability matching (Continued)

Reinsurance business (Continued)

However, in respect of life insurance business, under the current regulatory and market environment in the PRC, the Group is unable to invest in assets with a duration of sufficient length to match the duration of its life insurance liabilities. When the regulatory and market environment permits, the Group intends to gradually lengthen the duration of its assets. The Group monitors the duration gap between the assets and liabilities closely and prepares cash flow projections from assets and liabilities on a regular basis. Currently, the Group reduces the level of the asset-liability mismatch by:

- actively seeking to acquire longer dated fixed rate debt investments with an acceptable level of yield;
- upon the maturity dates of fixed rate debt investments, rolling over the proceeds to longer dated fixed rate debt investments;
- disposing of some of the shorter dated fixed rate debt investments, particularly those with lower yields, and rolling over the proceeds to longer dated fixed rate debt investments; and
- investing in equities for the long term and in property holding company.

(e) Insurance risk

(i) Life insurance business

Concentration of insurance risks

Concentration risk is the risk of incurring a major loss as a result of having a significant mortality or other insurance coverage on a particular person or a group of persons due to the same event. The Group manages the concentration of insurance risks by way of reinsurance arrangements with a maximum retention risk of RMB500,000 per person in life and personal accident policies and RMB200,000 on critical illness insurance. In addition, the Group purchases catastrophe protection for losses arising from claims involving multiple lives from the same event. The maximum retention risk is RMB1 million for each and every loss occurrence, and the total coverage is RMB100 million for each and every loss occurrence. The Group purchases surplus treaties and proportional treaties to cover life, accident and long term health risks. In addition, an excess of loss reinsurance contract is applied for any insurance contract with significant sum insured.

2 保險、財務及資本風險管理 (續)

(d) 資產與負債配比 (續)

再保險業務 (續)

然而，有關人壽保險業務，有鑒於中國現行監管及市場環境，本集團未能投資於期限足以配比其壽險負債的資產。在監管及市場環境允許的情況下，本集團有意逐步延長其資產的期限。本集團密切監察資產與負債的期限差距，定期進行資產與負債的現金流預測。目前，本集團透過以下方法降低資產與負債不配的程度：

- 積極尋求取得收益水平可接受的較長期定息債務投資；
- 於定息債務投資到期後，將所得款項滾存入更長期的定息債務投資；
- 出售部份短期定息債務投資，尤其是收益率較低者，將收益滾存入更長期定息債務投資；及
- 長期投資股份及投資物業持有公司。

(e) 保險風險

(i) 人壽保險業務

保險風險集中

集中風險指本集團因相同事件造成特定人士或一群人士發生重大死亡或屬於其他承保範圍而蒙受重大損失的風險。本集團透過再保險安排壽險及個人意外保單的最高自留金限額風險為每人人民幣500,000元，重大疾病保險的最高自留金限額風險為每人人民幣200,000元管理集中風險。此外，本集團就同一事故造成涉及人數眾多的保險賠款而產生的巨額賠償購買巨災保障保險。每宗事故的最高自留限額風險為人民幣100萬元，而再保險保障上限為人民幣1億元。本集團購買溢額合約保險及比例合約保險以保障壽險、意外風險保險及長期健康保險。此外，任何受保的重大金額保險合約均安排了超額賠款再保險合約。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(e) Insurance risk (Continued)

(i) Life insurance business (Continued)

Concentration of insurance risks (Continued)

The distribution of sum insured per policy is summarised as follows:

RMB'000 人民幣千元	Before reinsurance 再保險前		After reinsurance 再保險後	
	Year ended 31 December		Year ended 31 December	
	2016	2015	2016	2015
	二零一六年	二零一五年	二零一六年	二零一五年
0-200	94.20%	95.08%	96.20%	96.47%
201-500	5.43%	4.51%	3.80%	3.53%
>500	0.37%	0.41%	-	-
	100.00%	100.00%	100.00%	100.00%

Management of risks

The key risk associated with life insurance contracts is the risk of potential loss arising with respect to a particular insurance product as a result of actual market conditions and loss experience being different from the assumed market conditions and loss experience used when designing and pricing the product.

The Group manages the risks by centralising the product design function at the head office level, headed by the chief appointed actuary and senior management in other key functional departments. Standards and guidelines are established to ensure that the risks associated with particular products are within the acceptable level. The pricing method, the solvency requirement, the profit margin, the loss experience, etc., are key considerations in designing a product.

In addition, the underwriting and claim processing departments strictly follow the established standards and procedures.

2 保險、財務及資本風險管理 (續)

(e) 保險風險 (續)

(i) 人壽保險業務 (續)

保險風險集中 (續)

每份保單的受保金額分佈概述如下：

風險管理

壽險合約的主要風險為實際市場狀況導致特定保險產品產生潛在虧損，以及賠付經驗與假設的市場狀況及設計及定價產品所使用的賠付經驗不同而引致的潛在賠付風險。

本集團透過總部將產品設計功能中央化以管理風險，由委任的首席精算師及其他職能部門的高級管理層領導，設立標準及指引以確保特定保險產品的相關風險皆於可接受範圍內。定價方法、償付能力清償規定、利潤率及賠付經驗等均是設計保險產品時考慮的關鍵因素。

此外，承保及賠款處理部門嚴格遵守既定的標準及程序。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(e) Insurance risk (Continued)

(ii) Property and casualty insurance business

Concentration of insurance risks

Within the insurance process, concentration of risk may arise where a particular event or series of events could impact heavily upon the Group's liabilities. Such concentrations may arise from a single insurance contract or through a small number of related contracts, and relate to circumstances where significant liabilities could arise.

The concentration of insurance risk before and after reinsurance by classes of business is summarised below, with reference to premiums written in the years ended 31 December 2016 and 2015.

TPI

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度				
		Gross written premiums	Inward reinsurance premiums	Premiums ceded to reinsurers	Net written premiums	Ceding ratio
		毛承保保費	再保險保費	再保份額	淨承保保費	分出比率
		\$'000	\$'000	\$'000	\$'000	%
		千元	千元	千元	千元	
Motor	車險	17,034,619	-	1,703,140	15,331,479	10.0%
Marine	水險	444,583	24,812	163,350	306,045	34.8%
Non-marine	非水險	3,789,515	7,219	806,880	2,989,854	21.3%
Total	總額	21,268,717	32,031	2,673,370	18,627,378	12.6%

TPI

		Year ended 31 December 2015 截至二零一五年十二月三十一日止年度				
		Gross written premiums	Inward reinsurance premiums	Premiums ceded to reinsurers	Net written premiums	Ceding ratio
		毛承保保費	再保險保費	再保份額	淨承保保費	分出比率
		\$'000	\$'000	\$'000	\$'000	%
		千元	千元	千元	千元	
Motor	車險	15,924,641	-	1,572,626	14,352,015	9.9%
Marine	水險	363,153	31,604	220,257	174,500	55.8%
Non-marine	非水險	3,712,062	520,986	1,321,657	2,911,391	31.2%
Total	總額	19,999,856	552,590	3,114,540	17,437,906	15.2%

2 保險、財務及資本風險管理 (續)

(e) 保險風險 (續)

(ii) 財產保險業務

保險風險集中

在保險程序中，集中的風險可能令當特定事件或一連串事件出現時嚴重影響本集團的負債。該等集中可能因單一保險合約或透過少量有關連合約引起，和涉及引起重大負債的情況。

關於截至二零一六年及二零一五年十二月三十一日止年度承保保費，按業務種類劃分再保險前及再保險後之保險風險集中情況概述如下。

太平財險

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(e) Insurance risk (Continued)

(ii) Property and casualty insurance business (Continued)

Concentration of insurance risks (Continued)

CTPI (HK)

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度				
		Gross written premiums	Inward reinsurance premiums	Premiums ceded to reinsurers	Net written premiums	Ceding ratio
		毛承保保費	再保險保費	保費之再保份額	淨承保保費	分出比率
		\$'000	\$'000	\$'000	\$'000	%
		千元	千元	千元	千元	
Motor	車險	344,614	1,002,524	28,082	1,319,056	2.1%
Marine	水險	232,894	27,222	139,959	120,157	53.8%
Non-marine	非水險	794,532	183,478	460,228	517,782	47.1%
Total	總額	1,372,040	1,213,224	628,269	1,956,995	24.3%

CTPI (HK)

		Year ended 31 December 2015 截至二零一五年十二月三十一日止年度				
		Gross written premiums	Inward reinsurance premiums	Premiums ceded to reinsurers	Net written premiums	Ceding ratio
		毛承保保費	再保險保費	保費之再保份額	淨承保保費	分出比率
		\$'000	\$'000	\$'000	\$'000	%
		千元	千元	千元	千元	
Motor	車險	366,165	806,028	28,988	1,143,205	2.5%
Marine	水險	255,661	65,628	173,509	147,780	54.0%
Non-marine	非水險	1,652,433	134,280	417,405	1,369,308	23.4%
Total	總額	2,274,259	1,005,936	619,902	2,660,293	18.9%

2 保險、財務及資本風險管理 (續)

(e) 保險風險 (續)

(ii) 財產保險業務 (續)

保險風險集中 (續)

太平香港

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(e) Insurance risk (Continued)

(ii) Property and casualty insurance business (Continued)

Management of risks

The Group delegates underwriting authority to experienced underwriters. Each underwriting department has an underwriting manual for each class of business. The underwriting manual is approved by the Business Management Committee and specifies the authority of underwriters at each level. Each underwriting manual clearly states the insurable risk, risks that can be insured on a limited scale and uninsurable risk as well as the probable maximum loss which underwriters at each level can underwrite. Risks that exceed the underwriting authority of the head of the underwriting department have to be reviewed and approved by the Business Management Committee. For claims handling, there is a procedures manual that lays down the operational procedures and controls required to mitigate the insurance risk.

The Group also arranges both treaty reinsurance and facultative reinsurance in accordance with international practice. Treaty reinsurance provides automatic reinsurance cover under specific reinsurance contract terms and conditions. Facultative reinsurance is reinsurance of individual risk. Each contract is arranged separately. The choice of reinsurance contract depends on market conditions, market practice and the nature of business. Facultative reinsurance is arranged when an individual risk is not covered by treaty reinsurance or exceeds treaty reinsurance capacity and exceeds its own underwriting capacity.

2 保險、財務及資本風險管理 (續)

(e) 保險風險 (續)

(ii) 財產保險業務 (續)

風險管理

本集團把承保權委託給有經驗之核保人。每個承保部門在每個業務種類均有承保手冊。承保手冊經業務管理委員會核准及明確說明各個級別的核保人之權力。每本承保手冊清楚載列可承保之風險、限制承保之風險及禁止承保之風險、以及各級別核保人可承保之最大可能賠付。超越承保部門主管承保權之風險需由業務管理委員會審閱及核准。在賠款處理方面，程序手冊載列有需要之營運程序及控制以減輕保險風險。

本集團亦根據國際慣例安排合約分保及臨時分保。合約分保於特定再保險合約條款下提供自動再保險保障。臨時分保為個別風險之分保。每份合約皆個別洽商。再保險合約按市場狀況、市場慣例及業務性質選擇。當個別風險沒有在合約分保涵蓋或超出合約分保的容量且超出自身承保能力時，將安排臨時分保。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(e) Insurance risk (Continued)

(iii) Reinsurance business

Concentration of insurance risks

Concentration of risk arises from the accumulation of risks within a particular business line. The Group's key methods in managing these risks are diversification of the business line and areas where the gross premiums are written. The tables below indicate the gross premiums written by business line for the year ended 31 December 2016.

By business line:

		% to total gross premiums written 佔總承保保費總額百分比	
		2016 二零一六年	2015 二零一五年
General business	一般業務	54.0%	57.5%
Life business	人壽業務	46.0%	42.5%
		100.0%	100.0%

2 保險、財務及資本風險管理 (續)

(e) 保險風險 (續)

(iii) 再保險業務

保險風險集中

風險集中因特定業務種類與地理區域的風險累積而產生。本集團管理該等風險的主要方法為分散保費總額的業務種類及地區。下表顯示截至二零一六年十二月三十一日止年度按業務種類分佈的保費總額。

按業務種類：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(e) Insurance risk (Continued)

(iii) Reinsurance business (Continued)

Management of risks

The key risks associated with reinsurance contracts are those relating to underwriting.

The Group maintains underwriting teams who are responsible for the underwriting and sales of the Group's reinsurance products. The team promoting a certain product to a customer has the requisite expertise to determine whether the Group can meet the specific requirement of the customer within the Group's risk appetite. All inward business is screened and analysed by the underwriting staff. The decision to underwrite and the level of risk exposure accepted are determined by reference to the underwriting guideline setting out the types of business desired, and the maximum capacity per risk. Such criteria are determined by considering factors including the risk exposure, the pricing, the profit potential, the class of business, the marketing strategy, the retrocession facilities available and the market trends.

The Group arranges prorata and excess of loss retrocessions for its different lines of reinsurance business, in order to enhance its underwriting capacity as well as to harmonise its net retained exposures. Proportional retrocessions have been arranged in respect of its non-marine reinsurance business from the Asia-Pacific territories. In addition, a series of excess of loss retrocession covers are also arranged to protect the Group against major catastrophic events.

The life retrocession arrangements are normally decided collectively with the Group's management board before the confirmation of any new retrocession arrangements. All life retrocession arrangement follows the fundamental retrocession guideline of the group and regulatory requirement. Retrocession arrangements used to manage the volatility of mortality risk.

2 保險、財務及資本風險管理 (續)

(e) 保險風險 (續)

(iii) 再保險業務 (續)

風險管理

再保險合約的主要風險為與承保相關的風險。

本集團設有若干承保團隊負責承保及銷售本集團的再保險產品。向客戶推銷一種特定產品的團隊擁有專門技術，從而釐定本集團能否在本集團既定的風險承擔範圍內滿足客戶的特定要求。承保人員會篩選及分析所有承接的業務。承保的決定及風險水平參照以下各項釐定：承保指引設定所需業務的類型、每種風險及每區的最大承保能力。該等標準經考慮多種因素後釐定，包括風險因素、定價、盈利潛力、業務類別、市場推廣策略、可用轉分保險及市場趨勢等。

本集團亦安排比例及超賠轉分保險以擴大承保能力，並同時可優化自留風險。對亞太地區的非水險業務，本集團安排了比例轉分保險。此外，本集團的巨災風險現時通過一系列超賠轉分保險的方式保障。

在確認任何新的人壽再保險安排前，通常由本集團之管理層統一決定人壽再保險安排。所有人壽再保險安排會遵循集團和監管要求的基本再保險原則。再保險安排用於管理死亡風險的波動。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk

The carrying amounts of financial assets at the reporting date were as follows:

2 保險、財務及資本風險管理 (續)

(f) 財務風險

於報告日，金融資產之賬面值如下：

		31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
Financial assets	金融資產		
– held-to-maturity investments	– 持有至到期日投資	132,702,201	112,924,083
– available-for-sale investments	– 可供出售投資	70,604,110	75,242,031
– held-for-trading investments	– 持有作交易用途投資	18,429,511	9,671,952
– designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	335,192	704,694
– loans and receivables	– 貸款及應收賬款		
– debt investments	– 債券投資	–	401,692
– investment funds	– 投資基金	7,465,052	3,113,677
– debt products	– 債權產品	75,953,241	71,516,041
– statutory deposits	– 法定存款	5,643,348	5,896,222
– securities purchased under resale agreements	– 買入返售證券	5,497,736	5,116,737
– amounts due from group companies	– 應收集團內公司款項	21,434	19,704
– other assets	– 其他資產	36,735,736	29,259,374
– finance lease receivables	– 應收金融租賃	37,788,259	23,030,665
– pledged deposits at banks	– 已抵押銀行存款	535,452	399,172
– deposits at banks with original maturity more than three months	– 原到期日超過三個月的銀行存款	29,555,963	27,439,338
– cash and bank balances	– 銀行結存及現金	38,544,484	47,619,452
		459,811,719	412,354,834
Policyholder account assets in respect of unit-linked products (Note 46)	有關投資連結產品之保單持有人賬戶資產 (附註46)	1,206,983	1,780,194
		461,018,702	414,135,028

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

The carrying amounts of financial liabilities at the reporting date were as follows:

	31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
Financial liabilities at fair value through profit or loss		
– Investment contract liabilities	1,206,983	1,780,194
Financial liabilities measured at amortised cost		
– Investment contract liabilities	21,229,822	16,982,379
– Interest-bearing notes	5,835,209	6,269,898
– Bank borrowings	41,706,427	25,908,893
– Securities sold under repurchase agreements	732,217	16,647,650
– Amounts due to group companies	25,401	59,907
	69,529,076	65,868,727
	70,736,059	67,648,921

Transactions in financial instruments and insurance assets/liabilities may result in the Group assuming financial risks. These include market risk, credit risk and liquidity risk. Each of these financial risks is described below, together with a summary of the ways in which the Group manages these risks.

There is no significant change in the Group's exposures to risk and how they arise, nor the Group's objectives, policies and processes for managing each of these risks.

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

於報告日，金融負債之賬面值如下：

	31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
Financial liabilities at fair value through profit or loss		
– Investment contract liabilities	1,206,983	1,780,194
Financial liabilities measured at amortised cost		
– Investment contract liabilities	21,229,822	16,982,379
– Interest-bearing notes	5,835,209	6,269,898
– Bank borrowings	41,706,427	25,908,893
– Securities sold under repurchase agreements	732,217	16,647,650
– Amounts due to group companies	25,401	59,907
	69,529,076	65,868,727
	70,736,059	67,648,921

金融工具及保險資產／負債交易可引致本集團須承擔若干財務風險。該等風險包括市場風險、信用風險及流動資金風險。各有關財務風險連同本集團管理該等風險的方法闡述如下。

不論本集團承受的風險及該些風險如何產生或本集團就管理上述每一項風險的目標、政策及過程，皆沒有重大改變。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(i) Market risk

Market risk can be described as the risk of change in fair value of a financial instrument due to changes in interest rates, equity prices or foreign currency exchange rates.

(a) Interest rate risk

Interest rate risk is risk to the earnings or market value of a fixed-rate financial instrument due to uncertain future market interest rates.

The Group monitors this exposure through periodic reviews of its financial instruments. Estimates of cash flows, as well as the impact of interest rate fluctuations relating to the investment portfolio are modelled and reviewed periodically.

The Group is exposed to fair value interest rate risk in relation to the debt investments classified as available-for-sale, held-for-trading and designated at fair value through profit or loss of \$30,609.94 million, \$2,283.14 million and \$335.19 million respectively (31 December 2015: \$34,975.31 million, \$1,543.28 million and \$440.84 million respectively). A decrease of 50 basis points in interest rates of the debt investments classified as available-for-sale, held-for-trading and designated at fair value through profit or loss, with all other variables held constant, has no significant effect on the Group's profit before tax and increase the Group's total equity by approximately 0.2% of the total investments held by the Group as at 31 December 2016 (31 December 2015: no significant effect on the Group's profit before tax and increase the Group's total equity by approximately 0.3% of the total investments held by the Group).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The analysis is performed on the same basis for 2015.

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(i) 市場風險

市場風險乃指因利率、股本價格或外幣匯率變動造成金融工具的公允價值變動而引致的風險。

(a) 利率風險

利率風險乃指因不確定的未來市場利率造成的固定利率金融工具盈利或市值風險。

本集團透過定期審核其金融工具監控該風險。投資組合的現金流量估值以及因利率變動所帶來的影響均進行定期模擬及審閱。

本集團須就306.0994億元、22.8314億元及3.3519億元(二零一五年十二月三十一日: 349.7531億元、15.4328億元及4.4084億元)分別歸類為可供出售、持有作交易用途及指定為通過損益以反映公允價值的債務證券承擔利率風險。假設可供出售、持有作交易用途及指定為通過損益以反映公允價值的債務投資利率下跌50點子,其他參數不變,並沒有對本集團稅前溢利造成明顯影響及令本集團總權益上升約相等於本集團截止二零一六年十二月三十一日的總投資額0.2%(二零一五年十二月三十一日:沒有對本集團稅前溢利造成明顯影響及令本集團總權益上升約相等於本集團總投資額0.3%)。

上述的敏感性分析是假設利率變動於報告期末發生及被應用於該日存在的衍生及非衍生金融工具的利率風險上。分析乃按二零一五年之相同基準而作出。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(i) Market risk (Continued)

(b) Equity price risk

The Group has a portfolio of marketable equity securities, which is carried at fair value and is exposed to price risk. As the financial risks of unit-linked contracts are fully undertaken by the policyholders, the assets related to unit-linked products are not included in the analysis of equity price risk below. This risk is defined as the potential loss in market value resulting from an adverse change in prices.

The Group manages the equity price risk by investing in a diverse portfolio of high quality and liquid securities.

The Group's investment in equity securities and investment funds was carried at a fair value of \$55,987.37 million (31 December 2015: \$43,058.04 million). It representing less than 14% (31 December 2015: less than 11%) of the total investments held by the Group.

A 10% increase/decrease in market value of the equity securities and investment funds classified as available-for-sale and held-for-trading held by the Group as at 31 December 2016, with all other variables held constant, would increase/decrease the Group's profit before tax by \$1,614.64 million and fair value reserve by \$3,984.10 million (31 December 2015: Group's profit before tax by \$839.25 million and fair value reserve by \$3,466.55 million).

(c) Foreign exchange risk

In respect of the life insurance and property and casualty insurance business in the PRC, premiums are received in RMB and the insurance regulation in the PRC requires insurers to hold RMB assets. Therefore the foreign exchange risk in respect of RMB for the Group's PRC operations is not significant in the consolidated statement of profit or loss.

In respect of the property and casualty insurance business in Hong Kong, the majority of the premiums are received in HKD and USD. The exchange rate between HKD and USD is currently pegged. The currency position of assets and liabilities is monitored by the Group periodically.

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(i) 市場風險 (續)

(b) 股本價格風險

本集團的有價股本證券組合以公允價值列賬及須承擔價格風險。由於投資連結合約之財務風險全部由保單持有人承擔，投資連結產品之資產並沒有包括於以下之股本價格風險分析中。該風險指因價格的不利變動而造成的市值潛在損失。

本集團透過投資於高質素的多元化流動證券組合管理其股本價格風險。

本集團的股本證券投資及投資基金以公允價值559.8737億元(二零一五年十二月三十一日: 430.5804億元)列賬。佔本集團持有之總投資額少於14%(二零一五年十二月三十一日: 少於11%)。

假設於二零一六年十二月三十一日本集團持有之可供出售及持有作交易用途股本證券及投資基金的市值上升/下跌10%，其他參數不變，將令本集團稅前溢利和公允價值儲備分別上升/下跌約16.1464億元及39.8410億元(二零一五年十二月三十一日: 本集團稅前溢利和公允價值儲備分別上升/下跌約8.3925億元及34.6655億元)。

(c) 外匯風險

就在內地之人壽保險業務及財產保險業務而言，保費以人民幣計值，而中國保險法例規定保險公司持有人民幣資產。因此，本集團的內地業務有關人民幣的外匯風險並不重大。

就在香港之財產保險業務而言，幾乎所有的保費均以港元及美元計值，而美元及港元的匯率目前掛鈎。資產及負債之貨幣持倉由本集團定期監控。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(i) Market risk (Continued)

(c) Foreign exchange risk (Continued)

In respect of the property and casualty insurance business in Macau, Singapore, UK and Indonesia and reinsurance business, the foreign exchange risks in such various currencies are not significant in the consolidated statement of profit or loss.

The following table presents the financial and insurance assets and liabilities, denominated in non-functional currencies of the respective business units of the Group:

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(i) 市場風險 (續)

(c) 外匯風險 (續)

就澳門、新加坡、英國及印尼之財產保險業務及再保險業務而言，這些外地貨幣的外匯風險不會對綜合利潤表有重大影響。

下表呈現於綜合財務狀況表內按主要貨幣分類的金融及保險資產及負債之港幣賬面等值：

		31 December 2016 二零一六年十二月三十一日				
		RMB	USD	HKD	Other foreign currencies	Total
		人民幣	美元	港幣	其他外幣	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Financial and insurance assets:	金融及保險資產：					
Statutory deposits	法定存款	268,563	55,726	161,141	52,276	537,706
Investments in debt and equity securities	債務及股本證券投資	2,883,424	19,059,693	1,276,552	416,429	23,636,098
– debt securities and debt products	– 債務證券及債權產品	2,168,244	18,801,339	100,258	401,328	21,471,169
– equity securities/ investment funds	– 股本證券/ 投資基金	715,180	258,354	1,176,294	15,101	2,164,929
Amounts due from group companies	應收集團內公司款項	18,835	–	–	–	18,835
Other assets	其他資產	158,607	363,633	12,518	13,694	548,452
Insurance debtors	保險客戶應收賬款	1,068,501	823,020	9,636	467,725	2,368,882
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	1,198,727	554,370	8,278	188,350	1,949,725
Pledged deposits at banks	已抵押銀行存款	–	473,046	–	8,298	481,344
Deposits at banks with original maturity more than three months	原到期日超過三個月 的銀行存款	640,705	127,482	65,644	–	833,831
Cash and cash equivalents	現金及現金等價物	1,720,189	6,768,364	140,277	419,488	9,048,318
		7,957,551	28,225,334	1,674,046	1,566,260	39,423,191

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(i) Market risk (Continued)

(c) Foreign exchange risk (Continued)

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(i) 市場風險 (續)

(c) 外匯風險 (續)

31 December 2016
二零一六年十二月三十一日

	RMB 人民幣 \$'000 千元	USD 美元 \$'000 千元	HKD 港幣 \$'000 千元	Other foreign currencies 其他外幣 \$'000 千元	Total 總額 \$'000 千元
Financial and insurance liabilities:					
Investment contract liabilities	-	448,053	-	-	448,053
Interest-bearing notes	-	4,605,486	-	-	4,605,486
Life insurance contract liabilities	630,015	4,149,595	-	-	4,779,610
Unearned premium provisions	1,172,385	543,713	9,623	342,539	2,068,260
Provision for outstanding claims	2,175,554	1,327,013	11,652	1,760,055	5,274,274
Insurance creditors	154,151	2,014,406	437,000	43,387	2,648,944
Amounts due to group companies	21,877	-	-	-	21,877
	4,153,982	13,088,266	458,275	2,145,981	19,846,504
Net assets/(liabilities)	3,803,569	15,137,068	1,215,771	(579,721)	19,576,687

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(i) Market risk (Continued)

(c) Foreign exchange risk (Continued)

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(i) 市場風險 (續)

(c) 外匯風險 (續)

31 December 2015
二零一五年十二月三十一日

	RMB 人民幣 \$'000 千元	USD 美元 \$'000 千元	HKD 港幣 \$'000 千元	Other foreign currencies 其他外幣 \$'000 千元	Total 總額 \$'000 千元
Financial and insurance assets:	金融及保險資產：				
Statutory deposits	263,792	53,641	36,847	44,968	399,248
Investments in debt and equity securities	3,026,081	16,485,882	915,840	542,034	20,969,837
– debt securities and debt products	2,681,996	15,876,145	166,116	525,448	19,249,705
– equity securities/ investment funds	344,085	609,737	749,724	16,586	1,720,132
Amounts due from group companies	4,312	8,470	–	858	13,640
Other assets	138,073	261,781	15,601	20,126	435,581
Insurance debtors	656,130	428,158	20,031	453,710	1,558,029
Reinsurers' share of insurance contract provisions	1,637,063	279,740	11,397	121,010	2,049,210
Pledged deposits at banks	–	391,084	–	8,011	399,095
Deposits at banks with original maturity more than three months	797,533	107,804	87,360	–	992,697
Cash and cash equivalents	3,786,641	6,644,233	131,350	356,708	10,918,932
	10,309,625	24,660,793	1,218,426	1,547,425	37,736,269

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(i) Market risk (Continued)

(c) Foreign exchange risk (Continued)

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(i) 市場風險 (續)

(c) 外匯風險 (續)

31 December 2015
二零一五年十二月三十一日

	RMB 人民幣 \$'000 千元	USD 美元 \$'000 千元	HKD 港幣 \$'000 千元	Other foreign currencies 其他外幣 \$'000 千元	Total 總額 \$'000 千元
Financial and insurance liabilities:					
Investment contract liabilities	-	88,395	-	-	88,395
Interest-bearing notes	-	4,650,576	-	-	4,650,576
Life insurance contract liabilities	608,841	1,677,930	-	-	2,286,771
Unearned premium provisions	1,424,291	445,106	12,033	317,379	2,198,809
Provision for outstanding claims	2,070,869	1,075,005	20,311	1,689,638	4,855,823
Insurance creditors	92,149	192,350	42,818	49,396	376,713
Amounts due to group companies	23,485	898	1,470	300	26,153
	4,219,635	8,130,260	76,632	2,056,713	14,483,240
Net assets/(liabilities)	6,089,990	16,530,533	1,141,794	(509,288)	23,253,029

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(ii) Credit risk

Credit risk is the risk of economic loss resulting from the failure of one of the obligors to make full payment of principal or interest when due.

The Group is exposed to credit risks primarily associated with bank deposits, money market funds, insurance debtors, investments in debt securities and debt products, reinsurance arrangements with reinsurers and other debtors etc.

The maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at the end of the reporting period is the carrying amount of the assets as shown in the table below:

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(ii) 信用風險

信用風險是指債務人到期未能完全支付本金或利息而引起經濟損失的風險。

本集團主要會承受的信用風險與銀行存款、貨幣市場基金、保險客戶應收賬款、債務證券及債權產品投資、分保公司再保險安排及其他應收賬款等有關。

因交易對手未能履行責任而於報告期末需承受的最高信用風險為下表載列之資產賬面值：

		31 December 2016 二零一六年十二月三十一日		31 December 2015 二零一五年十二月三十一日	
		\$'000 千元	% of Total 百分比	\$'000 千元	% of Total 百分比
Statutory deposits and deposits with banks	法定存款及銀行存款	73,743,795	18.3%	80,955,012	20.3%
Investments in debt securities and debt products	債務證券及債權產品投資	241,883,719	60.1%	221,801,249	55.7%
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	5,835,514	1.4%	34,155,408	8.6%
Insurance debtors	保險客戶應收賬款	6,693,635	1.7%	9,237,674	2.3%
Finance lease receivables	應收金融租賃	37,788,259	9.4%	23,030,665	5.8%
Other assets	其他資產	36,735,736	9.1%	29,259,374	7.3%
		402,680,658	100.0%	398,439,382	100.0%

For the distribution of investments in debt securities by class for 31 December 2016 and 2015, please refer to Note 3(b) and 3(d) respectively.

於二零一六年及二零一五年十二月三十一日債務證券投資按類別的分佈，請分別參考附註3(b)及3(d)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(ii) Credit risk (Continued)

To reduce the credit risk associated with the investments in debt securities and debt products, the Group has established detailed credit control policy. In addition, the risk level of the various investment sectors is continuously monitored with the investment mix adjusted accordingly. In respect of the debt securities and debt products invested by life insurance and property and casualty insurance business in the PRC, the investment procedures manual, which is managed by an investment committee, includes the minimum acceptable domestic credit rating of the issuers as required by the CIRC. Any non-compliance or violation of the manual will be followed up and rectification action will be taken immediately. In respect of the debt securities invested by property and casualty insurance business in Hong Kong, more than 74% of the bonds are with ratings of investment grade or above. In respect of the debt securities invested by reinsurance business, about 85% of the debt securities are with ratings of investment grade.

As at 31 December 2016, debt securities held by the Group mainly comprised of domestic bonds. The domestic securities were investment grade bonds with BBB ratings or higher reached 100%.

The Group does not have any significant concentration of credit risk arising from the investments in debt securities since the investment portfolio is well diversified.

Management manages credit risks on bank balances by using banks with good credit qualities.

In assessing the need for impairment allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors.

The credit risk associated with insurance debtors and other debtors will not cause a material impact on the Group's consolidated financial statements taking into consideration of their collateral held and/or maturity term of no more than one year as at 31 December 2016. The directors of the Company consider the Group's exposure of the credit risk in respect of insurance and other debtors are insignificant.

The credit risk associated with reinsurance companies is managed by regular evaluation of the credit quality of the relevant reinsurers. The Group's policy is to generally use reinsurers with investment grade (i.e. BBB or higher) credit ratings. In addition, majority of the reinsurers' share of insurance contract provisions are held under a net settlement arrangement against the corresponding insurance creditor balances with the same reinsurer.

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(ii) 信用風險 (續)

為降低與債務證券及債權計劃投資有關的信用風險，本集團制定一套詳盡的信用控制政策。此外，不同投資行業的風險水平透過調整投資組合而獲得持續監控。有關於內地之人壽保險及財產保險業務的債務證券投資，投資程序手冊，由投資委員會管理，列出包括按中國保監會要求的發行人之最低可接受本地信貸評級。任何不合規或違反手冊將立即被跟進及改正。有關於香港之財產保險業務的債務證券投資，超過74%的債券信用評級為投資級別或以上。有關再保險業務的債務證券投資，約85%債券信用評級為投資級別。

於二零一六年十二月三十一日，本集團持有之債務證券主要為國內債券，其評級為BBB級或以上的投資級別債券達100%。

由於投資組合已被多元化，本集團並沒有任何來自債務證券投資的重大信用風險集中。

銀行存款之信用風險有限，原因是有關銀行擁有高信用級別。

在評定減值準備的需要時，管理人員考慮的因素包括信用質素、組合規模、集中程度及經濟因素。

有關保險客戶應收賬款及其他應收賬款之信用風險，考慮到持有之抵押品及／或於二零一六年十二月三十一日之到期條款不超過一年後，將不會對本集團之綜合財務報表帶來重大影響。

再保險公司之信用風險是通過定期評估相關再保險商的信用質量來管理。本集團的政策是使用的再保險商為投資信用評級 (BBB或以上)。此外，大部份分保公司應佔保險合約準備是與相同的再保險商相對應的保險應付賬款結餘抵銷後的淨額結算安排持有的。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(ii) Credit risk (Continued)

The credit risk at Company level is mainly concentrated in the amounts due from subsidiaries, and is managed by assessing the recoverability of the repayment from those subsidiaries. The management monitors on a regular basis the availability of funds among the Group and the assets held by the subsidiaries are considered sufficient to cover the amounts due from them. Hence, the Company's exposure to credit risks at the end of the reporting period is considered immaterial.

(iii) Liquidity risk

The Group has to meet daily calls on its cash resources, notably from claims arising from its life insurance contracts, property and casualty insurance contracts and reinsurance contracts. There is, therefore, a risk that cash will not be available to settle liabilities when due.

The Group manages this risk by formulating policies and general strategies of liquidity management to ensure that the Group can meet its financial obligations in normal circumstances and that an adequate stock of high-quality liquid assets is maintained in order to contain the possibility of a liquidity crisis.

Apart from liquidity management and regulatory compliance, the Group always strives to maintain a comfortable liquidity cushion as a safety net for coping with unexpected large funding requirements and to maintain a contingency plan to be enacted should there be a company specific crisis.

The following table details the remaining contractual obligations for its non-derivative financial liabilities based on the agreed repayment terms, except for investment contract liabilities which are based on expected maturity dates. It has been drawn up based on the undiscounted cash flows of financial liabilities by reference to the earliest date on which the Group can be required to pay and includes both interest and principal cash flows. The table excludes life insurance contract liabilities since assuming that all surrender and transfer options are exercised would result in all life insurance contracts being presented as falling due within one year or less. The majority of the expected outflow from in force insurance contracts are expected to take place after 5 years.

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(ii) 信用風險 (續)

在公司層面之信用風險主要集中於應收附屬公司款項，並通過評估該些附屬公司還款之可收回性進行管理。管理層定期監察集團內的資金情況及附屬公司持有足夠資產以涵蓋它們之應付款項。因此，本公司於報告期末之信用風險不大。

(iii) 流動性風險

本集團須滿足其現金資源的每日調用，尤其是其人壽保險合約、財產保險合約及再保險合約產生的賠款費用，因此存在現金不足以償還到期負債的風險。

本集團透過制定流動資金管理的政策及一般策略管理該風險，以確保本集團滿足正常情況下的財務需求及備存充裕的高質素流動資產，以應對可能產生的流動資金危機。

除流動資金管理及監管遵從外，本集團致力於留存適度的流動資金緩衝額作為應對意料之外的大筆資金需求的安全措施，以及制定應急計劃以應付公司的特定危機。

下表載列非衍生工具金融負債根據議定還款條款的餘下合約責任情況，而投資合約負債則根據預期到期日列示。此乃參考本集團需要支付的最早日期之未折現金融負債現金流而編製，並包括利息及本金現金流。下表不包括人壽保險合約負債，假設所有退保及轉讓選擇權被行使，令所有呈列之人壽保險合約於一年或以內到期。大部分因有效保險合同的資金外流預期5年後才發生。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(iii) Liquidity risk (Continued)

		Less than 1 year 少於一年 \$'000 千元	1 year to 5 years 一年至五年 \$'000 千元	More than 5 years 超過五年 \$'000 千元	Total undiscounted cash flows 未折現 現金流總額 \$'000 千元	Carrying value at 31 December 於十二月 三十一日 之賬面值 \$'000 千元
At 31 December 2016	於二零一六年十二月三十一日					
Financial and insurance liabilities:	金融及保險負債：					
Interest-bearing notes	需付息票據	307,208	1,299,820	7,069,412	8,676,440	5,835,209
Bank borrowings	銀行貸款	36,347,863	6,168,519	–	42,516,382	41,706,427
Investment contract liabilities	投資合約負債	4,448,895	9,403,396	14,113,665	27,965,956	22,436,805
Securities sold under repurchase agreements	賣出回購證券	732,690	–	–	732,690	732,217
Amounts due to group companies	應付集團內公司款項	25,401	–	–	25,401	25,401
Provision for outstanding claims	未決賠款準備	9,719,648	6,356,528	639,882	16,716,058	16,716,058
Insurance creditors	保險應付賬款	27,499,229	1,916,822	49,035	29,465,086	29,465,086
		79,080,934	25,145,085	21,871,994	126,098,013	116,917,203
At 31 December 2015	於二零一五年十二月三十一日					
Financial and insurance liabilities:	金融及保險負債：					
Interest-bearing notes	需付息票據	335,237	1,395,255	7,864,408	9,594,900	6,269,898
Bank borrowings	銀行貸款	21,934,306	4,642,135	–	26,576,441	25,908,893
Investment contract liabilities	投資合約負債	6,175,765	7,967,871	11,220,624	25,364,260	18,762,573
Securities sold under repurchase agreements	賣出回購證券	16,658,335	–	–	16,658,335	16,647,650
Amounts due to group companies	應付集團內公司款項	59,907	–	–	59,907	59,907
Provision for outstanding claims	未決賠款準備	8,856,252	6,348,741	798,020	16,003,013	16,003,013
Insurance creditors	保險應付賬款	47,862,108	452,845	294,255	48,609,208	48,609,208
		101,881,910	20,806,847	20,177,307	142,866,064	132,261,142

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(g) Capital management

The Group's key business operations are its life insurance business, the property and casualty insurance business and the reinsurance business, which are conducted through its subsidiaries. The Group manages its capital to ensure that the entities conducting the life insurance business, the property and casualty insurance business and reinsurance business will be able to meet statutory solvency requirements in the jurisdictions in which they operate. The statutory solvency requirements for each regulated insurance subsidiary are set out in the solvency rules at each jurisdiction. The Group's capital management initiatives also strive to maintain a surplus for future business expansion opportunities. The Group's overall capital management strategy remains unchanged from the prior year. The Group's capital includes the components of total equity of \$67.00 billion (2015: \$71.80 billion), interest-bearing notes of \$5.84 billion (2015: \$6.27 billion) and bank borrowings of \$41.71 billion (2015: \$25.91 billion). The Group complied with the various solvency requirements throughout the Year.

(h) Claims development

Claims development information for the property and casualty insurance business and reinsurance business is disclosed below in order to illustrate the insurance risk inherent in the Group. The tables provide a review of current estimates of the cumulative claims and demonstrate how the estimated claims have changed at subsequent reporting or underwriting year-ends. The estimates increased or decreased as losses are paid and more information becomes known about the frequency and severity of unpaid claims.

The key assumption underlying the estimates of provision for outstanding claims is the ultimate claims expenses. A respective percentage change in the ultimate claims expenses alone results in a similar percentage change in provision for outstanding claims.

2 保險、財務及資本風險管理 (續)

(g) 資本管理

本集團之主要業務為人壽保險業務、財產保險業務及再保險業務，其業務皆透過附屬公司進行。本集團之資本管理，是確保從事人壽保險業務、財產保險業務及再保險業務之公司將可符合業務經營相關司法權區之法定償付能力規定。各受監管保險附屬公司的法定償付能力要求乃載於各司法管轄區的償付能力規定內。本集團之資本管理策略亦致力為未來業務擴展機會維持充裕資金。本集團之整體資本管理策略與去年保持不變。本集團之資本包括670.0億元(二零一五年：718.0億元)的總權益組成部份、58.4億元(二零一五年：62.7億元)的需付息票據及417.1億元(二零一五年：259.1億元)的銀行貸款。本集團整年皆符合各償付能力之要求。

(h) 賠款發展

披露財產保險業務及再保險業務的賠款發展資料的目的旨在說明本集團內在的保險風險。下列表格乃是對累積賠款當前估計的回顧，並說明估計賠款額於其後報告或承保年度年結日的變動情況。估計賠款額隨著賠付而增加或減少，並會揭示出更多有關未支付賠款額的頻次及嚴重性的信息。

估計未決賠款準備的關鍵假設為最終賠款支出。最終賠款支出的百分比變動單獨導致未決賠款準備產生相似的百分比變動。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(h) Claims development (Continued)

Analysis of claims development – gross of reinsurance for TPI

For the year ended 31 December 2016

		Accident year 意外年度					Total 總額
		2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	2016 二零一六年 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	4,546,014	6,481,300	8,170,902	9,632,308	9,942,424	
One year later	一年後	4,106,728	6,140,515	7,734,476	8,807,954	-	
Two years later	兩年後	4,076,772	6,156,085	7,200,908	-	-	
Three years later	三年後	4,070,561	5,701,856	-	-	-	
Four years later	四年後	3,790,040	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	3,790,040	5,701,856	7,200,908	8,807,954	9,942,424	35,443,182
Cumulative payments to date	迄今累計付款	(3,761,024)	(5,649,779)	(7,019,229)	(7,858,129)	(5,950,400)	(30,238,561)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	29,016	52,077	181,679	949,825	3,992,024	5,204,621
Liabilities in respect of accident years 2011 and earlier	於二零一一年意外年度及以前的負債						376,320
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						5,580,941

For the year ended 31 December 2015

		Accident year 意外年度					Total 總額
		2011 二零一一年 \$'000 千元	2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	3,743,341	4,546,014	6,481,300	8,170,902	9,632,308	
One year later	一年後	3,319,851	4,106,728	6,140,515	7,734,476	-	
Two years later	兩年後	3,176,725	4,076,772	6,156,085	-	-	
Three years later	三年後	3,172,650	4,070,561	-	-	-	
Four years later	四年後	3,236,493	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	3,236,493	4,070,561	6,156,085	7,734,476	9,632,308	30,829,923
Cumulative payments to date	迄今累計付款	(3,096,562)	(3,961,562)	(5,929,550)	(6,962,387)	(5,718,552)	(25,668,613)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	139,931	108,999	226,535	772,089	3,913,756	5,161,310
Liabilities in respect of accident years 2010 and earlier	於二零一零年意外年度及以前的負債						384,172
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						5,545,482

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(h) Claims development (Continued)

Analysis of claims development – net of reinsurance for TPI

For the year ended 31 December 2016

		Accident year 意外年度					Total 總額
		2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	2016 二零一六年 \$'000 千元	\$'000 千元
<i>Estimate of cumulative claims</i>	<i>估計累計賠款</i>						
At the end of accident year	於意外年度年結時	3,938,231	5,310,588	6,982,311	8,497,437	8,766,325	
One year later	一年後	3,567,009	5,018,367	6,624,598	7,737,491	-	
Two years later	兩年後	3,540,025	5,031,663	6,146,997	-	-	
Three years later	三年後	3,530,370	4,667,473	-	-	-	
Four years later	四年後	3,290,679	-	-	-	-	
Estimate of cumulative claims Cumulative payments to date	估計累計賠款 迄今累計付款	3,290,679 (3,269,740)	4,667,473 (4,630,709)	6,146,997 (6,002,080)	7,737,491 (6,969,884)	8,766,325 (5,329,464)	30,608,965 (26,201,877)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表 的負債	20,939	36,764	144,917	767,607	3,436,861	4,407,088
Liabilities in respect of accident years 2011 and earlier	於二零一一年意外年度及 以前的負債						275,567
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的 總負債						4,682,655

For the year ended 31 December 2015

		Accident year 意外年度					Total 總額
		2011 二零一一年 \$'000 千元	2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	\$'000 千元
<i>Estimate of cumulative claims</i>	<i>估計累計賠款</i>						
At the end of accident year	於意外年度年結時	3,294,160	3,938,231	5,310,588	6,982,311	8,497,437	
One year later	一年後	2,929,494	3,567,009	5,018,367	6,624,598	-	
Two years later	兩年後	2,799,891	3,540,025	5,031,663	-	-	
Three years later	三年後	2,792,474	3,530,370	-	-	-	
Four years later	四年後	2,798,340	-	-	-	-	
Estimate of cumulative claims Cumulative payments to date	估計累計賠款 迄今累計付款	2,798,340 (2,760,500)	3,530,370 (3,459,878)	5,031,663 (4,862,710)	6,624,598 (5,992,402)	8,497,437 (5,175,425)	26,482,408 (22,250,915)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表 的負債	37,840	70,492	168,953	632,196	3,322,012	4,231,493
Liabilities in respect of accident years 2010 and earlier	於二零一零年意外年度及 以前的負債						243,602
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的 總負債						4,475,095

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(h) Claims development (Continued)

Analysis of claims development – gross of reinsurance for CTPI (HK)

For the year ended 31 December 2016

		Accident year 意外年度					Total 總額
		2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	2016 二零一六年 \$'000 千元	\$'000 千元
<i>Estimate of cumulative claims</i>	<i>估計累計賠款</i>						
At the end of accident year	於意外年度年結時	720,922	854,760	1,270,017	1,356,000	1,418,568	
One year later	一年後	771,805	1,075,407	1,130,708	1,240,613	-	
Two years later	兩年後	806,280	1,027,734	1,101,651	-	-	
Three years later	三年後	777,678	994,989	-	-	-	
Four years later	四年後	746,727	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	746,727	994,989	1,101,651	1,240,613	1,418,568	5,502,548
Cumulative payments to date	迄今累計付款	(651,555)	(784,145)	(732,792)	(649,657)	(466,301)	(3,284,450)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	95,172	210,844	368,859	590,956	952,267	2,218,098
Liabilities in respect of accident years 2011 and earlier	於二零一一年意外年度及以前的負債						1,021,594
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						3,239,692

For the year ended 31 December 2015

		Accident year 意外年度					Total 總額
		2011 二零一一年 \$'000 千元	2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	\$'000 千元
<i>Estimate of cumulative claims</i>	<i>估計累計賠款</i>						
At the end of accident year	於意外年度年結時	698,862	720,922	854,760	1,270,017	1,356,000	
One year later	一年後	626,253	771,805	1,075,407	1,130,708	-	
Two years later	兩年後	740,918	806,280	1,027,734	-	-	
Three years later	三年後	589,208	777,678	-	-	-	
Four years later	四年後	581,867	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	581,867	777,678	1,027,734	1,130,708	1,356,000	4,873,987
Cumulative payments to date	迄今累計付款	(424,652)	(574,544)	(679,761)	(612,136)	(384,067)	(2,675,160)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	157,215	203,134	347,973	518,572	971,933	2,198,827
Liabilities in respect of accident years 2010 and earlier	於二零一零年意外年度及以前的負債						959,307
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						3,158,134

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(h) Claims development (Continued)

Analysis of claims development – net of reinsurance for CTPI (HK)

For the year ended 31 December 2016

		Accident year 意外年度					Total 總額
		2012 二零一二年	2013 二零一三年	2014 二零一四年	2015 二零一五年	2016 二零一六年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<i>Estimate of cumulative claims</i>	<i>估計累計賠款</i>						
At the end of accident year	於意外年度年結時	373,321	659,823	895,380	931,085	1,098,676	
One year later	一年後	447,440	836,752	802,224	901,117	-	
Two years later	兩年後	462,522	841,545	794,681	-	-	
Three years later	三年後	480,608	788,736	-	-	-	
Four years later	四年後	430,454	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	430,454	788,736	794,681	901,117	1,098,676	4,013,664
Cumulative payments to date	迄今累計付款	(359,346)	(631,292)	(528,445)	(499,763)	(422,597)	(2,441,443)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	71,108	157,444	266,236	401,354	676,079	1,572,221
Liabilities in respect of accident years 2011 and earlier	於二零一一年意外年度及以前的負債						979,677
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						2,551,898

For the year ended 31 December 2015

		Accident year 意外年度					Total 總額
		2011 二零一一年	2012 二零一二年	2013 二零一三年	2014 二零一四年	2015 二零一五年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<i>Estimate of cumulative claims</i>	<i>估計累計賠款</i>						
At the end of accident year	於意外年度年結時	440,204	373,321	659,823	895,380	931,085	
One year later	一年後	419,670	447,440	836,752	802,224	-	
Two years later	兩年後	533,434	462,522	841,545	-	-	
Three years later	三年後	419,716	480,608	-	-	-	
Four years later	四年後	424,475	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	424,475	480,608	841,545	802,224	931,085	3,479,937
Cumulative payments to date	迄今累計付款	(321,220)	(299,877)	(548,741)	(449,281)	(327,250)	(1,946,369)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	103,255	180,731	292,804	352,943	603,835	1,533,568
Liabilities in respect of accident years 2010 and earlier	於二零一零年意外年度及以前的負債						927,264
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						2,460,832

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(h) Claims development (Continued)

Analysis of claims development – gross of reinsurance for TPR

For the year ended 31 December 2016

		Underwriting year 承保年度					Total 總額
		2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	2016 二零一六年 \$'000 千元	
Estimate of cumulative claims	估計累計賠款						
At the end of underwriting year	於承保年度年結時	1,215,625	1,831,001	1,515,741	2,017,323	1,989,866	
One year later	一年後	1,994,635	2,492,623	2,381,732	2,899,529	-	
Two years later	兩年後	1,970,600	2,354,321	2,126,999	-	-	
Three years later	三年後	1,876,245	2,155,778	-	-	-	
Four years later	四年後	1,717,952	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	1,717,952	2,155,778	2,126,999	2,899,529	1,989,866	10,890,124
Cumulative payments to date	迄今累計付款	(1,464,511)	(1,762,780)	(1,396,429)	(1,214,956)	(89,713)	(5,928,389)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	253,441	392,998	730,570	1,684,573	1,900,153	4,961,735
Liabilities in respect of underwriting years 2011 and earlier	於二零一一年承保年度及以前的負債						541,753
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						5,503,488

Note: Above balances exclude the claims liabilities for the life reinsurance business.

For the year ended 31 December 2015

		Underwriting year 承保年度					Total 總額
		2011 二零一一年 \$'000 千元	2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	
Estimate of cumulative claims	估計累計賠款						
At the end of underwriting year	於承保年度年結時	2,049,249	1,215,625	1,831,001	1,515,741	2,017,323	
One year later	一年後	3,462,921	1,994,635	2,492,623	2,381,732	-	
Two years later	兩年後	3,302,816	1,970,600	2,354,321	-	-	
Three years later	三年後	3,135,866	1,876,245	-	-	-	
Four years later	四年後	3,043,708	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	3,043,708	1,876,245	2,354,321	2,381,732	2,017,323	11,673,329
Cumulative payments to date	迄今累計付款	(2,796,403)	(1,468,327)	(1,738,397)	(1,103,531)	(95,159)	(7,201,817)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	247,305	407,918	615,924	1,278,201	1,922,164	4,471,512
Liabilities in respect of underwriting years 2010 and earlier	於二零一零年承保年度及以前的負債						478,974
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						4,950,486

Note: Above balances exclude the claims liabilities for the life reinsurance business.

2 保險、財務及資本風險管理 (續)

(h) 賠款發展 (續)

賠款發展分析 – 太平再保險之未扣除再保險毛額

截至二零一六年十二月三十一日止年度

		Underwriting year 承保年度					Total 總額
		2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	2016 二零一六年 \$'000 千元	
Estimate of cumulative claims	估計累計賠款						
At the end of underwriting year	於承保年度年結時	1,215,625	1,831,001	1,515,741	2,017,323	1,989,866	
One year later	一年後	1,994,635	2,492,623	2,381,732	2,899,529	-	
Two years later	兩年後	1,970,600	2,354,321	2,126,999	-	-	
Three years later	三年後	1,876,245	2,155,778	-	-	-	
Four years later	四年後	1,717,952	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	1,717,952	2,155,778	2,126,999	2,899,529	1,989,866	10,890,124
Cumulative payments to date	迄今累計付款	(1,464,511)	(1,762,780)	(1,396,429)	(1,214,956)	(89,713)	(5,928,389)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	253,441	392,998	730,570	1,684,573	1,900,153	4,961,735
Liabilities in respect of underwriting years 2011 and earlier	於二零一一年承保年度及以前的負債						541,753
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						5,503,488

Note: Above balances exclude the claims liabilities for the life reinsurance business.

截至二零一五年十二月三十一日止年度

		Underwriting year 承保年度					Total 總額
		2011 二零一一年 \$'000 千元	2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	
Estimate of cumulative claims	估計累計賠款						
At the end of underwriting year	於承保年度年結時	2,049,249	1,215,625	1,831,001	1,515,741	2,017,323	
One year later	一年後	3,462,921	1,994,635	2,492,623	2,381,732	-	
Two years later	兩年後	3,302,816	1,970,600	2,354,321	-	-	
Three years later	三年後	3,135,866	1,876,245	-	-	-	
Four years later	四年後	3,043,708	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	3,043,708	1,876,245	2,354,321	2,381,732	2,017,323	11,673,329
Cumulative payments to date	迄今累計付款	(2,796,403)	(1,468,327)	(1,738,397)	(1,103,531)	(95,159)	(7,201,817)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	247,305	407,918	615,924	1,278,201	1,922,164	4,471,512
Liabilities in respect of underwriting years 2010 and earlier	於二零一零年承保年度及以前的負債						478,974
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						4,950,486

Note: Above balances exclude the claims liabilities for the life reinsurance business.

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(h) Claims development (Continued)

Analysis of claims development – net of reinsurance for TPRe

For the year ended 31 December 2016

		Underwriting year 承保年度					Total 總額
		2012 二零一二年	2013 二零一三年	2014 二零一四年	2015 二零一五年	2016 二零一六年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of underwriting year	於承保年度年結時	1,146,649	1,629,374	1,453,910	1,805,452	1,892,045	
One year later	一年後	1,874,450	2,285,047	2,153,129	2,512,238	-	
Two years later	兩年後	1,828,770	2,105,785	1,898,078	-	-	
Three years later	三年後	1,723,165	1,939,391	-	-	-	
Four years later	四年後	1,567,621	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	1,567,621	1,939,391	1,898,078	2,512,238	1,892,045	9,809,373
Cumulative payments to date	迄今累計付款	(1,360,135)	(1,604,211)	(1,329,495)	(1,015,653)	(111,195)	(5,420,689)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	207,486	335,180	568,583	1,496,585	1,780,850	4,388,684
Liabilities in respect of underwriting years 2011 and earlier	於二零一一年承保年度及以前的負債						461,199
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						4,849,883

Note: Above balances exclude the claims liabilities for the life reinsurance business.

註：上述數額不包括人壽再保險業務之賠款負債。

2 保險、財務及資本風險管理 (續)

(h) 賠款發展 (續)

賠款發展分析 – 太平再保險之減去再保險淨額

截至二零一六年十二月三十一日止年度

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(h) Claims development (Continued)

Analysis of claims development – net of reinsurance for TPRe (Continued)

For the year ended 31 December 2015

		Underwriting year 承保年度					Total 總額
		2011 二零一一年 \$'000 千元	2012 二零一二年 \$'000 千元	2013 二零一三年 \$'000 千元	2014 二零一四年 \$'000 千元	2015 二零一五年 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of underwriting year	於承保年度年結時	1,744,919	1,146,649	1,629,374	1,453,910	1,805,452	
One year later	一年後	2,994,129	1,874,450	2,285,047	2,153,129	-	
Two years later	兩年後	2,785,114	1,828,770	2,105,785	-	-	
Three years later	三年後	2,641,760	1,723,165	-	-	-	
Four years later	四年後	2,538,691	-	-	-	-	
Estimate of cumulative claims	估計累計賠款	2,538,691	1,723,165	2,105,785	2,153,129	1,805,452	10,326,222
Cumulative payments to date	迄今累計付款	(2,321,296)	(1,365,958)	(1,586,473)	(1,053,333)	(43,247)	(6,370,307)
Liabilities recognised in the consolidated statement of financial position	確認於財務狀況表的負債	217,395	357,207	519,312	1,099,796	1,762,205	3,955,915
Liabilities in respect of underwriting years 2010 and earlier	於二零一零年承保年度及以前的負債						408,151
Total liabilities included in the consolidated statement of financial position	確認於財務狀況表的總負債						4,364,066

Note: Above balances exclude the claims liabilities for the life reinsurance business.

2 保險、財務及資本風險管理 (續)

(h) 賠款發展 (續)

賠款發展分析 – 太平再保險之減去再保險淨額 (續)

截至二零一五年十二月三十一日止年度

註：上述數額不包括人壽再保險業務之賠款負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION

The Group is organised primarily based on different types of businesses. The information reported to the Board, being the chief operating decision maker, for the purpose of resources allocation and performance assessment, are prepared and reported on such basis. Accordingly, the Group's operating segments are detailed as follows:

- Life insurance business;
- PRC property and casualty insurance business;
- Overseas property and casualty insurance business;
- Reinsurance business;
- Pension and group life insurance business; and
- Other businesses which comprised the asset management business, insurance intermediary business, E-commerce for insurance, financial leasing, property investment business, securities dealing and broking business.

Information regarding the above segments is reported below.

Management monitors the operating results of the Group's business units separately for the purpose of performance assessment.

3 營運分部

本集團主要由各項業務組成。向董事會(即主要營運決策者)呈報以進行資源分配及評估表現之資料,亦按此基準編製及呈報。因此,本集團營運分部的詳情載列如下:

- 人壽保險業務;
- 中國財產保險業務;
- 海外財產保險業務;
- 再保險業務;
- 養老及團體保險業務;及
- 其他業務,包括資產管理業務、保險中介業務、保險有關之電子商務、金融租賃、物業投資業務、證券買賣及經紀業務。

有關上述分部的資料呈列如下。

管理層透過監控本集團各業務單位之營運業績以評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

a. Segmental statement of profit or loss for 2016

		Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Inter-segment elimination and adjustment 內部對銷及調整 \$'000 千元	Total 總額 \$'000 千元
Income	收入								
Total premiums written	總保費	111,644,888	21,300,748	4,338,561	9,175,447	4,690,679	-	(2,014,414)	149,135,909
Policy fees	保單費收入	129,469	-	-	-	-	-	-	129,469
Total premiums written and policy fees	總保費及保單費收入	111,774,357	21,300,748	4,338,561	9,175,447	4,690,679	-	(2,014,414)	149,265,378
Less: Premiums ceded to reinsurers	減：分出保費	(1,351,525)	(2,673,370)	(1,239,550)	(817,477)	(417,403)	-	1,884,040	(4,615,285)
Net premiums written and policy fees	淨保費收入及保單費收入	110,422,832	18,627,378	3,099,011	8,357,970	4,273,276	-	(130,374)	144,650,093
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(381,899)	(477,158)	(116,117)	(31,705)	(66,847)	-	(7,793)	(1,081,519)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	110,040,933	18,150,220	2,982,894	8,326,265	4,206,429	-	(138,167)	143,568,574
Net investment income (note (ii))	淨投資收入 (註(ii))	13,844,991	792,982	416,911	908,876	351,870	1,035,727	305,066	17,656,423
Net realised investment gains/(losses) (note (iii))	已實現投資收益/(虧損)淨額 (註(iii))	2,461,832	140,845	(42,420)	12,855	34,769	32,037	(45,205)	2,594,713
Net unrealised investment gains/(losses) and impairment (note (iii))	未實現投資收益/(虧損)及減值淨額 (註(iii))	(714,863)	(19,371)	131,252	(5,704)	(3,102)	451,941	(72,835)	(232,682)
Other income	其他收入	2,009,362	191,164	5,236	(132,382)	397,213	3,220,717	(2,779,738)	2,911,572
Segment income	分部收入	127,642,255	19,255,840	3,493,873	9,109,910	4,987,179	4,740,422	(2,730,879)	166,498,600
Benefits, losses and expenses	給付、賠款及費用								
Net policyholders' benefits	保單持有人利益淨額	(16,416,957)	(9,629,055)	(1,442,661)	(3,039,621)	(2,421,678)	-	117,010	(32,832,962)
Net commission expenses	佣金支出淨額	(12,333,725)	(2,692,393)	(1,015,327)	(1,550,560)	(445,994)	-	1,333,525	(16,704,474)
Administrative and other expenses	行政及其他費用	(12,991,147)	(6,019,091)	(504,894)	(226,677)	(1,558,941)	(2,797,041)	1,417,297	(22,680,494)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	(79,403,196)	-	-	(3,709,024)	(530,617)	-	-	(83,642,837)
Total benefits, losses and expenses	給付、賠款及費用總額	(121,145,025)	(18,340,539)	(2,962,882)	(8,525,882)	(4,957,230)	(2,797,041)	2,867,832	(155,860,767)
Profit from operations	經營溢利	6,497,230	915,301	530,991	584,028	29,949	1,943,381	136,953	10,637,833
Share of results of associates and joint ventures	應佔聯營公司及合營公司業績	310,020	75,374	-	-	46,379	28,432	(470,341)	(10,136)
Finance costs	財務費用	(13,757)	(77,423)	(3,308)	-	(31,273)	(1,306,133)	54,691	(1,377,203)
Profit before taxation	除稅前溢利	6,793,493	913,252	527,683	584,028	45,055	665,680	(278,697)	9,250,494
Income tax charge	稅項支出	(1,950,080)	(361,139)	(57,614)	(133,307)	(20,874)	(422,998)	(2,006)	(2,948,018)
Profit after taxation	除稅後溢利	4,843,413	552,113	470,069	450,721	24,181	242,682	(280,703)	6,302,476
Non-controlling interests	非控股股東權益	-	-	-	-	-	-	-	(1,528,228)
Profit attributable to owners of the Company	本公司股東應佔溢利								4,774,248

Segment revenue (including total premiums written and policy fees) and segment profit/(loss) represent the revenue and profit/(loss) earned by each segment which is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

分部收入(包括總保費及保單費收入)及分部溢利/(虧損)指各分部收入及溢利/(虧損)。此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

3 營運分部 (續)

a. Segmental statement of profit or loss for 2016 (Continued)

a. 二零一六年分類損益表 (續)

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

	Life insurance	PRC property and casualty insurance	Overseas property and casualty insurance	Reinsurance	Pension and group life insurance	Other businesses	Inter-segment elimination and adjustment	Total
	人壽保險	中國財產保險	海外財產保險	再保險	養老及團體保險	其他業務	內部對銷及調整	總額
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元	千元	千元
Note (j): Net investment income	註 (j): 淨投資收入							
Interest income from debt securities	債務證券利息收入							
– Held-to-maturity	5,015,604	116,066	103,218	623,124	–	118,349	(2,174)	5,974,187
– Available-for-sale	974,326	107,854	40,606	94,551	97,350	58,763	(140)	1,373,310
– Held-for-trading	8,288	147	26,691	17,424	3	10,903	51,627	115,083
– Designated at fair value through profit or loss	–	–	20,615	–	–	–	–	20,615
– Loans and receivables	21,711	3,419	–	9,063	–	536	(12)	34,717
Interest income from debt products	債權產品利息收入							
– Loans and receivables	3,020,924	236,372	1,333	16,182	104,921	33,640	882,800	4,296,172
Dividend income from equity securities	股本證券股息收入							
– Available-for-sale	365,858	36,333	7,486	5,255	4,567	12,253	3,750	435,502
– Held-for-trading	–	–	2,270	–	–	139	26,626	29,035
Dividend income from investment funds	投資基金股息收入							
– Available-for-sale	1,305,981	96,037	265	5,689	44,791	24,719	(480,719)	996,763
– Held-for-trading	179,139	31,200	1,143	1	41,677	5,421	(34,439)	224,142
– Designated at fair value through profit or loss	–	–	906	–	–	–	–	906
– Loans and receivables	–	–	92,978	90,011	–	75,821	–	258,810
Bank deposits and other interests income	2,716,299	152,219	24,559	48,363	65,559	210,647	(58,105)	3,159,541
Rentals receivable from investment properties	218,986	16,130	94,841	1,115	–	482,895	(101,064)	712,903
Net interest income/(expenses) on securities sold/purchased under repurchase/resale agreements	17,875	(2,795)	–	(1,902)	(6,998)	1,641	16,916	24,737
	13,844,991	792,982	416,911	908,876	351,870	1,035,727	305,066	17,656,423

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

3 營運分部 (續)

a. Segmental statement of profit or loss for 2016 (Continued)

a. 二零一六年分類損益表 (續)

		For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度						Inter- segment elimination and adjustment	Total
		Life insurance	PRC property and casualty insurance	Overseas property and casualty insurance	Reinsurance	Pension and group life insurance	Other businesses	Internal sales and adjustment	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
Note (ii): Net realised investment gains/(losses)	註(ii): 已實現投資收益/(虧損)淨額								
Debt securities	債務證券								
- Held-to-maturity	- 持有至到期日	10,383	(2,509)	1,044	-	-	-	-	8,918
- Available-for-sale	- 可供出售	45,902	(1,815)	3,731	19,677	(950)	12,873	(3)	79,415
- Held-for-trading	- 持有作交易用途	55,090	7,754	901	1,321	2,125	1,158	(6,140)	62,209
Equity securities	股本證券								
- Available-for-sale	- 可供出售	2,155,658	125,724	(13,255)	(8,419)	33,948	(9,380)	216	2,284,492
- Held-for-trading	- 持有作交易用途	-	-	(2,674)	-	-	(3,187)	(36,195)	(42,056)
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	-	-	-	(83)	-	(83)
Investment funds	投資基金								
- Available-for-sale	- 可供出售	194,795	11,691	(33,864)	276	(354)	(4,439)	17,703	185,808
- Held-for-trading	- 持有作交易用途	4	-	1,697	-	-	29,523	(20,786)	10,438
Derivative financial instruments	衍生金融工具	-	-	-	-	-	7,765	-	7,765
Loss on disposal of an associate	出售聯營公司虧損	-	-	-	-	-	(2,193)	-	(2,193)
		2,461,832	140,845	(42,420)	12,855	34,769	32,037	(45,205)	2,594,713
Note (iii): Net unrealised investment gains/(losses) and impairment	註(iii): 未實現投資收益/(虧損)及減值淨額								
Debt securities	債務證券								
- Held-for-trading	- 持有作交易用途	(3,674)	865	(653)	11,644	(1)	5,685	(18,542)	(4,676)
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	(1,670)	-	-	-	-	(1,670)
Equity securities	股本證券								
- Held-for-trading	- 持有作交易用途	-	-	11,947	-	-	1,314	(27,952)	(14,691)
Investment funds	投資基金								
- Held-for-trading	- 持有作交易用途	748	-	8,895	-	767	8,154	7,580	26,144
Surplus on revaluation of investment properties	投資物業重估盈餘	382,941	45,483	142,748	1,760	421	455,262	(109,423)	919,192
Impairment loss recognised:	減值確認:								
- Available-for-sale equity securities and investment funds	- 可供出售股本證券及投資基金	(1,094,878)	(65,719)	(24,395)	(19,108)	(4,289)	(18,474)	75,502	(1,151,361)
- Held-to-maturity debt securities	- 持有至到期債務證券	-	-	(5,620)	-	-	-	-	(5,620)
		(714,863)	(19,371)	131,252	(5,704)	(3,102)	451,941	(72,835)	(232,682)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

b. Segmental statement of financial position for 2016

		31 December 2016 二零一六年十二月三十一日							Total 總額
		Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Inter-segment elimination and adjustment 內部對銷及調整 \$'000 千元	\$'000 千元
Statutory deposits	法定存款	3,353,790	1,195,056	121,422	298,221	670,758	4,101	-	5,643,348
Fixed assets	固定資產								
- Property and equipment	- 物業及設備	4,015,703	924,626	805,545	58,268	193,195	682,938	1,640,836	8,321,111
- Investment properties	- 投資物業	4,773,365	425,551	2,272,126	40,260	-	13,752,505	(2,816,611)	18,447,196
- Prepaid lease payments	- 預付租賃付款	51,682	50,729	-	-	-	471,179	48,099	621,689
Investments in debt and equity securities	債務及股本證券投資								
- Debt securities (note (i))	- 債務證券 (註(i))	133,334,802	4,571,020	3,837,718	16,251,423	1,975,650	5,079,422	880,443	165,930,478
- Equity securities (note (ii))	- 股本證券 (註(ii))	26,211,415	2,446,496	584,267	734,731	400,509	925,353	1,559,153	32,861,924
- Investment funds (note (iii))	- 投資基金 (註(iii))	26,222,022	1,975,321	2,422,687	2,287,791	1,015,419	4,786,537	(7,966,113)	30,743,664
- Debt products (note (iv))	- 債權產品 (註(iv))	56,028,399	5,652,257	-	596,975	2,240,333	572,380	10,862,897	75,953,241
Cash and bank deposits	現金及銀行存款	45,207,911	3,313,707	1,248,827	2,363,355	1,003,007	13,374,860	2,124,232	68,635,899
Goodwill	商譽	-	-	-	-	-	93,524	668,517	762,041
Intangible assets	無形資產	-	-	-	-	-	260	261,408	261,668
Interests in associates and joint ventures	於聯營公司及合營公司的權益	9,275,920	1,194,548	-	-	640,753	92,471	(10,019,395)	1,184,297
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	409,333	1,731,912	1,602,820	1,827,332	264,117	-	-	5,835,514
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	1,206,983	-	-	-	-	-	-	1,206,983
Other segment assets	其他分部資產	43,735,847	2,229,112	1,795,364	2,714,705	1,091,934	40,819,452	(3,389,708)	88,996,706
Segment assets	分部資產	353,827,172	25,710,335	14,690,776	27,173,061	9,495,675	80,654,982	(6,146,242)	505,405,759
Life insurance contract liabilities	壽險合約負債	280,335,561	-	-	8,852,868	2,655,542	-	-	291,843,971
Unearned premium provisions	未到期責任準備金	752,558	7,313,393	1,653,763	1,509,124	586,615	-	-	11,815,453
Provision for outstanding claims	未決賠款準備	288,776	5,583,954	4,703,192	5,556,435	583,701	-	-	16,716,058
Investment contract liabilities	投資合約負債	19,309,089	-	-	1,900,362	1,227,354	-	-	22,436,805
Deferred tax liabilities	遞延稅項負債	28,954	-	58,519	2,096	-	1,582,830	(96,323)	1,576,076
Interest-bearing notes	需付息票據	-	1,229,724	-	-	-	4,653,048	(47,563)	5,835,209
Bank borrowings	銀行貸款	-	-	600,000	-	-	41,106,427	-	41,706,427
Securities sold under repurchase agreements	賣出回購證券	100,614	558,937	-	-	67,076	-	5,590	732,217
Other segment liabilities	其他分部負債	31,622,005	4,537,508	1,281,077	2,495,535	1,847,125	7,923,749	(3,966,120)	45,740,879
Segment liabilities	分部負債	332,437,557	19,223,516	8,296,551	20,316,420	6,967,413	55,266,054	(4,104,416)	438,403,095
Non-controlling interests	非控股股東權益								(10,833,602)
Net assets attributable to the owners of the Company	本公司股東應佔資產淨值								56,169,062

Segment assets and segment liabilities represent the assets/liabilities recorded by each segment which is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

分部資產及分部負債指各分部資產/負債，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

b. Segmental statement of financial position for 2016 (Continued)

3 營運分部 (續)

b. 二零一六年分類財務狀況表 (續)

		31 December 2016 二零一六年十二月三十一日							
		Life insurance	PRC property and casualty insurance	Overseas property and casualty insurance	Reinsurance	Pension and group life insurance	Other businesses	Inter-segment elimination and adjustment	Total
		人壽保險	中國財產保險	海外財產保險	再保險	養老及團體保險	其他業務	內部對銷及調整	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
Note (i): Debt securities	註(i): 債務證券								
By category:	按種類:								
- Held-to-maturity	- 持有至到期日	110,510,563	2,625,970	2,145,843	14,306,222	-	3,161,165	(47,562)	132,702,201
- Available-for-sale	- 可供出售	22,686,816	1,871,497	820,243	1,674,531	1,975,650	1,581,205	-	30,609,942
- Held-for-trading	- 持有作交易用途	137,423	73,553	536,440	270,670	-	337,052	928,005	2,283,143
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	335,192	-	-	-	-	335,192
		133,334,802	4,571,020	3,837,718	16,251,423	1,975,650	5,079,422	880,443	165,930,478
By class:	按類別:								
- Government and central banks	- 政府及中央銀行	48,376,509	905,644	82,223	1,286,446	546,328	51,158	-	51,248,308
- Banks and other financial institutions	- 銀行及其他金融機構	50,873,554	920,811	1,615,550	7,719,889	132,805	3,170,587	28,989	64,462,185
- Corporate entities	- 企業實體	34,084,739	2,744,565	2,139,945	7,245,088	1,296,517	1,857,677	851,454	50,219,985
		133,334,802	4,571,020	3,837,718	16,251,423	1,975,650	5,079,422	880,443	165,930,478
Note (ii): Equity securities	註(ii): 股本證券								
By category:	按種類:								
- Available-for-sale	- 可供出售	26,211,415	2,446,496	414,674	734,731	400,509	899,169	30,779	31,137,773
- Held-for-trading	- 持有作交易用途	-	-	169,593	-	-	26,184	1,528,374	1,724,151
		26,211,415	2,446,496	584,267	734,731	400,509	925,353	1,559,153	32,861,924
Note (iii): Investment funds	註(iii): 投資基金								
By category:	按種類:								
- Available-for-sale	- 可供出售	12,959,819	1,749,058	48,313	137,752	554,592	212,529	(6,805,668)	8,856,395
- Held-for-trading	- 持有作交易用途	12,284,203	226,263	234,322	39	460,827	2,377,008	(1,160,445)	14,422,217
- Loans and receivables	- 貸款及應收款項	978,000	-	2,140,052	2,150,000	-	2,197,000	-	7,465,052
		26,222,022	1,975,321	2,422,687	2,287,791	1,015,419	4,786,537	(7,966,113)	30,743,664
Note (iv): Debt products	註(iv): 債權產品								
By category:	按種類:								
- Loans and receivables	- 貸款及應收款項	56,028,399	5,652,257	-	596,975	2,240,333	572,380	10,862,897	75,953,241

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

c. Segmental statement of profit or loss for 2015

		Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Inter-segment elimination and adjustment 內部對銷及調整 \$'000 千元	Total 總額 \$'000 千元
Income	收入								
Total premiums written	總保費	102,246,478	19,999,857	4,929,261	8,004,953	4,109,223	-	(933,871)	138,355,901
Policy fees	保單費收入	75,637	-	-	-	-	-	-	75,637
Total premiums written and policy fees	總保費及保單費收入	102,322,115	19,999,857	4,929,261	8,004,953	4,109,223	-	(933,871)	138,431,538
Less: Premiums ceded to reinsurers	減：分出保費	(1,743,436)	(2,561,949)	(1,207,928)	(1,634,490)	(396,768)	-	826,216	(6,718,355)
Net premiums written and policy fees	淨保費收入及保單費收入	100,578,679	17,437,908	3,721,333	6,370,463	3,712,455	-	(107,655)	131,713,183
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化·減再保險	48,551	(728,990)	(139,505)	(156,341)	(80,135)	-	-	(1,056,420)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	100,627,230	16,708,918	3,581,828	6,214,122	3,632,320	-	(107,655)	130,656,763
Net investment income (note (i))	淨投資收入 (註(i))	13,408,680	849,650	333,242	591,858	321,066	1,127,187	(106,573)	16,525,110
Net realised investment gains/(losses) (note (iii))	已實現投資收益/(虧損)淨額 (註(iii))	10,362,448	395,768	72,401	65,425	190,444	72,462	(338,467)	10,820,481
Net unrealised investment gains/(losses) and impairment (note (iii))	未實現投資收益/(虧損)及減值淨額 (註(iii))	304,998	7,995	28,624	7,525	(24,991)	384,151	97,790	806,092
Other income	其他收入	1,354,959	104,166	17,187	(63,947)	471,264	2,211,417	(2,235,064)	1,859,982
Segment income	分部收入	126,058,315	18,066,497	4,033,282	6,814,983	4,590,103	3,795,217	(2,689,969)	160,668,428
Benefits, losses and expenses	給付、賠款及費用								
Net policyholders' benefits	保單持有人利益淨額	(45,313,201)	(9,062,126)	(2,211,186)	(2,693,161)	(2,340,769)	-	100,829	(61,519,614)
Net commission expenses	佣金支出淨額	(9,357,774)	(1,927,392)	(819,210)	(1,279,983)	(382,865)	(14,586)	909,249	(12,872,561)
Administrative and other expenses	行政及其他費用	(14,193,681)	(5,895,868)	(456,093)	(179,423)	(1,393,215)	(2,654,280)	1,380,857	(23,391,703)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化·減再保險	(48,437,578)	-	-	(2,135,577)	(251,251)	-	-	(50,824,406)
Total benefits, losses and expenses	給付、賠款及費用總額	(117,302,234)	(16,885,386)	(3,486,489)	(6,288,144)	(4,368,100)	(2,668,866)	2,390,935	(148,608,284)
Profit from operations	經營溢利	8,756,081	1,181,111	546,793	526,839	222,003	1,126,351	(299,034)	12,060,144
Share of results of associates and joint ventures	應佔聯營公司及合營公司業績	254,727	14,517	-	-	11,006	576	(283,219)	(2,393)
Finance costs	財務費用	(207,230)	(82,198)	-	-	(30,347)	(789,110)	59,548	(1,049,337)
Profit before taxation	除稅前溢利	8,803,578	1,113,430	546,793	526,839	202,662	337,817	(522,705)	11,008,414
Income tax charge	稅項支出	(2,122,996)	(292,178)	(80,821)	(104,398)	(24,304)	(309,242)	93,763	(2,840,176)
Profit after taxation	除稅後溢利	6,680,582	821,252	465,972	422,441	178,358	28,575	(428,942)	8,168,238
Non-controlling interests	非控股股東權益	-	-	-	-	-	-	-	(1,827,002)
Profit attributable to owners of the Company	本公司股東應佔溢利								6,341,236

Segment revenue (including total premiums written and policy fees) and segment profit/(loss) represent the revenue and profit/(loss) earned by each segment which is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

分部收入(包括總保費及保單費收入)及分部溢利/(虧損)指各分部收入及溢利/(虧損),此乃向本集團董事會呈報之方法,以進行資源分配及評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

c. Segmental statement of profit or loss for 2015 (Continued)

3 營運分部 (續)

c. 二零一五年分類損益表 (續)

		For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度							Total
		Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Inter-segment elimination and adjustment 內部對銷及調整 \$'000 千元	\$'000 千元
Note (i): Net investment income	註(i): 淨投資收入								
Interests income from debt securities	債務證券利息收入								
- Held-to-maturity	- 持有至到期日	4,858,352	104,193	87,116	369,299	-	86,218	(1,927)	5,503,251
- Available-for-sale	- 可供出售	1,273,654	174,766	58,162	95,465	108,891	118,272	-	1,829,210
- Held-for-trading	- 持有作交易用途	1,702	17	7,113	5,229	2	2,198	24,092	40,353
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	25,305	-	-	-	-	25,305
- Loans and receivables	- 貸款及應收款項	3,623	9,605	-	36,143	-	1,769	-	51,140
Interests income from debt products	債權產品利息收入								
- Loans and receivables	- 貸款及應收款項	3,628,141	241,072	-	8,148	69,994	6,949	801,404	4,755,708
Dividend income from equity securities	股本證券股息收入								
- Available-for-sale	- 可供出售	423,681	25,209	8,964	3,557	2,967	14,437	-	478,815
- Held-for-trading	- 持有作交易用途	-	-	1,053	-	-	172	23,621	24,846
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	1,231	-	-	-	-	1,231
Dividend income from investment funds	投資基金股息收入								
- Available-for-sale	- 可供出售	642,408	54,505	76	18,274	16,300	8,016	(553,863)	185,716
- Held-for-trading	- 持有作交易用途	211,740	51,795	1,250	1,827	64,746	3,944	(192,624)	142,678
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	5,291	-	-	-	-	5,291
- Loans and receivables	- 貸款及應收款項	-	-	10,958	-	-	-	-	10,958
Bank deposits and other interests income	銀行存款及其他利息收入	2,942,219	181,351	31,397	52,851	69,983	383,981	(146,492)	3,515,290
Rentals receivable from investment properties	應收投資物業租金	211,441	12,086	95,326	1,223	-	501,983	(72,476)	749,583
Net interest expenses on securities sold/purchased under repurchase/resale agreements	賣出回購/買入返售證券利息費用淨額	(788,281)	(4,949)	-	(158)	(11,817)	(752)	11,692	(794,265)
		13,408,680	849,650	333,242	591,858	321,066	1,127,187	(106,573)	16,525,110
Note (ii): Net realised investment gains/(losses)	註(ii): 已實現投資收益/(虧損)淨額								
Debt securities	債務證券								
- Held-to-maturity	- 持有至到期日	-	1,595	(762)	-	-	-	-	833
- Available-for-sale	- 可供出售	155,073	12,599	21,814	19,468	531	23,942	-	233,427
- Held-for-trading	- 持有作交易用途	99,149	7,914	2,732	6,117	1,753	12,427	26,095	156,187
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	(351)	-	-	-	-	(351)
Debt products	債權產品								
- Loans and receivables	- 貸款及應收款項	-	-	-	-	-	2,889	-	2,889
Equity securities	股本證券								
- Available-for-sale	- 可供出售	7,988,212	337,762	34,990	55,212	176,225	(49,662)	-	8,542,739
- Held-for-trading	- 持有作交易用途	(2)	-	1,487	-	-	(1,374)	32,136	32,247
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	3,827	-	-	-	-	3,827
Investment funds	投資基金								
- Available-for-sale	- 可供出售	2,116,499	42,858	8,525	(14,213)	2,513	1,129	(451,652)	1,705,659
- Held-for-trading	- 持有作交易用途	16,155	(6,960)	-	(654)	9,032	26,289	69,184	113,046
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	-	139	-	-	-	-	139
Derivative financial instruments	衍生金融工具	(12,638)	-	-	-	-	3,040	(161)	(9,759)
Gain/(loss) on disposal of investment properties	出售投資物業收益/(虧損)	-	-	-	(505)	-	53,782	(14,069)	39,208
Gain on disposal of property held for sale	出售持有作出售物業收益	-	-	-	-	390	-	-	390
		10,362,448	395,768	72,401	65,425	190,444	72,462	(338,467)	10,820,481

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

3 營運分部 (續)

c. Segmental statement of profit or loss for 2015 (Continued)

c. 二零一五年分類損益表 (續)

For the year ended 31 December 2015
截至二零一五年十二月三十一日止年度

	Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Inter-segment elimination and adjustment 內部對銷及調整 \$'000 千元	Total 總額 \$'000 千元
Note (iii): Net unrealised investment gains/ (losses) and impairment	註 (iii): 未實現投資收益/ (虧損) 及減值淨額							
Debt securities								
- Held-for-trading	16,541	1,151	1,497	17,871	1	49,993	1,801	88,855
- Designated at fair value through profit or loss	-	-	(12,295)	-	-	-	-	(12,295)
Equity securities								
- Held-for-trading	9	-	(3,737)	-	-	630	10,054	6,956
- Designated at fair value through profit or loss	-	-	(4,160)	-	-	-	-	(4,160)
Investment funds								
- Held-for-trading	(131,101)	(19,396)	7,373	-	(24,992)	8,138	151,136	(8,842)
- Designated at fair value through profit or loss	-	-	(140)	-	-	-	-	(140)
Derivative financial instruments	-	-	-	-	-	(2,569)	(2,144)	(4,713)
Surplus on revaluation of investment properties	427,810	36,613	64,465	1,480	-	329,685	(63,057)	796,996
Impairment loss recognised:								
- Available-for-sale equity securities and investment funds	(8,261)	(10,373)	(24,379)	(11,826)	-	(1,726)	-	(56,565)
	304,998	7,995	28,624	7,525	(24,991)	384,151	97,790	806,092

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

d. Segmental statement of financial position for 2015

		Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Inter-segment elimination and adjustment 內部對銷及調整 \$'000 千元	Total 總額 \$'000 千元
Statutory deposits	法定存款	3,819,618	1,151,782	134,532	307,567	477,452	5,271	-	5,896,222
Fixed assets	固定資產								
- Property and equipment	- 物業及設備	3,915,754	1,101,842	787,876	85,792	146,830	317,669	1,261,295	7,617,058
- Investment properties	- 投資物業	4,746,571	275,825	1,956,679	38,500	5,466	10,501,537	(2,368,398)	15,156,180
- Prepaid lease payments	- 預付租賃付款	56,494	55,477	-	-	-	801,768	52,458	966,197
Investments in debt and equity securities	債務及股本證券投資								
- Debt securities (note (i))	- 債務證券 (註(i))	122,662,068	5,387,913	3,715,460	10,974,987	1,882,331	5,308,838	353,612	150,285,209
- Equity securities (note (ii))	- 股本證券 (註(ii))	26,952,869	1,843,891	434,809	299,322	301,367	569,380	1,658,343	32,059,981
- Investment funds (note (iii))	- 投資基金 (註(iii))	18,811,634	2,971,412	1,789,320	1,567,415	628,169	2,983,744	(9,038,754)	19,712,940
- Debt products (note (iv))	- 債權產品 (註(iv))	54,696,625	3,807,682	-	205,304	1,067,106	94,297	11,645,026	71,516,040
Cash and bank deposits	現金及銀行存款	48,966,587	3,436,725	1,289,130	2,441,950	1,367,099	14,683,199	3,273,272	75,457,962
Goodwill	商譽	-	-	-	-	-	-	668,517	668,517
Intangible assets	無形資產	-	261,408	-	-	-	260	-	261,668
Interests in associates and joint ventures	於聯營公司及合營公司的權益	9,676,853	1,603,002	62	-	700,712	180,075	(11,182,275)	978,429
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	28,794,551	1,883,403	1,508,103	1,723,901	245,450	-	-	34,155,408
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	1,780,194	-	-	-	-	-	-	1,780,194
Other segment assets	其他分部資產	40,629,564	1,716,958	1,635,942	1,886,308	1,069,695	24,759,965	(179,083)	71,519,349
Segment assets	分部資產	365,509,382	25,497,320	13,251,913	19,531,046	7,891,677	60,206,003	(3,855,987)	488,031,354
Life insurance contract liabilities	壽險合約負債	246,612,539	-	-	5,115,864	2,292,382	-	-	254,020,785
Unearned premium provisions	未到期責任準備金	399,247	7,244,712	1,427,028	1,502,718	544,567	-	-	11,118,272
Provision for outstanding claims	未決賠款準備	268,895	5,545,482	4,636,576	5,032,904	519,156	-	-	16,003,013
Investment contract liabilities	投資合約負債	17,082,917	-	-	508,085	1,171,571	-	-	18,762,573
Deferred tax liabilities	遞延稅項負債	2,688,668	-	44,870	3,671	-	1,557,815	(99,449)	4,195,575
Interest-bearing notes	需付息票據	358,089	1,312,994	-	-	-	4,650,576	(51,761)	6,269,898
Bank borrowings	銀行貸款	-	-	-	-	-	25,908,893	-	25,908,893
Securities sold under repurchase agreements	賣出回購證券	15,089,007	1,406,097	-	-	100,146	31,034	21,366	16,647,650
Other segment liabilities	其他分部負債	53,286,033	3,197,970	1,210,955	1,174,440	1,682,910	4,505,799	(1,752,045)	63,306,062
Segment liabilities	分部負債	335,785,395	18,707,255	7,319,429	13,337,682	6,310,732	36,654,117	(1,881,889)	416,232,721
Non-controlling interests	非控股股東權益								(12,070,628)
Net assets attributable to the owners of the Company	本公司股東應佔資產淨值								59,728,005

Segment assets and segment liabilities represent the assets/liabilities recorded by each segment which is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

分部資產及分部負債指各分部資產/負債，此乃向本集團董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

d. Segmental statement of financial position for 2015 (Continued)

3 營運分部 (續)

31 December 2015
二零一五年十二月三十一日

	Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Inter-segment elimination and adjustment 內部對銷及調整 \$'000 千元	Total 總額 \$'000 千元
Note (i): Debt securities	註(i): 債務證券							
By category:	按種類:							
- Held-to-maturity	97,536,303	1,929,437	1,807,617	8,529,532	-	3,172,954	(51,761)	112,924,082
- Available-for-sale	24,857,210	3,292,332	925,799	2,164,928	1,882,326	1,852,715	-	34,975,310
- Held-for-trading	208,873	10,972	441,212	259,042	5	217,806	405,373	1,543,283
- Designated at fair value through profit or loss	-	-	440,842	-	-	-	-	440,842
- Loans and receivables	59,682	155,172	99,990	21,485	-	65,363	-	401,692
	122,662,068	5,387,913	3,715,460	10,974,987	1,882,331	5,308,838	353,612	150,285,209
By class:	按類別:							
- Government and central banks	30,995,951	155,172	49,831	1,255,515	-	52,862	-	32,509,331
- Banks and other financial institutions	52,211,955	540,779	1,740,491	3,352,213	39,520	2,961,224	(51,761)	60,794,421
- Corporate entities	39,454,162	4,691,962	1,925,138	6,367,259	1,842,811	2,294,752	405,373	56,981,457
	122,662,068	5,387,913	3,715,460	10,974,987	1,882,331	5,308,838	353,612	150,285,209
Note (ii): Equity securities	註(ii): 股本證券							
By category:	按種類:							
- Available-for-sale	26,952,869	1,843,891	332,688	299,322	301,367	556,458	159,075	30,445,670
- Held-for-trading	-	-	58,563	-	-	12,922	1,499,268	1,570,753
- Designated at fair value through profit or loss	-	-	43,558	-	-	-	-	43,558
	26,952,869	1,843,891	434,809	299,322	301,367	569,380	1,658,343	32,059,981
Note (iii): Investment funds	註(iii): 投資基金							
By category:	按種類:							
- Available-for-sale	13,671,112	2,132,590	399,221	294,475	136,921	844,578	(7,657,844)	9,821,053
- Held-for-trading	5,140,522	838,822	156,410	40	491,248	1,311,784	(1,380,910)	6,557,916
- Designated at fair value through profit or loss	-	-	220,294	-	-	-	-	220,294
- Loans and receivables	-	-	1,013,395	1,272,900	-	827,382	-	3,113,677
	18,811,634	2,971,412	1,789,320	1,567,415	628,169	2,983,744	(9,038,754)	19,712,940
Note (iv): Debt products	註(iv): 債權產品							
By category:	按種類:							
- Loans and receivables	54,696,625	3,807,682	-	205,304	1,067,106	94,297	11,645,026	71,516,040

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 SEGMENT INFORMATION (Continued)

Geographical distribution:

More than 92% (2015: 90%) of the Group's total income is derived from its operations in the PRC (other than Hong Kong and Macau).

The Group's information about its non-current assets by geographical location of the assets are detailed below:

		31 December 2016 二零一六年十二月三十一日			
		PRC (other than Hong Kong and Macau)		Rest of the world	Total
		Hong Kong and Macau	中國(香港及 澳門除外)	世界 其他地區	總額
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Non-current assets (other than financial instruments, deferred tax assets, rights arising under insurance contracts and interests in associates and joint ventures)	非流動資產(金融工具、 遞延稅項資產、 有關保險合約之權利 及於聯營公司 及合營公司的 權益除外)	3,073,755	24,715,563	624,387	28,413,705

		31 December 2015 二零一五年十二月三十一日			
		PRC (other than Hong Kong and Macau)		Rest of the world	Total
		Hong Kong and Macau	中國(香港及 澳門除外)	世界 其他地區	總額
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Non-current assets (other than financial instruments, deferred tax assets, rights arising under insurance contracts and interests in associates and joint ventures)	非流動資產(金融工具、 遞延稅項資產、 有關保險合約之權利 及於聯營公司 及合營公司的 權益除外)	2,722,756	21,329,896	616,968	24,669,620

Information about major customers:

There were no customers for the year ended 31 December 2016 and 2015 contributing over 10% of the total premiums written and policy fees of the Group.

3 營運分部 (續)

地區分佈:

本集團超過92% (二零一五年: 90%) 的總收入來自於中國的業務 (香港及澳門除外)。

下表詳列本集團按資產地區分佈之非當期資產:

		31 December 2016 二零一六年十二月三十一日			
		PRC (other than Hong Kong and Macau)		Rest of the world	Total
		Hong Kong and Macau	中國(香港及 澳門除外)	世界 其他地區	總額
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Non-current assets (other than financial instruments, deferred tax assets, rights arising under insurance contracts and interests in associates and joint ventures)	非流動資產(金融工具、 遞延稅項資產、 有關保險合約之權利 及於聯營公司 及合營公司的 權益除外)	3,073,755	24,715,563	624,387	28,413,705

		31 December 2015 二零一五年十二月三十一日			
		PRC (other than Hong Kong and Macau)		Rest of the world	Total
		Hong Kong and Macau	中國(香港及 澳門除外)	世界 其他地區	總額
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Non-current assets (other than financial instruments, deferred tax assets, rights arising under insurance contracts and interests in associates and joint ventures)	非流動資產(金融工具、 遞延稅項資產、 有關保險合約之權利 及於聯營公司 及合營公司的 權益除外)	2,722,756	21,329,896	616,968	24,669,620

主要客戶資料:

於二零一六年及二零一五年十二月三十一日並無客戶為本集團總保費及保單費收入帶來逾10%之貢獻。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

4 TOTAL PREMIUMS WRITTEN AND POLICY FEES

Principal activities

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are the underwriting of direct life insurance business, property and casualty insurance business, all classes of reinsurance business, pension and group life business. Apart from these, the Group also carries on operations in asset management, property investment, E-commerce for insurance, financial leasing, insurance intermediaries and securities dealing and broking.

4 總保費及保單費收入

主要業務

本公司的主要業務是投資控股。本公司之附屬公司的主要業務是承接直接人壽保險業務、財產保險業務、各類再保險業務及養老及團體人壽保險業務。此外，本集團也從事資產管理、物業投資、保險有關的電子商務、金融租賃、保險中介及證券買賣及經紀業務。

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度					
		Life insurance contracts	PRC property and casualty insurance contracts	Overseas property and casualty insurance contracts	Reinsurance contracts	Pension and group life insurance contracts	Total
		人壽保險合約	中國財產保險	海外財產保險	再保險合約	養老及團體保險合約	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Total premiums written	總保費	111,553,995	21,262,320	3,310,864	8,437,761	4,570,969	149,135,909
Policy fees	保單費收入	129,469	-	-	-	-	129,469
		111,683,464	21,262,320	3,310,864	8,437,761	4,570,969	149,265,378

		Year ended 31 December 2015 截至二零一五年十二月三十一日止年度					
		Life insurance contracts	PRC property and casualty insurance contracts	Overseas property and casualty insurance contracts	Reinsurance contracts	Pension and group life insurance contracts	Total
		人壽保險合約	中國財產保險	海外財產保險	再保險合約	養老及團體保險合約	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Total premiums written	總保費	102,246,478	19,975,413	4,114,467	8,004,953	4,014,590	138,355,901
Policy fees	保單費收入	75,637	-	-	-	-	75,637
		102,322,115	19,975,413	4,114,467	8,004,953	4,014,590	138,431,538

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

4 TOTAL PREMIUMS WRITTEN AND POLICY FEES (Continued)

Principal activities (Continued)

In respect of life insurance contracts, the detailed breakdowns are as follows:

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度				
		Individual	Bancassurance	Group	Reinsurance and other channels	Total
		個人代理	銀行保險	團體	再保險及 多元銷售	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Single Premium	躉繳保費	126,042	21,694,673	-	14,919	21,835,634
Regular Premium	期繳保費					
- First Year	- 首年	22,632,759	4,207,358	-	520,265	27,360,382
- Renewal Year	- 續年	42,558,004	17,729,828	-	1,699,971	61,987,803
Employee Benefit ("EB")	僱員福利	-	-	370,176	-	370,176
		65,316,805	43,631,859	370,176	2,235,155	111,553,995

		Year ended 31 December 2015 截至二零一五年十二月三十一日止年度				
		Individual	Bancassurance	Group	Reinsurance and other channels	Total
		個人代理	銀行保險	團體	再保險及 多元銷售	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Single Premium	躉繳保費	722,856	22,812,616	-	2,717,260	26,252,732
Regular Premium	期繳保費					
- First Year	- 首年	16,283,191	3,271,119	-	500,676	20,054,986
- Renewal Year	- 續年	36,968,877	17,211,702	-	1,547,999	55,728,578
Employee Benefit ("EB")	僱員福利	-	-	210,182	-	210,182
		53,974,924	43,295,437	210,182	4,765,935	102,246,478

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

4 TOTAL PREMIUMS WRITTEN AND POLICY FEES (Continued) 4 總保費及保單費收入 (續)

Principal activities (Continued)

For life insurance contracts, the individual first year regular premium by payment term and feature are as follows:

For the year ended 31 December

By Payment Term

		2016 二零一六年 \$'000 千元	% of Total 佔總額百分比	2015 二零一五年 \$'000 千元	% of Total 佔總額百分比
1 – 9 years	1-9年	10,237,537	45.20%	6,561,938	40.30%
10 – 19 years	10-19年	5,059,868	22.40%	5,421,301	33.30%
20 – 29 years	20-29年	6,600,667	29.20%	3,984,692	24.50%
30 years+	30年+	734,687	3.20%	315,260	1.90%
		22,632,759	100.00%	16,283,191	100.00%

By Feature

		2016 二零一六年 \$'000 千元	% of Total 佔總額百分比	2015 二零一五年 \$'000 千元	% of Total 佔總額百分比
Short term savings	短期儲蓄型	40,011	0.20%	55,655	0.30%
Long term savings	長期儲蓄型	13,028,125	57.50%	10,270,181	63.10%
Long term protection	長期保障型	8,409,043	37.20%	5,371,466	33.00%
Others	其他	1,155,580	5.10%	585,889	3.60%
		22,632,759	100.00%	16,283,191	100.00%

For life insurance contracts, the bancassurance first year regular premium by payment term were as follows:

By Payment Term

		2016 二零一六年 \$'000 千元	% of Total 佔總額百分比	2015 二零一五年 \$'000 千元	% of Total 佔總額百分比
5 – 9 years	5-9年	1,284,936	30.50%	986,901	30.20%
10 – 14 years	10-14年	2,722,778	64.70%	2,096,787	64.10%
Others	其他	199,644	4.80%	187,431	5.70%
		4,207,358	100.00%	3,271,119	100.00%

主要業務 (續)

有關人壽保險及投資合約·個人首年期繳保費按繳費期及產品形態的分類如下:

截至十二月三十一日止年度

按繳費期

按產品形態

有關人壽保險及投資合約·銀行保險首年期繳保費按繳費期的分類如下:

按繳費期

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME

5 投資收入

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Net investment income (note (a))	淨投資收入 (註(a))	17,656,423	16,525,110
Net realised investment gains (note (b))	已實現投資收益淨額 (註(b))	2,594,713	10,820,481
Net unrealised investment gains/ (losses) and impairment (note (c))	未實現投資收益 / (虧損) 及減值淨額 (註(c))	(232,682)	806,092
		20,018,454	28,151,683
(a) Net investment income	(a) 淨投資收入		
Interests income from debt securities (note (i)):	債務證券利息收入 (註(i)):		
– Held-to-maturity	– 持有至到期日	5,974,187	5,503,251
– Available-for-sale	– 可供出售	1,373,310	1,829,211
– Held-for-trading	– 持有作交易用途	115,083	40,353
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	20,615	25,305
– Loans and receivables	– 貸款及應收款項	34,717	51,140
		7,517,912	7,449,260
Interests income from debt products (note (i))	債權產品利息收入 (註(i))	4,296,172	4,755,707
Dividend income from equity securities (note (ii)):	股本證券股息收入 (註(ii)):		
– Available-for-sale	– 可供出售	435,502	478,814
– Held-for-trading	– 持有作交易用途	29,035	24,846
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	–	1,231
		464,537	504,891
Dividend income from investment funds (note (iii)):	投資基金股息收入 (註(iii)):		
– Available-for-sale	– 可供出售	996,763	185,715
– Held-for-trading	– 持有作交易用途	224,142	142,678
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	906	5,291
– Loans and receivables	– 貸款及應收款項	258,810	10,958
		1,480,621	344,642
Bank deposits and other interests income	銀行存款及其他利息收入	3,159,541	3,515,291
Gross rental income receivable from investment properties	應收投資物業租金毛額	718,016	750,514
Less: direct outgoings	減: 直接支出	(5,113)	(931)
Net rental income receivable from investment properties	應收投資物業租金淨額	712,903	749,583
Net interest income/(expenses) on securities sold/purchased under repurchase/ resale agreements	賣出回購 / 買入返售證券利息收入 / (費用) 淨額	24,737	(794,264)
		17,656,423	16,525,110

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME (Continued)

Notes:

5 投資收入 (續)

註：

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
(a) Net investment income <i>(Continued)</i>	(a) 淨投資收入 (續)		
(i) Interest income from debt securities and debt products:	(i) 債務證券及債權產品利息收入：		
Listed	上市	2,125,433	2,105,705
Unlisted	非上市	9,688,651	10,099,262
		11,814,084	12,204,967
(ii) Dividend income from equity securities:	(ii) 股本證券股息收入：		
Listed	上市	237,688	254,681
Unlisted	非上市	226,849	250,210
		464,537	504,891
(iii) Dividend income from investment funds:	(iii) 投資基金股息收入：		
Listed	上市	27,905	303,342
Unlisted	非上市	1,452,716	41,300
		1,480,621	344,642

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME (Continued)

5 投資收入 (續)

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
(b) Net realised investment gains	(b) 已實現投資收益淨額		
Debt securities (note (i)):	債務證券 (註(i)):		
- Held-to-maturity	- 持有至到期日	8,918	833
- Available-for-sale	- 可供出售	79,415	233,429
- Held-for-trading	- 持有作交易用途	62,209	156,188
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	(351)
		150,542	390,099
Debt products (note (i))	債權產品 (註(i))	-	2,889
Equity securities (note (ii)):	股本證券 (註(ii)):		
- Available-for-sale	- 可供出售	2,284,492	8,542,739
- Held-for-trading	- 持有作交易用途	(42,056)	32,246
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	(83)	3,827
		2,242,353	8,578,812
Investment funds (note (iii)):	投資基金 (註(iii)):		
- Available-for-sale	- 可供出售	185,808	1,705,660
- Held-for-trading	- 持有作交易用途	10,438	113,045
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	-	139
		196,246	1,818,844
Derivative financial instruments	衍生金融工具	7,765	(9,761)
Gain on disposal of investment properties	出售投資物業收益	-	39,208
Loss on disposal of an associate	出售聯營公司虧損	(2,193)	-
Gain on disposal of property held for sale	出售持有作出售物業收益	-	390
		2,594,713	10,820,481

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME (Continued)

Notes:

5 投資收入 (續)

註:

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
(b) Net realised investment gain (Continued)	(b) 已實現投資收益淨 (續)		
(i) Net realised investment gains on debt securities and debt products:	(i) 債務證券及債權產品已實現投資收益淨額:		
Listed	上市	97,670	244,368
Unlisted	非上市	52,872	148,620
		150,542	392,988
(ii) Net realised investment gains on equity securities:	(ii) 股本證券已實現投資收益淨額:		
Listed	上市	2,242,353	8,578,812
(iii) Net realised investment gains on investment funds:	(iii) 投資基金已實現投資收益淨額:		
Listed	上市	(5,311)	76,381
Unlisted	非上市	201,557	1,742,463
		196,246	1,818,844

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME (Continued)

5 投資收入 (續)

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
(c) Net unrealised investment gains/(losses) and impairment	(c) 未實現投資收益/(虧損)及減值淨額		
Debt securities (note (i)):	債務證券 (註(i)):		
– Held-for-trading	– 持有作交易用途	(4,676)	88,856
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	(1,670)	(12,295)
		(6,346)	76,561
Equity securities (note (ii)):	股本證券 (註(ii)):		
– Held-for-trading	– 持有作交易用途	(14,691)	6,956
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	–	(4,160)
		(14,691)	2,796
Investment funds (note (iii)):	投資基金 (註(iii)):		
– Held-for-trading	– 持有作交易用途	26,144	(8,841)
– Designated at fair value through profit or loss	– 指定為通過損益以反映公允價值	–	(140)
		26,144	(8,981)
Derivative financial instruments	衍生金融工具	–	(4,714)
Surplus on revaluation of investment properties	投資物業重估盈餘	919,192	796,995
Impairment loss recognised:	確認減值:		
– Available-for-sale equity securities and investment funds	– 可供出售股本證券及投資基金	(1,151,361)	(56,565)
– Held-to-maturity debt securities	– 持有至到期日債務證券	(5,620)	–
		(232,682)	806,092

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME (Continued)

Notes:

5 投資收入 (續)

註：

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
(c) Net unrealised investment gains/(losses) and impairment (Continued)	(c) 未實現投資收益／(虧損)及減值淨值 (續)		
(i) Net unrealised investment gains/(losses) on debt securities:	(i) 債務證券未實現投資收益／(虧損)淨額：		
Listed	上市	(19,972)	30,833
Unlisted	非上市	13,626	45,728
		(6,346)	76,561
(ii) Net unrealised investment gains/(losses) on equity securities:	(ii) 股本證券未實現投資收益／(虧損)淨額：		
Listed	上市	(14,691)	2,796
(iii) Net unrealised investment gains/(losses) on investment funds:	(iii) 投資基金未實現投資收益／(虧損)淨額：		
Listed	上市	(5,714)	3,114
Unlisted	非上市	31,858	(12,095)
		26,144	(8,981)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

6 OTHER INCOME

6 其他收益

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Fee income from provision of asset management services	提供資產管理服務費收入	510,214	280,452
Fee income from provision of advisory services	提供顧問及其他服務費收入	386,236	237,727
Fee income from provision of pension administration services	提供養老保險管理服務費收入	365,029	289,819
Fee income from provision of agency services	提供代理服務費收入	110,176	161,687
Fee income from provision of property management services	提供物業管理服務費收入	84,553	107,273
Fee income from provision of securities broking services	提供證券經紀服務費收入	24,972	53,123
Fee income from provision of insurance intermediary services	提供保險中介服務費收入	15,447	48,173
Interests from finance lease receivables	融資租賃收入	1,532,647	755,538
Government subsidies	政府補貼	167,445	42,142
Net gain/(loss) on disposal of property and equipment	出售物業及設備淨收益/(虧損)	(1,692)	4,584
Net exchange losses	匯兌虧損淨額	(204,090)	(324,050)
Recognition of impairment losses on insurance debtors and other debtors	保險客戶應收賬款及其他應收賬款回撥淨額	(13,505)	(27,267)
Provision for finance lease receivables	應收金融租賃的減值準備	(374,192)	(192,703)
Others	其他	308,332	423,484
		2,911,572	1,859,982

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

7 NET POLICYHOLDERS' BENEFITS AND NET COMMISSION EXPENSES

(a) Net policyholders' benefits

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度					
		Life insurance contracts 人壽保險合約 \$'000 千元	PRC property and casualty insurance contracts 中國財產保險合約 \$'000 千元	Overseas property and casualty insurance contracts 海外財產保險合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Pension and group life insurance contracts 養老及團體保險合約 \$'000 千元	Total 總額 \$'000 千元
Claims and claim adjustment expenses	賠款及賠款調整支出	2,250,599	10,649,115	1,443,206	2,968,381	1,606,434	18,917,735
Surrenders	退保	26,815,872	-	-	14,972	1,037,641	27,868,485
Annuity, dividends and maturity payments	年金、分紅及到期付款	16,245,012	-	-	-	68,761	16,313,773
Interest allocated to investment and reinsurance contracts	分配至投資及再保險合約之利益	66,586	-	-	67,862	-	134,448
		45,378,069	10,649,115	1,443,206	3,051,215	2,712,836	63,234,441
Less: Reinsurers' and retrocessionaires' share	減：再保及轉分份額	(28,957,507)	(531,741)	(333,635)	(287,437)	(291,159)	(30,401,479)
		16,420,562	10,117,374	1,109,571	2,763,778	2,421,677	32,832,962

		Year ended 31 December 2015 截至二零一五年十二月三十一日止年度					
		Life insurance contracts 人壽保險合約 \$'000 千元	PRC property and casualty insurance contracts 中國財產保險合約 \$'000 千元	Overseas property and casualty insurance contracts 海外財產保險合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Pension and group life insurance contracts 養老及團體保險合約 \$'000 千元	Total 總額 \$'000 千元
Claims and claim adjustment expenses	賠款及賠款調整支出	1,829,689	10,164,751	2,411,193	3,112,803	1,367,596	18,886,032
Surrenders	退保	30,640,340	-	-	31,836	1,151,865	31,824,041
Annuity, dividends and maturity payments	年金、分紅及到期付款	20,514,505	-	-	-	93,250	20,607,755
Interest allocated to investment and reinsurance contracts	分配至投資及再保險合約之利益	1,543,615	-	-	15,624	-	1,559,239
		54,528,149	10,164,751	2,411,193	3,160,263	2,612,711	72,877,067
Less: Reinsurers' and retrocessionaires' share	減：再保及轉分份額	(9,214,948)	(932,366)	(471,095)	(467,102)	(271,942)	(11,357,453)
		45,313,201	9,232,385	1,940,098	2,693,161	2,340,769	61,519,614

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

7 NET POLICYHOLDERS' BENEFITS AND NET COMMISSION EXPENSES (Continued)

(b) Net commission expenses

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度					
		Life insurance contracts 人壽保險合約 \$'000 千元	PRC property and casualty insurance contracts 中國財產保險合約 \$'000 千元	Overseas property and casualty insurance contracts 海外財產保險合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Pension and group life insurance contracts 養老及團體保險合約 \$'000 千元	Total 總額 \$'000 千元
Gross commission expenses	毛佣金支出	12,418,030	2,785,381	787,467	1,528,999	358,700	17,878,577
Reinsurance commission income	再保險佣金收入	(223,836)	(381,415)	(234,933)	(256,027)	(77,892)	(1,174,103)
Net commission expenses	佣金支出淨額	12,194,194	2,403,966	552,534	1,272,972	280,808	16,704,474

		Year ended 31 December 2015 截至二零一五年十二月三十一日止年度					
		Life insurance contracts 人壽保險合約 \$'000 千元	PRC property and casualty insurance contracts 中國財產保險合約 \$'000 千元	Overseas property and casualty insurance contracts 海外財產保險合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Pension and group life insurance contracts 養老及團體保險合約 \$'000 千元	Total 總額 \$'000 千元
Gross commission expenses	毛佣金支出	9,614,324	2,633,948	751,040	1,587,202	355,246	14,941,760
Reinsurance commission income	再保險佣金收入	(383,860)	(1,008,401)	(289,141)	(307,219)	(80,578)	(2,069,199)
Net commission expenses	佣金支出淨額	9,230,464	1,625,547	461,899	1,279,983	274,668	12,872,561

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

7 NET POLICYHOLDERS' BENEFITS AND NET COMMISSION EXPENSES (Continued)

(c) Change in life insurance contract liabilities, net of reinsurance

7 保單持有人利益淨額及佣金支出淨額 (續)

(c) 壽險合約負債變化，減再保險

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度					
		PRC property and casualty insurance contracts 中國 財產保險 合約	Overseas property and casualty insurance contracts 海外 財產保險 合約	Reinsurance contracts 再保險合約	Pension and group life insurance contracts 養老及團體 保險合約	Total 總額	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
Change in life insurance contracts	壽險合約負債變化	51,596,150	-	-	3,737,004	532,175	55,865,329
Less: Reinsurers' share	減：再保份額	27,807,046	-	-	(27,981)	(1,557)	27,777,508
		79,403,196	-	-	3,709,023	530,618	83,642,837

		Year ended 31 December 2015 截至二零一五年十二月三十一日止年度					
		PRC property and casualty insurance contracts 中國 財產保險 合約	Overseas property and casualty insurance contracts 海外 財產保險 合約	Reinsurance contracts 再保險合約	Pension and group life insurance contracts 養老及團體 保險合約	Total 總額	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
Change in life insurance contracts	壽險合約負債變化	41,511,253	-	-	3,081,144	252,135	44,844,532
Less: Reinsurers' share	減：再保份額	6,926,325	-	-	(945,567)	(884)	5,979,874
		48,437,578	-	-	2,135,577	251,251	50,824,406

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

8 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

8 除稅前溢利

除稅前溢利已扣除：

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
(a) Finance costs:	(a) 財務費用：		
Interests on interest-bearing notes	需付息票據利息	316,622	506,689
Interests on bank borrowings	銀行貸款利息	1,060,581	542,648
		1,377,203	1,049,337
(b) Staff costs (including directors' remuneration):	(b) 員工成本 (包括董事酬金)：		
Salaries, wages, bonuses and other benefits	薪金、工資、花紅及其他利益	12,347,976	10,128,427
Contributions to defined contribution retirement plans	已訂定供款退休計劃供款	1,134,963	781,032
		13,482,939	10,909,459
(c) Other items:	(c) 其他項目：		
Auditor's remuneration	核數師酬金		
– Audit services	– 審計服務	18,663	13,361
– Non-audit services	– 非審計服務	7,215	7,687
Depreciation of property and equipment	物業及設備折舊	591,087	524,528
Amortisation of prepaid lease payments	預付租賃付款攤銷	19,733	29,666
Operating lease charges in respect of properties	有關物業的經營租賃費用	894,912	778,445

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

9 DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

The remuneration of every director and the chief executive is set out below:

9 董事及行政總裁酬金

每位董事及行政總裁的酬金如下：

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度					
		Salaries and other emoluments	Discretionary bonuses	Share based payments	Retirement scheme contributions	Total	
		Directors' fees	Directors' fees	Share based payments	Retirement scheme contributions	Total	
		\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	
Executive directors:	執行董事：						
Wang Bin ^{1&2}	王濱 ^{1&2}	-	324	358	-	700	
Li Jinfu ^{1&2}	李勁夫 ^{1&2}	-	324	358	-	700	
Wang Tingke ^{1&2} (appointed on 25 August 2016)	王廷科 ^{1&2} (於2016年8月25日委任)	-	121	134	-	263	
Meng Zhaoyi ^{1&2} (resigned on 25 August 2016)	孟昭億 ^{1&2} (於2016年8月25日請辭)	-	121	134	-	263	
Non-executive directors:	非執行董事：						
Huang Weijian ^{1&2}	黃維健 ^{1&2}	-	1,230	820	-	2,050	
Zhu Xiangwen ^{1&2}	祝向文 ^{1&2}	-	1,230	820	-	2,050	
Wu Changming ^{1&2}	武常命 ^{1&2}	-	1,230	820	-	2,050	
Ni Rongming ^{1&2}	倪榮鳴 ^{1&2}	-	1,230	820	-	2,050	
Wu Jiesi	武捷思	320	-	-	-	320	
Zhu Dajian	諸大建	320	-	-	-	320	
Wu Ting Yuk, Anthony	胡定旭	320	-	-	-	320	
Xie Zhichun	解植春	320	-	-	-	320	
		1,280	5,810	4,264	-	11,406	

¹ According to the regulations of the PRC relevant authorities, the directors' salary, other emoluments and discretionary bonus for 2016 has not yet been finalised. The final amounts will be disclosed when determined.

² Except the above remuneration, for the year ended 31 December 2016, Mr. Wang Bin, Mr. Li Jinfu, Mr. Wang Tingke and Mr. Meng Zhaoyi were provided with accommodations by the Company. The market rental values of such accommodations are equivalent to \$599,000, \$648,000, \$178,000 and \$155,000 respectively. In addition, Mr. Wang Bin, Mr. Li Jinfu, Mr. Wang Tingke, Mr. Meng Zhaoyi, Mr. Huang Weijian, Mr. Zhu Xiangwen, Mr. Wu Changming and Mr. Ni Rongming were provided with other allowances of 124,000, \$91,000, \$53,000, \$50,000, \$177,000, \$177,000 and \$140,000 respectively.

¹ 根據國家有關部門的規定，二零一六年度董事薪金、其他酬金及酌定花紅尚未最終確定，待確定後適時披露。

² 除上述酬金外，截至二零一六年十二月三十一日止年度，王濱先生、李勁夫先生、王廷科先生及孟昭億先生獲本公司提供宿舍，其市值租金分別相當於599,000元、648,000元、178,000元及155,000元。此外，王濱先生、李勁夫先生、王廷科先生、孟昭億先生、黃維健先生、祝向文先生、武常命先生及倪榮鳴先生享有的其他津貼金額分別為124,000元、91,000元、53,000元、50,000元、177,000元、177,000元及140,000元。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

9 DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

9 董事及行政總裁酬金 (續)

		Year ended 31 December 2015 截至二零一五年十二月三十一日止年度					
		Salaries and other emoluments	Discretionary bonuses	Share based payments	Retirement scheme contributions	Total	
		薪金及其他酬金	酌定花紅	股份為本支付	退休計劃供款	總額	
		\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	
Executive directors:	執行董事:						
Wang Bin ^{1&2}	王濱 ^{1&2}	-	345	381	18	744	
Li Jinfu ^{1&2}	李勁夫 ^{1&2}	-	345	381	18	744	
Meng Zhaoyi ^{1&2}	孟昭億 ^{1&2}	-	310	341	18	669	
Xie Yiqun ^{1&2} (resigned on 23 April 2015)	謝一群 ^{1&2} (於2015年4月23日請辭)	-	103	114	6	223	
Non-executive directors:	非執行董事:						
Huang Weijian ^{1&2}	黃維健 ^{1&2}	-	1,230	820	-	2,050	
Zhu Xiangwen ^{1&2}	祝向文 ^{1&2}	-	1,230	820	-	2,050	
Wu Changming ^{1&2}	武常命 ^{1&2}	-	1,230	820	-	2,050	
Ni Rongming ^{1&2}	倪榮鳴 ^{1&2}	-	1,230	820	-	2,050	
Wu Jiesi	武捷思	320	-	-	-	320	
Zhu Dajian	諸大建	320	-	-	-	320	
Wu Ting Yuk, Anthony	胡定旭	320	-	-	-	320	
Xie Zhichun (appointed on 25 June 2015)	解植春 (於2015年6月25日委任)	167	-	-	-	167	
		1,127	6,023	4,497	60	11,707	

¹ According to the regulations of the PRC relevant authorities, the directors' salary, other emoluments and discretionary bonus for 2015 has been finalised as disclosed above.

¹ 根據國家有關部門的規定，二零一五年度最終董事薪金、其他酬金及酌定花紅情況披露如上。

² Except the above remuneration, for the year ended 31 December 2015, Mr. Wang Bin, Mr. Li Jinfu, Mr. Meng Zhaoyi and Mr. Xie Yiqun were provided with accommodations by the Company. The market rental values of such accommodations are equivalent to \$597,000, \$648,000, \$368,000 and \$188,000 respectively. In addition, Mr. Wang Bin, Mr. Li Jinfu, Mr. Meng Zhaoyi, Mr. Xie Yiqun, Mr. Huang Weijian, Mr. Zhu Xiangwen, Mr. Wu Changming and Mr. Ni Rongming were provided with other allowances of 121,000, \$88,000, \$121,000, \$36,000, \$167,000, \$167,000, \$167,000 and \$128,000 respectively.

² 除上述酬金外，截至二零一五年十二月三十一日止年度，王濱先生、李勁夫先生、孟昭億先生及謝一群先生獲本公司提供宿舍，其市值租金分別相當於597,000元、648,000元、368,000元及188,000元。此外，王濱先生、李勁夫先生、孟昭億先生、謝一群先生、黃維健先生、祝向文先生、武常命先生及倪榮鳴先生享有的其他津貼金額分別為121,000元、88,000元、121,000元、36,000元、167,000元、167,000元、167,000元及128,000元。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

9 DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

Mr. Li Jinfu is also the general manager of the Company, and his emoluments disclosed above include those for services rendered by him as the Chief Executive as defined by Listing Rules.

Discretionary bonuses for directors are based on performance and duties of directors, Company's performance and the prevailing market conditions and is decided by the Board and the remuneration committee of the Company.

No directors waived any emoluments in the years ended 31 December 2016 and 2015.

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, none of them (31 December 2015: none of them) were directors, directors emoluments are disclosed in Note 9. The emoluments of the five (31 December 2015: five) individuals are as follows:

9 董事及行政總裁酬金 (續)

李勁夫先生亦為本公司的總經理，上述之酬金已包括他作為行政總裁（定義見上市規則）而提供服務的酬金。

董事酌定花紅按董事之表現及職務、本公司之業績與盈利能力以及現行市況，並由董事會及本公司薪酬委員會釐定。

於二零一六年及二零一五年十二月三十一日止年度，概無董事放棄收取董事酬金。

10 最高酬金人士

並無董事在五位最高酬金的人士中（二零一五年十二月三十一日：無），有關的酬金詳情載於附註9。五位人士（二零一五年十二月三十一日：五位）的酬金總額如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年	2015 二零一五年
		\$'000 千元	\$'000 千元
Salaries and other emoluments	薪金及其他酬金	10,056	7,211
Discretionary bonuses	酌定花紅	26,825	27,382
Share based payments	股份為本支付	-	-
Retirement scheme contributions	退休計劃供款	-	-
		36,881	34,593

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued)

The emoluments of the individuals with the highest emoluments are within the following bands:

\$ 元	Year ended 31 December 截至十二月三十一日止年度	
	2016 二零一六年 Number of individuals 人數	2015 二零一五年 Number of individuals 人數
6,000,001 – 6,500,000	2	2
6,500,001 – 7,000,000	–	2
7,000,001 – 7,500,000	1	–
8,000,001 – 8,500,000	1	–
8,500,001 – 9,000,000	1	–
9,000,001 – 9,500,000	–	1

該等最高酬金人士的酬金在以下範圍內：

The emoluments of the senior management are within the following bands:

\$ 元	Year ended 31 December 截至十二月三十一日止年度	
	2016 二零一六年 Number of senior management 高級管理層 人數	2015 二零一五年 Number of senior management 高級管理層 人數
0 – 500,000	1	2
500,001 – 1,000,000	1	1
1,000,001 – 1,500,000	–	2
1,500,001 – 2,000,000	–	3
2,000,001 – 2,500,000	1	–
2,500,001 – 3,000,000	1	–
3,000,001 – 3,500,000	2	–
3,500,001 – 4,000,000	–	1
4,000,001 – 4,500,000	1	–

高級管理層的酬金在以下範圍內：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

11 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

11 綜合損益表內的稅項

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 綜合損益表所示的稅項為：

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Current tax	當期稅項		
Provision for the year	年度稅款準備	3,412,808	3,823,918
Over-provision in respect of prior years	多提以往年度準備	(5,524)	(178,446)
		3,407,284	3,645,472
Deferred tax (note)	遞延稅項 (註)		
Origination and reversal of temporary differences	暫時性差異之起源及轉回	(459,266)	(805,296)
Income tax charge	稅項支出	2,948,018	2,840,176

Note: For details of deferred tax assets and liabilities recognised, refer to Note 31(a).

註：遞延稅資產和負債項確認之詳情，請參看附註31(a)。

The provision for Hong Kong Profits Tax represents the Group's estimated Hong Kong Profits Tax liability calculated at the standard tax rate of 16.5% (31 December 2015: 16.5%) on its assessable profits from property and casualty insurance, reinsurance, asset management, property investment, insurance intermediary, securities dealing and broking businesses, except for its assessable profits from the business of reinsurance of offshore risks, which is calculated at 8.25% (31 December 2015: 8.25%), one-half of the standard tax rate.

香港利得稅準備是指本集團根據來自財產保險、再保險、資產管理、物業投資及保險中介業務的應評稅溢利，按16.5%（二零一五年十二月三十一日：16.5%）的標準稅率計算的估計應繳香港利得稅，但來自離岸風險的再保險業務的應評稅溢利則按標準稅率的一半，即8.25%（二零一五年十二月三十一日：8.25%）計算。

Taxation outside Hong Kong for subsidiaries outside Hong Kong is calculated at the rates prevailing in the relevant jurisdictions. Under the Enterprise Income Tax Law of the PRC, the enterprise income tax rates for domestic companies in the PRC is 25% (31 December 2015: 25%).

香港以外附屬公司於香港以外地區的稅項以相關司法管轄區的現行稅率計算。根據中華人民共和國企業所得稅法，適用於中國內地企業的企業所得稅率為25%（二零一五年十二月三十一日：25%）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

11 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

(b) Reconciliation between tax charge and accounting profit at applicable tax rates:

11 綜合損益表內的稅項 (續)

(b) 稅項支出與會計溢利按適用稅率的稅項之對賬：

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Profit before taxation	稅前溢利	9,250,494	11,008,414
Notional tax on profit before taxation	稅前溢利的名義稅項	2,442,134	2,779,860
Tax effect of non-deductible expenses	不可扣減費用之稅項影響	1,480,428	812,853
Tax effect of non-taxable income	毋須課稅收入之稅項影響	(987,273)	(316,229)
Tax effect of temporary differences not recognised	未確認的暫時性差異之稅項影響	3,197	(175,943)
Effect of tax concession granted to the businesses of reinsurance with offshore risks	來自離岸風險的再保險業務之稅項優惠	(51,534)	(45,540)
Tax effect of tax losses not recognised	未確認的稅項虧損之稅項影響	63,756	33,986
Utilisation of tax losses not previously recognised	往年度稅項虧損在本年度使用之稅項影響	(4,160)	(71,133)
Tax effect of different tax rates of group entities operating in other jurisdictions	在其他司法管轄區營運的集團實體因不同稅率產生之稅務影響	6,994	768
Over-provision in prior years	多提往年度準備	(5,524)	(178,446)
Income tax charge	稅項支出	2,948,018	2,840,176

12 DIVIDENDS

On 23 March 2017, the Board of the Company proposed a final cash dividend of \$0.10 per share in respect of the year ended 31 December 2016 (2015: Nil).

This proposed dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability as at 31 December 2016.

12 股息

於二零一七年三月二十三日，本公司董事會建議派發有關截至二零一六年十二月三十一日止年度的末期股息每股0.10元（二零一五年：無）。

建議派發的股息有待股東於股東周年大會批准，該金額於二零一六年十二月三十一日沒有包括於負債內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

13 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company and the weighted average number of ordinary shares in issue and deemed to be in issue during the Year, excluding shares held for the Share Award Scheme.

13 每股盈利

(a) 每股基本盈利

每股基本盈利是按照本公司股東應佔溢利，及不包括為股份獎勵計劃而持有之股份的本年度已發行普通股的加權平均數計算。

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Profit attributable to owners of the Company	本公司股東應佔溢利	4,774,248	6,341,236
Distribution relating to perpetual subordinated capital securities	關於永續次級資本證券分派	(253,797)	(253,501)
Profit used to determine basic earnings per share	用於計定每股基本盈利的溢利	4,520,451	6,087,735
Weighted average number of ordinary shares	普通股加權平均股數	3,593,049,338	3,414,627,420
Basic earnings per share (HK\$ per share)	每股基本盈利 (港幣每股)	1.258	1.783

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

13 EARNINGS PER SHARE (Continued)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to owners of the Company and the weighted average number after adjusting for the effects of the potential dilution from ordinary shares issuable under the Company's Share Option Scheme and Share Award Scheme.

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Profit attributable to owners of the Company	本公司股東應佔溢利	4,774,248	6,341,236
Distribution relating to perpetual subordinated capital securities	關於永續次級資本證券分派	(253,797)	(253,501)
Profit used to determine diluted earnings per share	用於計定每股攤薄盈利的溢利	4,520,451	6,087,735
Weighted average number of ordinary shares	普通股加權平均股數	3,594,386,142	3,417,807,540
Diluted earnings per share (HK\$ per share)	每股攤薄盈利 (港幣每股)	1.258	1.781

(c) Reconciliations

		At 31 December 於十二月三十一日	
		2016 二零一六年 Number of shares 股份數目	2015 二零一五年 Number of shares 股份數目
Weighted average number of ordinary shares less shares held for Share Award Schemes used in calculating basic earnings per share	用作計算每股基本盈利的扣除股份獎勵計劃而持有之股份後的普通股加權平均股數	3,593,049,338	3,414,627,420
Effect of Share Option Scheme	認股權計劃的影響	367,604	2,210,920
Effect of Share Award Scheme	股份獎勵計劃的影響	969,200	969,200
Weighted average number of ordinary shares used in calculating diluted earnings per shares	用作計算每股攤薄盈利的普通股加權平均股數	3,594,386,142	3,417,807,540

13 每股盈利 (續)

(b) 每股攤薄盈利

每股攤薄盈利是按照本公司股東應佔溢利及已就本公司認股權計劃及股份獎勵計劃所有具備潛在攤薄影響的可發行普通股作出調整得出的普通股加權平均數計算。

(c) 對賬

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

14 STATUTORY DEPOSITS

- (a) Certain subsidiaries of the Group have placed \$5,466,668,000 (31 December 2015: \$5,712,643,000) with banks as capital guarantee funds, pursuant to the relevant PRC insurance rules and regulations. The funds can only be used with the prior approval of the relevant authorities in the event that the PRC subsidiaries cannot meet the statutory solvency requirements or go into liquidation.
- (b) A subsidiary of the Group has pledged a deposit of \$52,276,000 (31 December 2015: \$44,968,000) registered in favour of the Monetary Authority of Singapore pursuant to section 34D of the Singapore Insurance Act.
- (c) A subsidiary of the Group has pledged a deposit of \$3,779,000 (31 December 2015: \$11,501,000) with banks as guarantee fund, pursuant to Regulation of the Minister of Finance of the Republic of Indonesia.
- (d) A subsidiary of the Group has deposited a sum of \$1,689,000 (31 December 2015: \$1,688,000) in the name of Director of Accounting Service with a bank pursuant to section 77(2e) of the Hong Kong Trustee Ordinance. The effective interest rate of the deposit as at 31 December 2016 is 0.10% (31 December 2015: 0.10%).
- (e) A subsidiary of the Group deposited a sum of \$2,412,000 (31 December 2015: \$3,584,000) with The Stock Exchange of Hong Kong Limited, Hong Kong Securities Clearing Company Limited and the Hong Kong Securities and Futures Commission. They are non-interest bearing.
- (f) A subsidiary of the Group deposited a sum of \$116,524,000 (31 December 2015: \$121,838,000) registered in favour of Autoridade Monetária de Macau to guarantee the technical reserves in accordance with Macau Insurance Ordinance.

14 法定存款

- (a) 本集團若干附屬公司根據中國有關保險法規的規定將為數5,466,668,000元(二零一五年十二月三十一日: 5,712,643,000元)的款項存於銀行,作為資本保證基金。該筆款項只可在該附屬公司不能達到法定償付能力要求或清盤時,並得到有關政府部門批准,方可動用。
- (b) 本集團一間附屬公司根據新加坡保險條例第34D規定持有一筆為數52,276,000元(二零一五年十二月三十一日: 44,968,000元)的抵押存款,登記人為新加坡金融管理局。
- (c) 本集團一間附屬公司根據印尼共和國財政部監管規定將為數3,779,000元(二零一五年十二月三十一日: 11,501,000元)的款項存於銀行,作為保證基金。
- (d) 本集團一間附屬公司根據香港信託條例第77(2e)條規定將為數1,689,000元(二零一五年十二月三十一日: 1,688,000元)的款項以庫務署署長的名義存於銀行。於二零一六年十二月三十一日,存款的有效利率為0.10%(二零一五年十二月三十一日: 0.10%)。
- (e) 本集團一間附屬公司將一筆為數2,412,000元(二零一五年十二月三十一日: 3,584,000元)的款項存於香港聯合交易所有限公司、香港交易及結算所有限公司及香港證券及期貨事務監察委員會。他們是免息的。
- (f) 本集團一間附屬公司根據澳門保險活動管制法例規定持有一筆為數116,524,000元(二零一五年十二月三十一日: 121,838,000元)的抵押存款,作為對技術準備金的擔保,登記人為澳門金融管理局。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS

(a) Property and equipment

15 固定資產

(a) 物業及設備

		Land and buildings 土地及 建築物 \$'000 千元	Construction in progress 在建工程 \$'000 千元	Furniture and fixtures 傢具及 固定裝置 \$'000 千元	Computer equipment 電腦設備 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總額 \$'000 千元
Cost or valuation:	成本或估值：						
At 1 January 2015	於二零一五年一月一日	6,954,201	486,762	704,155	1,443,687	338,466	9,927,271
Exchange adjustments	匯率調整	(332,576)	(28,419)	(37,726)	(78,556)	(19,256)	(496,533)
Additions	增置	115,124	318,815	173,987	315,573	41,562	965,061
Disposals	出售	(5,492)	-	(137,662)	(120,874)	(24,962)	(288,990)
Reclassification	重新分類	(123,634)	(8,052)	125,478	6,208	-	-
Surplus on revaluation upon transfer from construction in progress to investment properties under construction	轉自在建工程至發展中的投資物業時的重估盈餘	-	9,848	-	-	-	9,848
Transfer from construction in progress to land and buildings	轉自在建工程至土地及建築物	232,666	(232,666)	-	-	-	-
Transfer from land and buildings to completed investment properties	轉自土地及建築物至已完成的投資物業	(33,391)	-	-	-	-	(33,391)
Transfer from construction in progress to investment properties under construction	轉自在建工程至發展中的投資物業	-	(142,757)	-	-	-	(142,757)
Surplus on revaluation upon transfer from land and buildings to completed investment properties	轉自土地及建築物至已完成的投資物業時的重估盈餘	23,533	-	-	-	-	23,533
Transfer from completed investment properties to land and buildings	轉自已完成的投資物業至土地及建築物	96,002	-	-	-	-	96,002
At 31 December 2015	於二零一五年十二月三十一日	6,926,433	403,531	828,232	1,566,038	335,810	10,060,044
Exchange adjustments	匯率調整	(348,374)	(25,591)	(47,706)	(91,692)	(20,623)	(533,986)
Additions	增置	237,525	447,598	194,348	349,934	23,696	1,253,101
Disposals	出售	(83,879)	-	(58,369)	(120,289)	(28,100)	(290,637)
Reclassification	重新分類	(41,217)	23,528	20,735	(3,533)	487	-
Surplus on revaluation upon transfer from land and buildings to completed investment properties	轉自土地及建築物至已完成的投資物業時的重估盈餘	36,706	-	-	-	-	36,706
Transfer from land and buildings to completed investment properties	轉自土地及建築物至已完成的投資物業	(146,342)	-	-	-	-	(146,342)
Transfer from completed investment properties to land and buildings	轉自已完成的投資物業至土地及建築物	605,027	-	-	-	-	605,027
At 31 December 2016	於二零一六年十二月三十一日	7,185,879	849,066	937,240	1,700,458	311,270	10,983,913

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

(a) Property and equipment (Continued)

15 固定資產 (續)

(a) 物業及設備 (續)

		Land and buildings 土地及 建築物 \$'000 千元	Construction in progress 在建工程 \$'000 千元	Furniture and fixtures 傢具及 固定裝置 \$'000 千元	Computer equipment 電腦設備 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總額 \$'000 千元
Accumulated depreciation and impairment:	累計折舊及減值:						
At 1 January 2015	於二零一五年一月一日	777,387	-	461,838	819,041	185,554	2,243,820
Exchange adjustments	匯率調整	(36,774)	-	(29,086)	(53,003)	(12,264)	(131,127)
Charge for the year	年度折舊	134,989	-	116,528	228,930	44,081	524,528
Written back on disposal	出售時撥回	(881)	-	(101,256)	(69,793)	(20,400)	(192,330)
Reclassification	重新分類	(83,706)	-	83,679	27	-	-
Transfer from land and buildings to completed investment properties	轉自土地及建築物至 已完成的投資物業	(1,905)	-	-	-	-	(1,905)
At 31 December 2015	於二零一五年十二月三十一日	789,110	-	531,703	925,202	196,971	2,442,986
Exchange adjustments	匯率調整	(42,436)	-	(35,681)	(64,997)	(13,912)	(157,026)
Charge for the year	年度折舊	157,055	-	130,823	257,451	45,758	591,087
Written back on disposal	出售時撥回	(10,035)	-	(82,524)	(77,297)	(24,926)	(194,782)
Reclassification	重新分類	(3,700)	-	6,013	(1,893)	(420)	-
Transfer from land and buildings to completed investment properties	轉自土地及建築物至 已完成的投資物業	(19,463)	-	-	-	-	(19,463)
At 31 December 2016	於二零一六年十二月三十一日	870,531	-	550,334	1,038,466	203,471	2,662,802
Net book value:	賬面淨值:						
At 31 December 2016	於二零一六年十二月三十一日	6,315,348	849,066	386,906	661,992	107,799	8,321,111
At 31 December 2015	於二零一五年十二月三十一日	6,137,323	403,531	296,529	640,836	138,839	7,617,058

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

(b) Investment properties

15 固定資產 (續)

(b) 投資物業

		Completed investment properties 已完成的 投資物業 \$'000 千元	Investment properties under construction 發展中的 投資物業 \$'000 千元	Total 總額 \$'000 千元
Valuation:	估值:			
At 1 January 2015	於二零一五年一月一日	14,803,012	-	14,803,012
Exchange adjustments	匯率調整	(835,632)	-	(835,632)
Additions	增置	40,720	-	40,720
Disposals	出售	(57,352)	-	(57,352)
Surplus on revaluation	重估盈餘	796,995	-	796,995
Transfer from land and buildings to completed investment properties	轉自土地及建築物至已完成的投資物業	31,486	-	31,486
Transfer from construction in progress and prepaid lease payments to investment properties under construction	轉自在建工程及預付租賃付款至發展中的投資物業	-	472,953	472,953
Transfer from completed investment properties to land and buildings	轉自已完成的投資物業至土地及建築物	(96,002)	-	(96,002)
At 31 December 2015	於二零一五年十二月三十一日	14,683,227	472,953	15,156,180
Exchange adjustments	匯率調整	(857,936)	(30,460)	(888,396)
Additions	增置	3,578,917	159,451	3,738,368
Surplus on revaluation	重估盈餘	908,699	10,493	919,192
Transfer from land and building to completed investment properties	轉自土地及建築物至已完成的投資物業	126,879	-	126,879
Transfer from completed investment properties to land and buildings	轉自已完成的投資物業至土地及建築物	(605,027)	-	(605,027)
At 31 December 2016	於二零一六年十二月三十一日	17,834,759	612,437	18,447,196

The investment properties of the Group were revalued at dates of transfer and as at 31 December 2016 and 2015 by independent firm of surveyors, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, who have among their staff, associates of the Hong Kong Institute of Surveyors. A revaluation surplus of \$919,192,000 (31 December 2015: \$796,995,000) has been recognised in the consolidated statement of profit or loss (see Note 5(c)).

本集團的投資物業已於轉移日期及二零一六年及二零一五年十二月三十一日經由獨立測量師行仲量聯行企業評估及諮詢有限公司(該些行僱員包括若干香港測量師學會會員)重新估值。為數919,192,000元(二零一五年十二月三十一日: 796,995,000元)的重估盈餘已記入綜合損益表內(參看附註5(c))。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

(b) Investment properties (Continued)

Fair value measurement of investment properties

The following table analyse the Group's investment properties carried at fair value by level of inputs to valuation techniques used to measure fair value.

Fair value hierarchy 公允價值類別	Fair value at 31 December 2016 於二零一六年十二月三十一日之公允價值 \$'000 千元	Fair value at 31 December 2015 於二零一五年十二月三十一日之公允價值 \$'000 千元	Valuation technique(s) 估值技巧	Significant unobservable inputs 重大不可觀測得出的變數	Range of unobservable inputs 不可觀察輸入資料之範圍	Correlation of unobservable inputs to fair value 不可觀測得出的變數與公允價值的關係
Level 3 第三類	16,857,166	13,693,028	Income approach 收入法	Yield 收益率	3.0% – 6.5%	The higher the yield, the lower the fair value 收益率愈高，公允價值愈低
				Market unit rent 單位市場租金	\$2 – \$807 per square meter 每平方米 \$2 – \$807	The higher the rent, the higher the fair value 租金愈高，公允價值愈高
Completed residential property units 已落成住宅物業單位	239,082	240,164	Income approach 收入法	Yield 收益率	2.0% – 4.0%	The higher the yield, the lower the fair value 收益率愈高，公允價值愈低
				Market unit rent 單位市場租金	\$2 – \$672 per square meter 每平方米 \$2 – \$672	The higher the rent, the higher the fair value 租金愈高，公允價值愈高
Completed industrial property units 已落成工業物業單位	738,564	750,035	Income approach 收入法	Yield 收益率	4.5% – 8%	The higher the yield, the lower the fair value 收益率愈高，公允價值愈低
				Market unit rent 單位市場租金	\$1 – \$109 per square meter 每平方米 \$1 – \$109	The higher the rent, the higher the fair value 租金愈高，公允價值愈高
Investment properties under construction 發展中的投資物業	612,384	472,953	Cost approach 成本法	Land price 土地價格	\$1,023 – \$3,240 per square meter 每平方米 \$1,023 – \$3,240	The higher the market transaction price, the higher the fair value 土地價格愈高，公允價值愈高
				Construction cost 建築成本	\$7,396 – \$8,500 per square meter 每平方米 \$7,396 – \$8,500	The higher the construction cost, the higher the fair value 建築成本愈高，公允價值愈高
	18,447,196	15,156,180				

15 固定資產 (續)

(b) 投資物業 (續)

投資物業賬面淨值的分析

下表提供有關如何確定該等投資物業的公允價值 (尤其是使用的估值技術和投入) 的信息:

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

(b) Investment properties (Continued)

Fair value measurement of investment properties (Continued)

There was no transfer into or out of Level 3 during the Year.

The Group leases out investment properties under operating leases. The leases typically run for an initial period of two to three years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually reviewed every two to three years to reflect market rentals. None of the leases includes contingent rentals.

The gross carrying amounts of the investment properties of the Group held for use in operating leases were \$14,250,283,000 (31 December 2015: \$14,683,227,000).

The valuation for completed investment properties was made based on income approach and by reference to market evidence of transaction prices for similar properties. The valuation for investment properties under construction was made based on residual method, which reflects the expectations of the market participants of the value of investment properties upon completion, after deductions for the costs required to complete and adjustments for profits.

As at 31 December 2016, the Group had contracted with tenants for the following future minimum lease payments:

	一年內 第二年至第五年 (包括首尾兩年) 五年後
Within 1 year	
In the second to fifth year inclusive	
After 5 years	
	1,829,547

15 固定資產 (續)

(b) 投資物業 (續)

投資物業賬面淨值的分析 (續)

本年度內，第三層並無轉入或轉出。

本集團以經營租賃租出投資物業。這些租賃一般初步為期二至三年，並且有權選擇在到期日後續期，屆時所有條款均可重新商定。租賃付款額通常會每二至三年檢討，以反映市場租金。各項租賃均不包括或然租金。

本集團持作經營租賃的投資物業之賬面總額為14,250,283,000元 (二零一五年十二月三十一日：14,683,227,000元)。

有關已完成的投資物業的估值乃根據收入法及參考市場上同類物業之成交價以釐定。至於有關發展中的投資物業的估值則根據剩餘法 (這反映市場人士對該投資物業在完成後扣除完成所需的費用並進行利潤調整的預期價值) 而釐定。

於二零一六年十二月三十一日，本集團與租戶簽訂合約的未來最低租賃付款如下：

31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
900,282	528,489
907,610	1,231,562
21,655	-
1,829,547	1,760,051

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

(c) Prepaid lease payments

15 固定資產 (續)

(c) 預付租賃付款

		\$'000 千元
Cost:	成本：	
At 1 January 2015	於二零一五年一月一日	1,416,962
Exchange adjustments	匯率調整	(82,455)
Surplus on revaluation upon transfer to investment properties under construction	轉移至發展中的投資物業時的重估盈餘	32,935
Transfer to investment properties under construction	轉移至發展中的投資物業	(344,950)
At 31 December 2015	於二零一五年十二月三十一日	1,022,492
Exchange adjustments	匯率調整	(64,552)
Transfer to other assets (Note 24)	重分類至其他資產 (附註24)	(279,173)
At 31 December 2016	於二零一六年十二月三十一日	678,767
Accumulated amortisation and impairment:	累計攤銷及減值：	
At 1 January 2015	於二零一五年一月一日	44,971
Exchange adjustments	匯率調整	(3,588)
Charge for the year	年度攤銷	29,666
Transfer to investment properties under construction	轉移至發展中的投資物業	(14,754)
At 31 December 2015	於二零一五年十二月三十一日	56,295
Exchange adjustments	匯率調整	(4,152)
Charge for the year	年度攤銷	19,733
Transfer to other assets (Note 24)	轉移至其他資產 (附註24)	(14,798)
At 31 December 2016	於二零一六年十二月三十一日	57,078
Net book value:	賬面淨值：	
At 31 December 2016	於二零一六年十二月三十一日	621,689
At 31 December 2015	於二零一五年十二月三十一日	966,197

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

(c) Prepaid lease payments (Continued)

		31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
Prepaid lease payments comprises: 預付租賃付款包括:			
Leasehold land outside Hong Kong 位於香港以外地區之租賃土地		621,689	966,197
Current 當期		19,733	29,666
Non-current 非當期		601,956	936,531
		621,689	966,197

15 固定資產 (續)

(c) 預付租賃付款 (續)

16 GOODWILL AND INTANGIBLE ASSETS

(a) Goodwill

		\$'000 千元
Cost:	成本:	
At 1 January 2015 and 31 December 2015	於二零一五年一月一日及 二零一五年十二月三十一日	991,793
Acquisition of a subsidiary (Note 17A)	收購一間附屬公司 (附註17A)	96,995
Exchange adjustments	匯率調整	(3,471)
At 31 December 2016	於二零一六年十二月三十一日	1,085,317
Impairment loss:	減值:	
At 1 January 2015, 31 December 2015 and 2016	於二零一五年一月一日、二零一五及 二零一六年十二月三十一日	323,276
Carrying amount:	賬面淨值:	
At 31 December 2016	於二零一六年十二月三十一日	762,041
At 31 December 2015	於二零一五年十二月三十一日	668,517

16 商譽及無形資產

(a) 商譽

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

16 GOODWILL AND INTANGIBLE ASSETS (Continued)

16 商譽及無形資產 (續)

(b) Intangible assets

(b) 無形資產

		\$'000 千元
Cost:	成本：	
At 1 January 2015	於二零一五年一月一日	261,971
Disposal	出售	(303)
		<hr/>
At 31 December 2015 and 2016	於二零一五及二零一六年十二月三十一日	261,668
		<hr/>
Amortisation/Impairment:	攤銷／減值：	
At 1 January 2015	於二零一五年一月一日	303
Written off on disposal	出售後回撥	(303)
		<hr/>
At 31 December 2015 and 2016	於二零一五及二零一六年十二月三十一日	-
		<hr/>
Carrying amount:	賬面淨值：	
At 31 December 2016	於二零一六年十二月三十一日	261,668
		<hr/>
At 31 December 2015	於二零一五年十二月三十一日	261,668
		<hr/>

The intangible assets mainly represent the trade name acquired in the acquisition of TPI in 2008, which is subject to annual impairment test. The relief-from-royalty approach is adopted to determine the fair value of trade name. At the end of each reporting period, the management of the Group reassessed the assumptions of this approach. As at 31 December 2016, the valuation of the trade name is determined based on the future premiums estimated by TPI and discounted at 14% (2015: 14%). The trade name is considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The trade name will not be amortised until its useful life is determined to be finite.

Particulars of the impairment testing are disclosed below.

無形資產主要代表於二零零八年收購太平財險時購入之商號，並須進行年度的減值測試。商號之公允價值以免納專利權使用費方法釐定。於報告期末，本集團管理層重新評估此方法之假設。於二零一六年十二月三十一日，商號的評估乃根據太平財險估計的未來保費增長及以折現率14%（二零一五年：14%）而釐定。本集團管理層認為由於預期該商號將無限期提供淨現金流，所以其具無限可使用年期。該商號不會攤銷，直至其可使用年期被定為有限。

減值測試之詳情如下。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

16 GOODWILL AND INTANGIBLE ASSETS (Continued)

(c) Impairment tests on goodwill and intangible assets with indefinite useful lives

For impairment testing, goodwill and intangible assets with indefinite useful lives at 31 December 2015 and 2016 were allocated to cash generating units in the following operating segments:

At 31 December 2016 於二零一六年十二月三十一日

Life insurance	人壽保險
Property and casualty insurance	財產保險
Other business	其他業務

Goodwill 商譽 \$'000 千元	Intangible assets 無形資產 \$'000 千元	Total 總額 \$'000 千元
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(c) 商譽及沒有使用限期的無形資產之減值測試

在減值測試時，二零一五年及二零一六年十二月三十一日之商譽及沒有使用限期的無形資產按以下營運分部分配至各現金生產單位：

At 31 December 2015 於二零一五年十二月三十一日

Life insurance	人壽保險
Property and casualty insurance	財產保險
Other business	其他業務

154,909	-	154,909
148,738	261,408	410,146
458,394	260	458,654

762,041	261,668	1,023,709
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154,909	-	154,909
148,738	261,408	410,146
364,870	260	365,130

668,517	261,668	930,185
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The recoverable amount of the cash generating units containing goodwill or intangible assets was determined based on the value-in-use calculation. This calculation uses cash flow projection which represents what management believes is the best estimate of what the cash generating units are able to achieve in their business life. The directors determined the cash flow projection based on past performance and its expectation for market development. The directors believed any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount. Management of the Group determines that there are no impairments of its cash generating units containing goodwill and intangible assets.

含商譽或無形資產的現金產生單位的可收回金額，按使用價值計算而釐定。此計算使用現金流預測，代表管理層相信現金產生單位於其商業生命中能實現之最佳估計。董事根據過往表現及未來市場發展釐定現金流預測。董事相信若這些假設有任何合理改變，亦不會導致賬面總值超越可收回總值。本集團管理層認為其含商譽及無形資產之現金產生單位並沒有減值。

The club debentures are considered by the directors as having an indefinite useful life because the club debentures are expected to be held continuously by the Group for the benefit of the directors and the staff.

董事認為俱樂部會籍是沒有期限的，因預期本集團將繼續持有會籍，作為董事及員工福利。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

16 GOODWILL AND INTANGIBLE ASSETS (Continued)

(c) Impairment tests on goodwill and intangible assets with indefinite useful lives (Continued)

For the purpose of impairment testing on club debentures, the recoverable amount has been determined based on the second-hand market price less cost of disposal. During both years, the directors determined that there was no additional impairment of the club debentures since the recoverable amounts exceeded their carrying amounts.

In respect of life insurance business, the recoverable amount was determined based on TPL's appraisal value, which consists of the adjusted net worth plus the present value of inforce business and the new business value after cost of capital.

In respect of property and casualty business, the recoverable amount was determined by estimating and discounting the future cash flows to its present value.

In respect of other businesses, the recoverable amount was determined by income approach to convert the expected periodic benefits of ownership into an indication of value, estimating and discounting the future cash flows to its present value.

16 商譽及無形資產 (續)

(c) 商譽及沒有使用限期的無形資產之減值測試 (續)

對俱樂部會籍的減值測試，可收回金額根據市場二手價格減變賣成本釐定。於這兩個年度，董事因會籍的可收回金額超過其賬面值，而釐定沒有額外減值。

有關人壽保險業務，可收回金額以太平人壽之評估價值釐定。評估價值為經調整之資產淨值、扣除資本成本後之有效業務價值及新業務價值現值之總和。

有關財產保險業務，可收回金額以估計及折算未來現金流至現值釐定。

有關其他業務，可收回金額按收益法轉換所有權的預期定期利益轉化為價值指標以估計及折算未來現金流至現值釐定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES

(a) General information of principal subsidiaries

The following list contains details of the Company's principal subsidiaries at the end of the reporting period, which in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. The class of shares held is ordinary unless otherwise stated. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

All of these are controlled subsidiaries as defined under Note 1(e) and have been consolidated into the Group's financial statements.

17 附屬公司

(a) 主要附屬公司的一般資料

下表陳列為本公司的主要附屬公司於報告期末的詳情，董事認為該等附屬公司是主要影響年度業績或佔集團的淨資產相當部份。除非另有說明，否則所持的股份類別指普通股。董事認為詳細列出其他附屬公司會過於冗長。

該等附屬公司均為附註1(e)所界定的受控制附屬公司，並已綜合於本集團的財務報表內。

Name of company 公司名稱	Place of incorporation and operation 註冊成立及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情	Proportion of ordinary shares directly held by group 本集團直接持有普通股之百分比	Principal activities 主要業務
Taiping Life Insurance Company Limited (note (iii)) 太平人壽保險有限公司 (註(iii))	PRC 中國	RMB 人民幣 10,030,000,000	75.10%	Life insurance business in PRC 於中國之人壽保險業務
Taiping General Insurance Company Limited (notes (ii)&(x)) 太平財產保險有限公司 (註(ii)及(x))	PRC 中國	RMB 人民幣 5,070,000,000	100%	Property and casualty insurance business in PRC 於中國之財產保險業務
Taiping Pension Company Limited (notes (ii)&(xi)) 太平養老保險股份有限公司 (註(ii)及(xi))	PRC 中國	RMB 人民幣 3,000,000,000	100%	Pension and Group Life business in PRC 於中國之養老及團體保險業務
Taiping Asset Management Company Limited (notes (ii) & (v)) 太平資產管理有限公司 (註(ii)及(v))	PRC 中國	RMB 人民幣 1,000,000,000	80%	Asset management business in PRC 於中國之資產管理業務
Taiping Reinsurance Company Limited (notes (i) & (iv)) 太平再保險有限公司 (註(i)及(iv))	Hong Kong 香港	Ordinary 普通 \$4,146,100,000 Deferred 遞延 \$600,000,000	100%	Reinsurance business in Hong Kong 於香港之再保險業務
Taiping Reinsurance (China) Company Limited (note (iii)) 太平再保險(中國)有限公司 (註(iii))	PRC 中國	RMB 人民幣 1,000,000,000	100%	Reinsurance business in PRC 於中國之再保險業務

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES (Continued)

17 附屬公司 (續)

(a) General information of principal subsidiaries (Continued)

(a) 主要附屬公司的一般資料 (續)

Name of company 公司名稱	Place of incorporation and operation 註冊成立及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情	Proportion of ordinary shares directly held by group 本集團直接持有普通股之百分比	Principal activities 主要業務
China Taiping Insurance (HK) Company Limited (note (i)) 中國太平保險(香港)有限公司 (註(i))	Hong Kong 香港	Ordinary 普通 \$2,386,000,000 Deferred 遞延 \$200,000,000	100%	Property and casualty insurance in Hong Kong 於香港之財產保險業務
China Taiping Life Insurance (Hong Kong) Company Limited 中國太平人壽保險(香港)有限公司	Hong Kong 香港	\$700,000,000	100%	Life insurance business in Hong Kong 於香港之人壽保險業務
China Taiping Insurance (Macau) Company Limited 中國太平保險(澳門)股份有限公司	Macau 澳門	MOP 澳門幣 120,000,000	100%	Property and casualty insurance in Macau 於澳門之財產保險業務
China Taiping Insurance (Singapore) PTE. Ltd. 中國太平保險(新加坡)有限公司	Singapore 新加坡	SGD 新加坡幣 80,000,000	100%	Property and casualty insurance in Singapore 於新加坡之財產保險業務
China Taiping Insurance (UK) Company Limited 中國太平保險(英國)有限公司	United Kingdom 英國	GBP 英鎊 25,000,000	100%	Property and casualty insurance in United Kingdom 於英國之財產保險業務
PT China Taiping Insurance Indonesia 中國太平保險印度尼西亞有限公司	Indonesia 印尼	IDR 印尼盾 100,000,000,000	55%	Property and casualty insurance in Indonesia 於印尼之財產保險業務
Taiping E-Commerce Company Limited (notes (ii) & (vi)) 太平電子商務有限公司(註(ii)及(vi))	PRC 中國	RMB 人民幣 662,500,000	80%	E-commerce for insurance 有關保險之電子商務
Taiping Senior Living Investments Co. Ltd. (notes (ii) & (vii)) 太平養老產業投資有限公司 (註(ii)及(vii))	PRC 中國	RMB 人民幣 1,580,000,000	75.10%	Elderly care investment and asset management 養老產業投資與資產管理
Taiping Senior Living Management Co. Ltd. (note (iii)) 太平養老產業管理有限公司(註(iii))	PRC 中國	RMB 人民幣 50,000,000	75.10%	Elderly care investment and asset management 養老產業投資與資產管理
Taiping Real Estate (Shanghai) Company Limited (note (iii)) 太平置業(上海)有限公司(註(iii))	PRC 中國	RMB 人民幣 980,000,000	90.29%	Property investment 物業投資

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES (Continued)

17 附屬公司 (續)

(a) General information of principal subsidiaries (Continued)

(a) 主要附屬公司的一般資料 (續)

Name of company 公司名稱	Place of incorporation and operation 註冊成立及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情	Proportion of ordinary shares directly held by group 本集團直接持有普通股之百分比	Principal activities 主要業務
Dragon Jade Industrial District Management (Shenzhen) Co., Ltd. (notes (ii) & (viii)) 龍璧工業區管理(深圳)有限公司 (註(ii)及(viii))	PRC 中國	RMB 人民幣 111,660,000	100%	Property investment 物業投資
Taiping Real Estate (Suzhou Industrial Park) Co. Ltd. (note (ii)) 太平置業(蘇州工業園區)有限公司 (註(ii))	PRC 中國	RMB 人民幣 321,040,000	85.06%	Property investment 物業投資
Taiping Real Estate (Beijing) Co. Ltd. (note (ii)) 太平置業(北京)有限公司(註(ii))	PRC 中國	RMB 人民幣 276,779,700	75.10%	Property investment 物業投資
Taiping Real Estate (Nanning) Co. Ltd. (note (ii)) 太平置業(南寧)有限公司(註(ii))	PRC 中國	RMB 人民幣 150,000,000	80.08%	Property investment 物業投資
北京太平廣安置業有限公司 (notes (ii)&(ix)) 北京太平廣安置業有限公司 (註(ii)及(ix))	PRC 中國	RMB 人民幣 1,850,000,000	75.10%	Property investment 物業投資
Taiping & Sinopec Financial Leasing Co. Ltd. (note (iii)) 太平石化金融租賃有限責任公司 (註(iii))	PRC 中國	RMB 人民幣 5,000,000,000	37.55%	Financial leasing 金融租賃
Taiping Fund Management Company Limited (notes (ii) & (xii)) 太平基金管理有限公司(註(ii)及(xii))	PRC 中國	RMB 人民幣 227,000,000	56.03%	Management of investment funds business in PRC 於中國之基金管理業務
Taiping Financial Holdings Company Limited (note (iii)) 太平金融控股有限公司(註(iii))	Hong Kong 香港	Ordinary 普通 \$224,553,150 Deferred 遞延 \$10,000,000	100%	Investment holding 投資控股
Taiping Securities (HK) Company Limited 太平證券(香港)有限公司	Hong Kong 香港	\$363,870,350	100%	Securities broking services 證券經紀服務

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES (Continued)

17 附屬公司 (續)

(a) General information of principal subsidiaries (Continued)

(a) 主要附屬公司的一般資料 (續)

Name of company 公司名稱	Place of incorporation and operation 註冊成立及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情	Proportion of ordinary shares directly held by group 本集團直接持有普通股之百分比	Principal activities 主要業務
Taiping Assets Management (HK) Company Limited 太平資產管理(香港)有限公司	Hong Kong 香港	\$212,000,000	100%	Asset management business in Hong Kong 於香港之資產管理業務
Taiping Reinsurance Brokers Limited (note (i)) 太平再保險顧問有限公司(註(i))	Hong Kong 香港	Ordinary 普通 \$4,000,000 Deferred 遞延 \$1,000,000	100%	Insurance broking 保險經紀
China Taiping Insurance Service (Japan) Co., Ltd. 中國太平保險服務(日本)有限公司	Japan 日本	JPY 日圓 30,000,000	100%	Insurance agency business in Japan 於日本之保險代理業務
China Taiping Capital Limited	BVI/ Hong Kong 英屬維爾京群島/香港	US\$ 美元 1	100%	Provision of back to back financing arrangement 提供背對背融資安排
China Taiping Fortunes Limited	BVI/ Hong Kong 英屬維爾京群島/香港	US\$ 美元 1	100%	Provision of back to back financing arrangement 提供背對背融資安排

Notes:

註:

(i) Holders of the non-voting deferred shares in TPre, TPRB and CTPI (HK) are not entitled to share profits, receive notice of or attend or vote at any general meeting of these companies. On the winding-up of these companies, the holders of the non-voting deferred shares are not entitled to the distribution of the net assets of these companies for the first \$100 billion; the balance of net assets, if any, over the first \$100 billion shall be distributed among the holders of the ordinary shares and non-voting distributed shares pari passu among themselves in proportion to their respective shareholdings.

(ii) These companies are PRC limited companies.

(i) 於太平再保險、太平再保顧問及太平香港的無投票權遞延股份的持有人無權獲得這些公司的溢利、收取這些公司的任何股東周年大會的通知、出席股東周年大會或在會上投票。在這些公司清盤時，無投票權遞延股份的持有人無權獲分這些公司首100,000,000,000元的資產淨值；超過首100,000,000,000元的資產淨值餘額(如有)則根據普通股及無投票權遞延股份持有人各自的持股量按比例進行分配。

(ii) 這些公司都是中國有限公司。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES (Continued)

(a) General information of principal subsidiaries (Continued)

Notes: (Continued)

- (iii) Holders of the non-voting deferred shares in TPFH are entitled to a fixed non-cumulative dividend at the rate of 5% per annum for any financial year of TPFH in respect of which the net profits of TPFH available for dividend exceed \$10,000,000,000. The holders of non-voting deferred shares are not allowed to participate in the profits or assets of TPFH or to vote at meetings of TPFH. On the winding-up of TPFH, the holders of the non-voting deferred shares are entitled out of the surplus assets of TPFH to a return of the capital paid up on these shares held by them respectively after a total sum of \$10,000,000,000 has been distributed in such winding up in respect of each of the ordinary shares of TPFH.
- (iv) In March 2016, the registered capital of TPRe has been increased by \$500 million to \$4,746.1 million. CTIH has contributed such additional capital in cash.
- (v) In November 2016, the registered capital of TPAM has been increased by RMB500 million to RMB1,000 million. CTIH and Ageas contributed such additional capital in cash in the amount of RMB400 million and RMB100 million, respectively, in portion to their respective equity interest in TPAM.
- (vi) In March 2016, the registered capital of TPeC has been increased by RMB200 million to RMB582.5 million. CTIH and Ageas contributed such additional capital in cash in the amount of RMB160 million and RMB40 million, respectively, in portion to their respective equity interest in TPeC. The registered capital of TPeC has been further increased by RMB80 million to RMB662.5 million in December 2016. CTIH and Ageas contributed such additional capital in cash in the amount of RMB64 million and RMB16 million, respectively, in portion to their respective equity interest in TPeC.
- (vii) In July 2016, the registered capital of TPSI has been increased by RMB500 million to RMB1,580 million. TPL has contributed such additional capital in cash.
- (viii) In March 2016, the registered capital of Dragon Jade Industrial District Management (Shenzhen) Co., Limited has been increased by RMB68.86 million to RMB111.66 million. CTIH has contributed such additional capital in cash.
- (ix) In March 2016, 北京太平廣安置業有限公司 was established in PRC by TPL. The registered capital of 北京太平廣安置業有限公司 has been further increased by RMB1,250 million to RMB1,850 million in December 2016. TPL has contributed such additional capital in cash.
- (x) In June 2016, the registered capital of TPI has been increased by RMB500 million to RMB5,070 million. CTIH has contributed such additional capital in cash.
- (xi) In June 2016, the registered capital of TPP has been increased by RMB1,000 million to RMB3,000 million. CTIH has contributed such additional capital in cash.
- (xii) In August and September 2015, TPAM entered into the share transfer agreements to acquire the 66% interest in Taiping Fund Management Company Limited. The acquisition has been completed in August 2016. The details of the transaction were set out in Note 17A.

17 附屬公司 (續)

(a) 主要附屬公司的一般資料 (續)

註: (續)

- (iii) 太平金控的無投票權遞延股份持有人有權於該公司可用作分配股息的淨利潤超出10,000,000,000元的任何財政年度獲得每年5%固定非累積股息。該公司的無投票權遞延股份的持有人無權獲得該公司的溢利及資產或在公司會議上投票。在該公司清盤時，無投票權遞延股份持有人有權在普通股股東於清盤時分配到合計10,000,000,000元後，獲分配該公司的剩餘資產，作為已繳資本的回報。
- (iv) 於二零一六年三月，太平再保險的註冊資本增加5.00億元至47.461億元。中國太平控股以現金增入該等額外資本。
- (v) 於二零一六年十一月，太平資產的註冊資本增加人民幣5.00億元至人民幣10.00億元。中國太平控股及富傑按各自於太平資產的權益比例分別以現金投入人民幣4.00億元及人民幣1.00億元作為新增資本。
- (vi) 於二零一六年三月，太平電商的註冊資本增加人民幣2.00億元至人民幣5.825億元。中國太平控股及富傑按各自於太平電商的權益比例分別以現金投入人民幣1.60億元及人民幣0.40億元作為新增資本。於二零一六年十二月，太平電商的註冊資本進一步增加人民幣0.80億元至人民幣6.625億元。中國太平控股及富傑按各自於太平電商的權益比例分別以現金投入人民幣0.64億元及人民幣0.16億元作為新增資本。
- (vii) 於二零一六年七月，太平養老產投的註冊資本增加人民幣5.00億元至人民幣15.80億元。太平人壽以現金增入該等額外資本。
- (viii) 於二零一六年三月，龍壁工業區管理(深圳)有限公司的註冊資本增加人民幣0.6886億元至人民幣1.1166億元。中國太平控股以現金增入該等額外資本。
- (ix) 於二零一六年三月，太平人壽於中國成立北京太平廣安置業有限公司。於二零一六年十二月，北京太平廣安置業有限公司的註冊資本進一步增加人民幣12.50億元至人民幣18.50億元。太平人壽以現金增入該等額外資本。
- (x) 於二零一六年六月，太平財險的註冊資本增加人民幣5.00億元至人民幣50.70億元。中國太平控股以現金增入該等額外資本。
- (xi) 於二零一六年六月，太平養老的註冊資本增加人民幣10.00億元至人民幣30.00億元。中國太平控股以現金增入該等額外資本。
- (xii) 於二零一五年八月及九月，太平資產訂立股份轉讓協議收購太平基金管理有限公司的66%股權。收購已於二零一六年八月完成。交易詳情載於附註17A。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES (Continued)

(a) General information of principal subsidiaries (Continued)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. The principal activities of these subsidiaries are summarised as follows:

Principal activities 主要業務	Principal place of business 主要經營地點	Number of subsidiaries At 31 December 附屬公司數目 於十二月三十一日	
		2016 二零一六年	2015 二零一五年
Investment holding 投資控股	Hong Kong 香港	27	30
	Macau 澳門	1	1
	PRC 中國	1	1
	Singapore 新加坡	1	1
		30	33
Insurance broker 保險經紀	PRC 中國	2	1
Insurance broker 保險經紀	United Kingdom 英國	2	2
Back-to-back financing 背對背融資	Hong Kong 香港	3	7
Financial advisory services 金融諮詢服務	Hong Kong 香港	1	1
Inactive 休眠	Hong Kong 香港	11	5
Inactive 休眠	USA 美國	2	–
Nominee services 代理人服務	Hong Kong 香港	1	1
Money lending and property investment 借貸及物業投資	Hong Kong 香港	2	2
Property investment 物業投資	Hong Kong 香港	9	9
Property management 物業管理	PRC 中國	2	2
Provision of back office service 提供後援運營服務	PRC 中國	1	1
Provision of insurance claim survey services 提供保險索償調查服務	Hong Kong 香港	1	1
Provision of internal audit services 提供內部審核服務	PRC 中國	1	1
Provision of property agency services 提供物業代理服務	Hong Kong 香港	1	1
Provision of trust services 提供信託服務	Hong Kong 香港	1	1
		70	68

17 附屬公司 (續)

(a) 主要附屬公司的一般資料 (續)

於報告期期末，本公司有其他對本集團不重大的附屬公司。此等附屬公司大多數於香港營運。該等附屬公司之主要業務概述如下：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES (Continued)

(a) General information of principal subsidiaries (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests to the Group were disclosed in Note 17(b) below.

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiaries of the Group that had material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立及主要經營地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股股東權益應佔權益百分比及投票權		Profit allocated to non-controlling interests 分配至非控股股東權益的溢利		Accumulated non-controlling interests 累計非控股股東權益	
		31 December 十二月三十一日		31 December 十二月三十一日		31 December 十二月三十一日	
		2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年
				\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Taiping Life Insurance Company Limited 太平人壽保險有限公司	PRC 中國	24.90%	24.90%	1,261,876	1,658,746	7,249,774	8,713,643
Taiping & Sinopec Financial Leasing Co. Ltd. 太平石化金融租賃有限責任公司	PRC 中國	62.45%	62.45%	249,158	135,446	3,171,619	3,118,750
Individually insignificant subsidiaries with non-controlling interests 單項金額不重大的附屬公司之非控股股東權益						412,209	238,235
						10,833,602	12,070,628

17 附屬公司 (續)

(a) 主要附屬公司的一般資料 (續)

對本集團有重大非控股權益的非全資附屬公司詳情於附註17(b)披露。

(b) 有重大非控股權益之非全資附屬公司的詳情

下表載列有重大非控股權益之非全資附屬公司的詳情：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES (Continued)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

Summarised financial information in respect of the Group's subsidiaries that had material non-controlling interests are set out below. The summarised financial information below represented amounts before intragroup eliminations.

Taiping Life Insurance Company Limited

		31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
Total assets	總資產	359,457,626	371,289,397
Total liabilities	總負債	329,802,094	335,749,189
Net assets	淨資產	29,655,532	35,540,208
Total premiums written	總保費	110,513,301	102,246,151
Total income	收入總額	126,771,398	126,306,354
Total expenses	費用總額	121,682,427	119,614,519
Profit for the year	本年度溢利	5,088,971	6,691,835
Other comprehensive income for the year	本年度其他全面收益	(8,677,530)	(242,168)
Total comprehensive income for the year	本年度全面收益總額	(3,588,559)	6,449,667
Total comprehensive income allocated to non-controlling interests	非控股股東應佔本年度全面收益總額	(892,136)	1,598,445
Dividends paid to non-controlling interests	向非控股股東支付的股息	571,734	129,874
Net cash inflow from operating activities	來自經營活動的現金流入淨額	51,569,005	31,373,779
Net cash inflow/(outflow) from investing activities	來自投資活動的現金流入／(流出)淨額	(40,181,074)	3,957,594
Net cash outflow from financing activities	來自融資活動的現金流出淨額	(16,999,949)	(26,778,958)
Net cash inflow/(outflow)	現金流入／(流出)淨額	(5,612,018)	8,552,415

17 附屬公司 (續)

(b) 有重大非控股權益之非全資附屬公司的詳情 (續)

有關本集團之附屬公司有重大非控股股東權益之財務資料概要載列如下。下列之財務資料概要為分部內抵銷前之金額。

太平人壽保險有限公司

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 SUBSIDIARIES (Continued)

(b) Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)

Taiping & Sinopec Financial Leasing Co. Limited

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Total assets	總資產	41,054,219	24,793,815
Total liabilities	總負債	34,861,215	18,610,011
Net assets	淨資產	6,193,004	6,183,804
Total income	總收入	1,542,580	674,214
Total expenses	總費用	1,143,608	457,327
Profit for the year	本年度溢利	398,972	216,887
Other comprehensive income for the year	本年度其他全面收益	(389,771)	(232,191)
Total comprehensive income for the year	本年度全面收益	9,201	(15,304)
Total comprehensive income allocated to non-controlling interests	非控股股東應佔本年度全面收益	52,869	77,183
Dividends paid to non-controlling interests	已派非控股股東股息	-	-
Net cash inflow/(outflow) from operating activities	經營業務之現金流入／(流出)淨額	1,322,893	(2,330,007)
Net cash outflow from investing activities	投資業務之現金流出淨額	(666)	(363,978)
Net cash inflow/(outflow)	現金流入／(流出)淨額	1,322,227	(2,693,985)

17 附屬公司 (續)

(b) 有重大非控股權益之非全資附屬公司的詳情 (續)

太平石化金融租賃有限責任公司

Year ended 31 December
截至十二月三十一日止年度

2016
二零一六年
\$'000
千元

2015
二零一五年
\$'000
千元

Total assets	總資產	41,054,219	24,793,815
Total liabilities	總負債	34,861,215	18,610,011
Net assets	淨資產	6,193,004	6,183,804
Total income	總收入	1,542,580	674,214
Total expenses	總費用	1,143,608	457,327
Profit for the year	本年度溢利	398,972	216,887
Other comprehensive income for the year	本年度其他全面收益	(389,771)	(232,191)
Total comprehensive income for the year	本年度全面收益	9,201	(15,304)
Total comprehensive income allocated to non-controlling interests	非控股股東應佔本年度全面收益	52,869	77,183
Dividends paid to non-controlling interests	已派非控股股東股息	-	-
Net cash inflow/(outflow) from operating activities	經營業務之現金流入／(流出)淨額	1,322,893	(2,330,007)
Net cash outflow from investing activities	投資業務之現金流出淨額	(666)	(363,978)
Net cash inflow/(outflow)	現金流入／(流出)淨額	1,322,227	(2,693,985)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17A ACQUISITION OF A SUBSIDIARY

Pursuant to agreements in August and September 2015, the Group acquired 66% equity interests in Taiping Fund Management Company Limited at aggregated cash consideration of \$99,709,000 (equivalent to RMB85,999,000). The business scope of Taiping Fund Management Company Limited includes the management and raising of investment funds, assets management and other businesses approved by the China Securities Regulatory Commission. This acquisition was valued by an independent firm of professional valuers and was accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was \$96,995,000 (equivalent to RMB83,658,000).

Acquisition-related costs amounting to \$1,128,000 had been excluded from the consideration transferred and had been recognised as an expense during the Year, recorded in the 'administrative and other expense' in the consolidated statement of profit or loss.

(a) Assets and liabilities recognised and goodwill arising at the date of acquisition

		\$'000 千元
Net assets acquired	購入之淨資產	
Property and equipment	物業及設備	5,069
Investments in held-for-trading securities	持有作交易用途之證券投資	10,115
Other debtors	其他應收賬款	3,353
Cash and cash equivalents	現金及現金等價物	61
Other payables and accruals	其他應付及應計款項	(14,486)
		4,112
Non-controlling interest (34%)	非控股股東權益 (34%)	(1,398)
Goodwill arising on acquisition (Note 16a)	收購所產生的商譽 (附註16a)	96,995
		99,709
Total consideration transferred	轉讓代價	99,709

Goodwill arose in the acquisition of Taiping Fund Management Company Limited because the Group expected synergy arising from its horizontal integration into the raising and management of investment business. Therefore, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and the future market development of Taiping Fund Management Company Limited. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

17A 收購附屬公司

於二零一五年八月及九月，本集團訂立股權收購協議，以累計現金代價99,709,000元（相當於人民幣85,999,000元）收購入太平基金管理有限公司的66%權益。太平基金管理有限公司的業務範圍包括基金募集及銷售、資產管理及中國證監會許可的其他業務。該項收購由獨立專業估值師進行估值，並按收購法入賬。收購所產生的商譽為96,995,000元（相當於人民幣83,658,000元）。

與收購有關的成本為1,128,000元，並不包括於轉讓代價內並已確認於本年度的費用，列於綜合損益表內「行政及其他費用」一項。

(a) 於收購日確認所收購的資產及負債及所產生的商譽如下：

收購太平基金管理有限公司產生商譽因本集團預期橫向整合後能於投資基金募集及管理業務取得協同效益。因此，合併之代價實際上包括有關預期的協同效益、收益增長及太平基金管理有限公司的未來市場發展的金額。由於這些利益不符合可辨認無形資產的確認條件，因此不會與商譽分開確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17A ACQUISITION OF A SUBSIDIARY (Continued)

17A 收購附屬公司 (續)

(b) Net cash outflow arising on acquisition

(b) 收購產生的現金流出淨額

		\$'000 千元
Consideration paid in cash	以現金支付的代價	99,709
Less: Cash and cash equivalents balances acquired	減：購入的現金及現金等價物	(61)
		99,648

(c) Impact of acquisition on the results of the Group

(c) 收購對本集團業績的影響

Income of the Group during the Year includes \$5,576,000 generated from Taiping Fund Management Company Limited. Profit of the Group during the Year includes a loss amounting to \$22,574,000 attributable to the additional business generated by Taiping Fund Management Company Limited.

本集團於本年度的收入包括來自太平基金管理有限公司的5,576,000元。本集團本年度的溢利內包括一筆金額為22,574,000元之虧損乃來自太平基金管理有限公司的額外業務。

Had the acquisition been completed on 1 January 2016, the Group's total income of the Year would have been \$166.50 billion, and profit of the Year would have been \$6.26 billion. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have achieved had the acquisition been completed on 1 January 2016, nor is it intended to be a projection of future results.

倘若收購於二零一六年一月一日完成，本集團於本年度總收入將為1,665.0億元，而年度溢利將為62.6億元。備考資料僅供說明之用，並不代表若於二零一六年一月一日完成收購本集團實際可取得的收入和經營業績的指標，亦不能作為對未來業績的預測。

18 INTERESTS IN ASSOCIATES AND JOINT VENTURES

18 於聯營公司及合營公司的權益

(a) Interests in associates

(a) 於聯營公司的權益

		At 31 December 於十二月三十一日	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Unlisted shares, at cost	非上市股份，成本	285,073	72,490
Share of post-acquisition profits and other comprehensive income, net of dividends received	應佔購入後的溢利及其他全面收益，減去已收股息	24,206	28,177
		309,279	100,667

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

18 INTERESTS IN ASSOCIATES AND JOINT VENTURES (Continued)

(a) Interests in associates (Continued)

The following list contains details of the Company's principal associates, all of which are unlisted corporate entities:

Name of associates 聯營公司名稱	Form of business structure 業務結構形式	Place of incorporation and operation 註冊成立及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情		Proportion of ownership interest 應佔權益百分比						Principal activities 主要業務	
					Group's effective interest 本集團的實際權益		Held by the Company 由本公司所持權益		Held by subsidiaries 由附屬公司所持權益			
					2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年		2016 二零一六年
上海保險交易所有限公司	Incorporated 註冊成立	PRC 中國	RMB 2,235,000,000 人民幣 2,235,000,000元	-	4.3%	-	-	-	-	4.9%	-	Investment holdings 投資控股
上海新太永康健康科技有限公司	Incorporated 註冊成立	PRC 中國	RMB 200,000,000 人民幣 200,000,000元	-	18.8%	-	-	-	-	25.0%	-	Health technology 健康科技
LDX Capital Management Consultant Service Limited (note) 量鼎資本管理(上海)股份有限公司(註)	Incorporated 註冊成立	PRC 中國	-	RMB 50,000,000 人民幣 50,000,000元	-	20.4%	-	-	-	-	25%	Investment holdings 投資控股

Note: The Group disposed the interests in LDX Capital Management (Shanghai) Co. Ltd., a PRC limited company, at a cash consideration of \$16,413,000 and loss of disposal of this associate amounting of \$2,193,000 was recognised during the Year.

下表載列本公司的主要聯營公司詳情，該等聯營公司全部均為非上市企業實體：

(a) 於聯營公司的權益 (續)

註：本集團於本年度以現金代價16,413,000元出售量鼎資本管理(上海)股份有限公司，一間中國有限公司的權益，並於本年度確認了出售該聯營公司的虧損2,193,000元。

Reconciliation of summarised financial information

財務資料概要的對賬

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Net assets at 1 January	於一月一日之淨資產	328,000	96,996
Acquisition of associates	購入聯營公司	3,407,052	278,066
Disposal	出售	(223,314)	-
Profit/(loss) for the year	本年度溢利/(虧損)	(13,432)	28,680
Exchange adjustments	匯率調整	(3,788)	(75,742)
Net assets at 31 December	於十二月三十一日之淨資產	3,494,518	328,000
Interests in associates	於聯營公司的權益	309,279	100,667

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

18 INTERESTS IN ASSOCIATES AND JOINT VENTURES (Continued)

18 於聯營公司及合營公司的權益 (續)

(b) Interests in joint ventures

(b) 於合營公司的權益

		At 31 December 於十二月三十一日	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Unlisted shares, at cost	非上市股份，成本	887,918	887,918
Share of post-acquisition profits and other comprehensive income, net of dividends received	應佔購入後的溢利及其他全面收益，減去已收股息	(12,900)	(10,156)
		875,018	877,762

The following list contains details of the Company's joint ventures, which are unlisted corporate entities:

下表載列本公司的合營公司詳情，該合營公司為非上市企業實體：

Name of joint venture 聯營公司名稱	Form of business structure 業務結構形式	Place of incorporation and operation 註冊成立及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情		Proportion of ownership interest 應佔權益百分比				Proportion of voting power held 所持投票之百分比		Principal activities 主要業務		
			Group's effective interest 本集團的實際權益		Held by the Company 由本公司所持權益		Held by subsidiaries 由附屬公司所持權益						
			2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年			
Coldharbour Fund I L.P.	Incorporated 註冊成立	United States 美國	US\$ 133,569,745 美金 133,569,745	US\$ 133,569,745 美金 133,569,745	60.08%	60.08%	-	-	80%	80%	80%	80%	Investment holding 投資控股
太平國發(蘇州)資本管理 有限公司 (note) (註)	Incorporated 註冊成立	PRC 中國	RMB 100,000,000 人民幣 100,000,000	RMB 100,000,000 人民幣 100,000,000	40.20%	40.20%	-	-	50%	50%	50%	50%	Assets management 資產管理

Note: The company is a PRC limited company.

註：上述公司為一間中國有限公司。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

18 INTERESTS IN ASSOCIATES AND JOINT VENTURES (Continued)

(b) Interests in joint ventures (Continued)

Reconciliation of summarised financial information

		Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Net assets at 1 January	於一月一日之淨資產	1,151,244	-
Acquisition of joint ventures	購入合營公司	-	1,154,657
Loss for the year	本年度虧損	(3,837)	(3,561)
Exchange adjustments	匯率調整	(1,554)	148
Net assets at 31 December	於十二月三十一日之淨資產	1,145,853	1,151,244
Interests in joint ventures	於合營公司的權益	875,018	877,762

18 於聯營公司及合營公司的權益 (續)

(b) 於合營公司的權益 (續)

財務資料概要的對賬

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES

Debt securities (Note (i)) 債務證券 (註(i))
Equity securities (Note (ii)) 股本證券 (註(ii))
Investment funds (Note (iii)) 投資基金 (註(iii))
Debt products (Note (iv)) 債權產品 (註(iv))

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Debt securities (Note (i))	債務證券 (註(i))	165,930,478	150,285,208
Equity securities (Note (ii))	股本證券 (註(ii))	32,861,924	32,059,981
Investment funds (Note (iii))	投資基金 (註(iii))	30,743,664	19,712,940
Debt products (Note (iv))	債權產品 (註(iv))	75,953,241	71,516,041
		305,489,307	273,574,170

19 債務及股本證券投資

At 31 December
2016
於二零一六年
十二月三十一日
\$'000
千元

At 31 December
2015
於二零一五年
十二月三十一日
\$'000
千元

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

19 債務及股本證券投資 (續)

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Note (i) Debt securities	註(i) 債務證券		
Held-to-maturity:	持有至到期日:		
– Listed in Hong Kong	– 在香港上市	6,906,647	5,636,215
– Listed outside Hong Kong	– 在香港以外地區上市	23,686,952	18,128,800
– Unlisted	– 非上市	102,108,602	89,159,068
		132,702,201	112,924,083
Issued by:	由以下機構發行:		
Government and central banks	政府及中央銀行	43,276,638	24,228,484
Banks and other financial institutions	銀行及其他金融機構	57,684,232	54,845,145
Corporate entities	企業實體	31,741,331	33,850,454
		132,702,201	112,924,083
Available-for-sale:	可供出售:		
– Listed in Hong Kong	– 在香港上市	1,550,228	1,562,859
– Listed outside Hong Kong	– 在香港以外地區上市	13,269,965	16,593,440
– Unlisted	– 非上市	15,789,749	16,819,010
		30,609,942	34,975,309
Issued by:	由以下機構發行:		
Government and central banks	政府及中央銀行	7,913,911	7,981,749
Banks and other financial institutions	銀行及其他金融機構	6,225,922	5,239,098
Corporate entities	企業實體	16,470,109	21,754,462
		30,609,942	34,975,309
Held-for-trading:	持有作交易用途:		
– Listed in Hong Kong	– 在香港上市	185,024	343,937
– Listed outside Hong Kong	– 在香港以外地區上市	818,642	493,504
– Unlisted	– 非上市	1,279,477	705,842
		2,283,143	1,543,283
Issued by:	由以下機構發行:		
Government and central banks	政府及中央銀行	22,286	–
Banks and other financial institutions	銀行及其他金融機構	366,718	233,932
Corporate entities	企業實體	1,894,139	1,309,351
		2,283,143	1,543,283

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

19 債務及股本證券投資 (續)

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Note (i) Debt securities (Continued)	註(i) 債務證券 (續)		
Designated at fair value through profit or loss:	指定為通過損益以反映公允價值：		
– Listed in Hong Kong	– 在香港上市	132,179	151,944
– Listed outside Hong Kong	– 在香港以外地區上市	203,013	288,897
		335,192	440,841
Issued by:	由以下機構發行：		
Government and central banks	政府及中央銀行	35,473	33,205
Banks and other financial institutions	銀行及其他金融機構	185,313	376,256
Corporate entities	企業實體	114,406	31,380
		335,192	440,841
Loans and receivables:	貸款及應收款項：		
– Unlisted	– 非上市	–	401,692
Issued by:	由以下機構發行：		
Government and central banks	政府及中央銀行	–	265,893
Banks and other financial institutions	銀行及其他金融機構	–	99,990
Corporate entities	企業實體	–	35,809
		–	401,692
Total debt securities	債務證券總額	165,930,478	150,285,208

The held-to-maturity debt securities include an amount of \$2,822,202,000 (31 December 2015: \$2,186,046,000) which will mature within one year. None of the securities are past due or impaired.

The fair value of the unlisted debt securities classified as held-to-maturity and available-for-sale were mainly determined by generally accepted pricing models including discounted cash flow technique.

The debt securities classified as loans and receivables as at 31 December 2015 would mature from 2016 to 2023 and bear interest ranging from 5% to 7% per annum. The fair value of the unlisted debt securities classified as loans and receivables are determined with reference to the estimated cash flows discounted using a discount factor as at the end of the reporting period.

持有至到期日的債務證券包括價值2,822,202,000元(二零一五年十二月三十一日：2,186,046,000元)的債務證券，將於一年內到期。沒有證券逾期或減值。

持有至到期日及可供出售的非上市證券之公允價值乃主要根據包括折算現金流量方法之公認定價模式而釐定。

於二零一五年十二月三十一日分類為貸款及應收款項的債務證券將於二零一六年至二零二三年到期及利率為每年5%至7%。分類為貸款及應收款項的非上市債務證券之公允價值乃參考於報告期末按目前市場利率之折算現金流量分析而釐定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

19 債務及股本證券投資 (續)

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Note (ii) Equity securities	註(ii) 股本證券		
Available-for-sale:	可供出售：		
– Listed in Hong Kong	– 在香港上市	2,504,861	1,391,676
– Listed outside Hong Kong	– 在香港以外地區上市	20,706,500	23,701,011
– Unlisted, at fair value	– 非上市，按公允價值	7,925,862	10,102
– Unlisted, at cost	– 非上市，按成本	550	5,342,881
		31,137,773	30,445,670
Held-for-trading:	持有作交易用途：		
– Listed in Hong Kong	– 在香港上市	292,254	551,589
– Listed outside Hong Kong	– 在香港以外地區上市	1,431,897	1,019,163
		1,724,151	1,570,752
Designated at fair value through profit or loss:	指定為通過損益以反映公允價值：		
– Listed in Hong Kong	– 在香港上市	–	13,303
– Listed outside Hong Kong	– 在香港以外地區上市	–	30,256
		–	43,559
Total equity securities	股本證券總額	32,861,924	32,059,981

The unlisted equity securities are issued by private entities incorporated in the PRC. In connection with the unlisted equity securities measured at cost at the end of the reporting period, the management considers that their fair values cannot be measured reliably.

非上市股本證券由中國註冊成立之私人機構發行。由於管理層認為其公允價值不能可靠地計量，所以於報告期末均按成本列賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

19 債務及股本證券投資 (續)

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Note (iii) Investment funds	註(iii) 投資基金		
Available-for-sale:	可供出售：		
– Listed in Hong Kong	– 在香港上市	18,880	82,756
– Listed outside Hong Kong	– 在香港以外地區上市	91,758	359,714
– Unlisted, at fair value	– 非上市，按公允價值	8,593,140	9,120,261
– Unlisted, at cost	– 非上市，按成本	152,617	258,321
		8,856,395	9,821,052
Held-for-trading:	持有作交易用途：		
– Listed outside Hong Kong	– 在香港以外地區上市	1,594,017	939,797
– Unlisted	– 非上市	12,828,200	5,618,120
		14,422,217	6,557,917
Designated at fair value through profit or loss:	指定為通過損益以反映公允價值：		
– Listed outside Hong Kong	– 在香港以外地區上市	–	220,294
Loans and receivables:	貸款及應收款項		
– Unlisted	– 非上市	7,465,052	3,113,677
Total investment funds	投資基金總額	30,743,664	19,712,940

The Group invests in open-ended or close-ended investment funds with underlying assets of equity, bond or composite funds.

本集團投資開放式或封閉式投資基金，其相關資產包括股票、債券或綜合基金。

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Note (iv) Debt products	註(iv) 債權產品		
Loans and receivables:	貸款及應收款項		
– Unlisted	– 非上市	75,953,241	71,516,041

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

The debt products include debt investments and relevant financial products on infrastructure and property development projects in the PRC and other financial products such as trust schemes and bank financial products, managed by affiliated or unaffiliated asset managers. The debt products will mature from 2017 to 2031 (31 December 2015: 2016 to 2030) and bear interest ranging from 3% to 9% (31 December 2015: 3% to 10%) per annum. As at 31 December 2016, the debt products held by the Group had domestic credit ratings of AA or above. The fair value of the debt products is determined with reference to the estimated cash flows discounted using current market interest rates as at the end of the reporting period.

The Group has determined that the above interests in debt products are investments in unconsolidated structured entities. As at 31 December 2016, the Group's funding provided and maximum exposure to these unconsolidated structured entities equals the carrying values of the debt products. The size of these debt products amounted to \$373 billion as at 31 December 2016 (31 December 2015: \$342 billion).

Analysed for reporting purposes as:

19 債務及股本證券投資 (續)

債權產品包括位於中國的基礎設施和房地產的債權及相關金融產品及其他金融產品，如信託計劃及銀行理財產品等，由關聯或無關聯資產管理公司管理。債權產品將於二零一七年至二零三一年（二零一五年十二月三十一日：二零一六年至二零三零年）到期，其利率為每年3%至9%（二零一五年十二月三十一日：3%至10%）。於二零一六年十二月三十一日，本集團持有之債權產品的信用評級為AA級或以上。債權產品之公允價值乃參考於報告期末按目前市場利率之折算現金流量分析而釐定。

本集團確認上述債權產品的權益為投資於未合併的結構化實體。於二零一六年十二月三十一日，本集團對未合併的結構化實體提供的資金及最大風險金額相等於債權產品的賬面值。該等債權產品於二零一六年十二月三十一日的規模為3,730億元（二零一五年十二月三十一日：3,420億元）。

就呈報目的分析：

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Held-to-maturity	持有至到期日		
– Current	– 當期	2,822,202	2,186,046
– Non-current	– 非當期	129,879,999	110,738,037
Available-for-sale	可供出售		
– Current	– 當期	46,919,634	7,664,590
– Non-current	– 非當期	23,684,476	67,577,441
Held-for trading	持有作交易用途		
– Current	– 當期	18,429,511	9,671,952
Designated at fair value through profit or loss	指定為通過損益以反映公允價值		
– Current	– 當期	335,192	704,694
Loans and receivables	貸款及應收款項		
– Current	– 當期	12,617,818	14,362,493
– Non-current	– 非當期	70,800,475	60,668,917
		305,489,307	273,574,170

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

20 AMOUNTS DUE FROM/(TO) GROUP COMPANIES

(a) Due from group companies

Amount due from the ultimate holding company	應收最終控股公司款項
Amount due from the immediate holding company	應收直接控股公司款項
Amount due from fellow subsidiaries	應收同系附屬公司款項

The amounts due from group companies are unsecured, interest free and repayable on demand.

(b) Due to group companies

Amount due to the ultimate holding company	應付最終控股公司款項
Amount due to the immediate holding company	應付直接控股公司款項
Amounts due to fellow subsidiaries	應付同系附屬公司款項

The amounts due to group companies are unsecured, interest free and repayable on demand.

20 應收／(應付)集團內公司款項

(a) 應收集團內公司款項

At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
---	---

6,967	7,389
6,290	1,480
8,177	10,835
21,434	19,704

應收集團內公司款項均無抵押、免息，並須於要求時償還。

(b) 應付集團內公司款項

31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
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10,602	49,491
11,913	7,341
2,886	3,075
25,401	59,907

應付集團內公司款項均無抵押、免息，並須於要求時償還。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

21 INSURANCE DEBTORS

21 保險客戶應收賬款

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Amounts due from insurance customers	應收保險客戶款項	6,603,660	9,150,044
Less: allowance for impaired debts	減：減值賬款準備	(126,262)	(125,649)
		6,477,398	9,024,395
Deposits retained by cedants	分保人保留的按金	216,237	213,279
		6,693,635	9,237,674

Included in the amounts of insurance debtors is \$6,451,501,000 (2015: \$8,897,949,000), which is expected to be recovered within one year.

保險客戶應收賬款包括一筆6,451,501,000元(二零一五年：8,897,949,000元)之款項，預期在一年內可以收回。

(a) Ageing analysis

The following is an ageing analysis of the amounts due from insurance customers:

(a) 賬齡分析

應收保險客戶款項賬齡分析如下：

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Neither past due nor impaired	未逾期及未減值		
- Uninvoiced	- 未開具發票	2,194,363	5,321,832
- Current	- 現已到期	3,678,307	3,416,518
Past due but not impaired	已逾期但無減值		
- Less than 3 months	- 少於三個月	363,402	168,842
- More than 3 months but less than 12 months	- 超過三個月但少於十二個月	196,052	98,082
- More than 12 months	- 超過十二個月	45,274	19,121
Past due and impaired	已逾期及已減值	126,262	125,649
		6,603,660	9,150,044

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

21 INSURANCE DEBTORS (Continued)

(a) Ageing analysis (Continued)

Amounts due from insurance customers that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Amounts due from insurance customers that were past due but not impaired relate to a number of independent policyholders and reinsurers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The amount of impaired debts is \$126,262,000 (31 December 2015: \$125,649,000). Various actions have been taken to recover the debts, but these debts have not been recovered and hence impairment is provided.

(b) Movement in the allowance for impaired debts

At 1 January	於一月一日
Recognition of impairment loss	新增減值
Uncollectible amounts written off	已撇銷不可收回金額
Exchange difference	匯兌差額
At 31 December	於十二月三十一日

21 保險客戶應收賬款 (續)

(a) 賬齡分析 (續)

應收保險客戶之未逾期及未減值之款項乃與最近並無違約紀錄之一系列客戶有關。

已逾期但無減值之應收保險客戶款項乃與多名與本集團保持良好紀錄的獨立保單持有人及再保險商有關。按照過往經驗，管理層相信，由於信貸質素並無重大變動，且該等結餘仍被視為可全數收回，因此毋須就有關結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

減值債務為126,262,000元（二零一五年十二月三十一日：125,649,000元）。我們已採取各種各樣的行動收回債務，但該些債務仍未收回，因此計提減值。

(b) 減值賬款準備變動

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
At 1 January	於一月一日	125,649	117,802
Recognition of impairment loss	新增減值	7,571	25,908
Uncollectible amounts written off	已撇銷不可收回金額	(18)	(12,232)
Exchange difference	匯兌差額	(6,940)	(5,829)
At 31 December	於十二月三十一日	126,262	125,649

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

22 REINSURERS' SHARE OF INSURANCE CONTRACT PROVISIONS

The reinsurers' share of insurance contract provisions represents the reinsurers' share of life insurance contract liabilities, unearned premium provisions and provision for outstanding claims arising from the life insurance, property and casualty insurance and reinsurance businesses.

22 分保公司應佔保險合約準備

分保公司應佔保險合約準備份額，代表再保險公司於由人壽保險、財產保險及再保險業務產生的壽險合約負債、未到期責任準備金及未決賠款準備的份額。

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Life insurance contract liabilities (Note 27)	壽險合約負債 (附註27)	1,278,497	29,641,207
Unearned premium provisions (Note 28)	未到期責任準備金 (附註28)	1,739,340	1,590,703
Provision for outstanding claims (Note 29)	未決賠款準備 (附註29)	2,817,677	2,923,498
		5,835,514	34,155,408

23 FINANCE LEASE RECEIVABLES

Finance lease receivable,
net of unearned finance income
Less: Provision for impairment losses

應收金融租賃，減未實現
融資收益
減：減值準備

38,363,715
(575,456)

23,263,298
(232,633)

37,788,259

23,030,665

As at 31 December 2016, finance lease receivables include an amount of \$317,908,000 (2015: Nil) that was pledged to a financial institution for providing security in connection with a factoring arrangement.

於二零一六年十二月三十一日，應收金融租賃內包含一筆為數317,908,000元（二零一五年：無）的款項已抵押予一間金融機構作為保理安排抵押。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

24 OTHER ASSETS

24 其他資產

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Other debtors and deposits	其他應收賬款及按金	9,755,230	13,131,480
Interest receivables from interest-bearing financial assets	帶利息金融資產之應收利息	5,010,241	5,782,082
Receivables from payment service providers	支付平台服務商應收款	1,545,830	376,834
Prepayments	預付款	394,822	406,333
Inventories (Note 15(c)) (note (i))	存貨 (附註15(c)) (註(i))	279,173	-
Business tax prepaid	預付營業稅	210,642	744,244
Value-added tax prepaid	預付增值稅	201,917	-
Prepayment for a capital investment	預付投資款	167,690	-
Tax certificate paid to Hong Kong Inland Revenue Department	支付予香港稅務局的儲稅券	162,199	143,068
Deposits for the purchase of property	購入物業之按金	156,274	3,196,057
Rental and utility deposits	租金及公共事業按金	152,299	149,650
Other pledged deposits (note (ii))	其他抵押存款 (註(ii))	18,211	25,848
Others	其他	1,455,932	2,307,364
Loans and advances	貸款及墊款	28,586,069	20,649,116
Less: allowance for impaired debts	減：減值賬款準備	38,341,299 (32,846)	33,780,596 (31,520)
		38,308,453	33,749,076

Notes:

- (i) The Group's inventories comprise raw materials, product in progress, other supplemental materials and lands purchased that have been set to be used to build properties for sale by a subsidiary.
- (ii) As at 31 December 2016, other assets include an amount of \$18,211,000 (2015: \$25,848,000) that was pledged to a financial institution for providing security in connection with a reinsurance arrangement.

註:

- (i) 本集團的存貨主要包括原材料、在產品、週轉材料等以及子公司所購入的土地，並已決定將其用於建成以出售為目的的物業。
- (ii) 於二零一六年十二月三十一日，其他資產內包含一筆為數18,211,000元（二零一五年：25,848,000元）的款項已抵押予一間金融機構作為再保險安排抵押。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

24 OTHER ASSETS (Continued)

(a) Movement in the allowance for impaired debts:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
At 1 January	於一月一日	31,520	31,971
Impairment losses recognised	已確認減值虧損	6,798	2,177
Impairment losses reversed	減值虧損回撥	(864)	(818)
Impairment losses written off	已撇銷減值虧損	(2,644)	(267)
Exchange difference	匯兌差異	(1,964)	(1,543)
At 31 December	於十二月三十一日	32,846	31,520

The amount of impaired debts is \$32,846,000 (31 December 2015: \$31,520,000).

(b) Loans and advances are repayable with the following terms:

		31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元	Interest rate 利率
Secured loans:	有抵押按揭貸款：			
- to policyholders	- 給予保單持有人	27,259,517	20,649,116	4.80%
Unsecured loans:	無抵押貸款：			
- to third parties	- 給予第三方	1,326,552	-	5.74%
		28,586,069	20,649,116	
Analysed as:	分析：			
Current	當期	28,586,069	20,649,116	

25 PLEDGED DEPOSITS AT BANKS

The deposits at banks of \$535,452,000 (31 December 2015: \$399,172,000) are pledged to banks to secure letters of credit issued by the bank on behalf of the Group. All the pledged deposits at banks are expected to be settled within one year.

24 其他資產 (續)

(a) 減值賬款準備變動：

	2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
At 1 January	31,520	31,971
Impairment losses recognised	6,798	2,177
Impairment losses reversed	(864)	(818)
Impairment losses written off	(2,644)	(267)
Exchange difference	(1,964)	(1,543)
At 31 December	32,846	31,520

減值債務為32,846,000元(二零一五年十二月三十一日: 31,520,000元)。

(b) 貸款及墊款的還款期如下：

		31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元	Interest rate 利率
Secured loans:	有抵押按揭貸款：			
- to policyholders	- 給予保單持有人	27,259,517	20,649,116	4.80%
Unsecured loans:	無抵押貸款：			
- to third parties	- 給予第三方	1,326,552	-	5.74%
		28,586,069	20,649,116	
Analysed as:	分析：			
Current	當期	28,586,069	20,649,116	

25 已抵押銀行存款

銀行存款中一筆為數535,452,000元(二零一五年十二月三十一日: 399,172,000元)已抵押予銀行作為銀行代表本集團發出信用狀提供保證。所有的已抵押銀行存款預計在一年內支付。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

26 CASH AND CASH EQUIVALENTS

26 現金及現金等價物

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Deposits with banks and other financial institutions with original maturity less than three months	原到期日少於三個月的銀行及其他財務機構存款	16,714,496	14,170,425
Money market fund	貨幣市場基金	229,667	855,497
Cash at bank and on hand	銀行及庫存現金	21,600,321	32,593,530
Total	合計	38,544,484	47,619,452

27 LIFE INSURANCE CONTRACT LIABILITIES

27 壽險合約負債

		2016 二零一六年			2015 二零一五年		
		Reinsurers' share		Net	Reinsurers' share		Net
		Gross 總額 \$'000 千元	再保險 公司份額 \$'000 千元	淨額 \$'000 千元	Gross 總額 \$'000 千元	再保險 公司份額 \$'000 千元	淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	254,020,785	(29,641,207)	224,379,578	223,864,197	(37,523,849)	186,340,348
Premiums written during the year	年內承保保費	114,656,762	(1,188,367)	113,468,395	105,331,699	(2,439,932)	102,891,767
Benefits paid and others	給付支出及其他	(58,439,000)	28,901,954	(29,537,046)	(60,487,167)	8,419,806	(52,067,361)
Exchange alignment	匯兌調整	(18,394,576)	649,123	(17,745,453)	(14,687,944)	1,902,768	(12,785,176)
Balance as at 31 December	於十二月三十一日結餘	291,843,971	(1,278,497)	290,565,474	254,020,785	(29,641,207)	224,379,578

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

27 LIFE INSURANCE CONTRACT LIABILITIES (Continued)

Key assumptions used in estimating the life insurance contract liabilities

The insurance contract provisions have been established based upon the following key assumptions:

- Discount rates which vary by the type of contract ranged from 2.78% – 4.87% (31 December 2015: 3.12% – 5.48%);
- Mortality/morbidity rates based on the China Life Insurance Mortality Table (2000-2003) and China Life Insurance Experience Critical Illness Table (2006-2010); and
- Lapse rates based on pricing assumptions, with reference to management's expectation upon assessment of the actual experience.

Sensitivities of changes in key assumptions:

Assumptions 假設	Change in assumptions 當假設變化	Impact on profit after tax and total equity 對除稅後溢利及總權益的影響		
		31 December 2016 二零一六年十二月三十一日 \$'000 千元	31 December 2015 二零一五年十二月三十一日 \$'000 千元	
Discount rate	折現率	+0.25%	3,832,118	3,165,211
Discount rate	折現率	-0.25%	(4,230,379)	(3,438,216)
Mortality rate	死亡率	+10%	(1,792,377)	(1,652,000)
Mortality rate	死亡率	-10%	1,835,593	1,688,547
Lapse rate	退保率	+10%	2,420,618	2,423,536
Lapse rate	退保率	-10%	(2,602,523)	(2,602,708)

Material judgment is required in determining insurance contract liabilities and in choosing discount rates/investment return, mortality, morbidity, lapse rates, policy dividend, and expenses assumptions relating to long term life insurance contracts. Such assumptions should be determined based on current information available at the end of the reporting period.

27 壽險合約負債 (續)

評估壽險合約負債採納的主要假設

壽險合約的儲備乃基於以下主要假設而作出：

- 折現率隨合約種類在2.78%–4.87% (二零一五年十二月三十一日：3.12%–5.48%) 的範圍內變動；
- 死亡率／發病率根據中國人壽保險業經驗生命表計算(2000-2003)及根據《中國人身保險業重大疾病經驗發生率表(2006-2010)》為基礎，結合對歷史經驗的分析和對未來經驗的預測來確定重大疾病保險的發病率假設；及
- 退保率的計算以定價假設為基礎，並參考實際經驗並結合管理層對未來的預期。

主要假設變動的敏感度：

本集團在計量長期人身險保險合同的保險責任準備金過程中須對折現率／投資收益率、死亡率、發病率、退保率、保單紅利假設及費用假設等作出合理估計與判斷。這些計量假設需以資產負債表日可獲取的當前資訊及過往實際經驗為基礎確定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

28 UNEARNED PREMIUM PROVISIONS

28 未到期責任準備金

		At 31 December 2016 二零一六年			At 31 December 2015 二零一五年		
		Reinsurers' share			Reinsurers' share		
		Gross	再保險	Net	Gross	再保險	Net
		總額	公司份額	淨額	總額	公司份額	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Life insurance (note (i))	人壽保險 (註(i))	752,558	(103,684)	648,874	399,247	(96,088)	303,159
PRC property and casualty insurance (note (ii))	中國財產保險 (註(ii))	7,313,393	(833,627)	6,479,766	7,244,712	(813,016)	6,431,696
Overseas property and casualty insurance (note (iii))	海外財產保險 (註(iii))	1,653,764	(468,712)	1,185,052	1,427,028	(361,049)	1,065,979
Reinsurance (note (vi))	再保險 (註(vi))	1,509,123	(199,670)	1,309,453	1,502,718	(191,419)	1,311,299
Pension and group life (note (v))	養老及團體保險 (註(v))	586,615	(133,647)	452,968	544,567	(129,131)	415,436
		11,815,453	(1,739,340)	10,076,113	11,118,272	(1,590,703)	9,527,569

Notes:

註:

(i) Analysis of movement in the unearned premium provisions for the life insurance business:

(i) 人壽保險業務的未到期責任準備金變化分析:

		2016 二零一六年			2015 二零一五年		
		Reinsurers' share			Reinsurers' share		
		Gross	再保險	Net	Gross	再保險	Net
		總額	公司份額	淨額	總額	公司份額	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Balance as at 1 January	於一月一日結餘	399,247	(96,088)	303,159	458,131	(86,758)	371,373
Premiums written during the year	年內承保保費	3,377,863	(274,737)	3,103,126	2,095,246	(248,707)	1,846,539
Premiums earned during the year	年內已賺取保費	(2,981,638)	260,411	(2,721,227)	(2,128,778)	233,687	(1,895,091)
Exchange alignment	匯兌調整	(42,914)	6,730	(36,184)	(25,352)	5,690	(19,662)
Balance as at 31 December	於十二月三十一日結餘	752,558	(103,684)	648,874	399,247	(96,088)	303,159

(ii) Analysis of movement in the unearned premium provisions for the PRC property and casualty insurance business:

(ii) 中國財產保險業務的未到期責任準備金變化分析:

		2016 二零一六年			2015 二零一五年		
		Reinsurers' share			Reinsurers' share		
		Gross	再保險	Net	Gross	再保險	Net
		總額	公司份額	淨額	總額	公司份額	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Balance as at 1 January	於一月一日結餘	7,244,712	(813,016)	6,431,696	6,615,807	(527,318)	6,088,489
Premiums written during the year	年內承保保費	21,300,748	(2,673,370)	18,627,378	19,999,857	(2,561,949)	17,437,908
Premiums earned during the year	年內已賺取保費	(20,790,891)	2,613,994	(18,176,897)	(18,940,649)	2,231,731	(16,708,918)
Exchange alignment	匯兌調整	(441,176)	38,765	(402,411)	(430,303)	44,520	(385,783)
Balance as at 31 December	於十二月三十一日結餘	7,313,393	(833,627)	6,479,766	7,244,712	(813,016)	6,431,696

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

28 UNEARNED PREMIUM PROVISIONS (Continued)

28 未到期責任準備金 (續)

Notes: (Continued)

註：(續)

(iii) Analysis of movement in the unearned premium provisions for the overseas property and casualty insurance business:

(iii) 海外財產保險業務的未到期責任準備金變化分析：

		2016 二零一六年			2015 二零一五年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	1,427,028	(361,049)	1,065,979	1,278,641	(321,837)	956,804
Premiums written during the year	年內承保保費	4,354,074	(1,254,948)	3,099,126	4,935,100	(1,211,567)	3,723,533
Premiums earned during the year	年內已賺取保費	(4,084,231)	1,127,898	(2,956,333)	(4,743,774)	1,159,746	(3,584,028)
Exchange alignment	匯兌調整	(43,107)	19,387	(23,720)	(42,939)	12,609	(30,330)
Balance as at 31 December	於十二月三十一日結餘	1,653,764	(468,712)	1,185,052	1,427,028	(361,049)	1,065,979

(iv) Analysis of movement in the unearned premium provisions for the reinsurance business:

(iv) 再保險業務的未到期責任準備金變化分析：

		2016 二零一六年			2015 二零一五年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	1,502,718	(191,419)	1,311,299	1,260,223	(66,244)	1,193,979
Premiums written during the year	年內承保保費	5,070,757	(725,576)	4,345,181	4,664,066	(690,172)	3,973,894
Premiums earned during the year	年內已賺取保費	(5,014,702)	709,020	(4,305,682)	(4,375,098)	557,545	(3,817,553)
Exchange alignment	匯兌調整	(49,650)	8,305	(41,345)	(46,473)	7,452	(39,021)
Balance as at 31 December	於十二月三十一日結餘	1,509,123	(199,670)	1,309,453	1,502,718	(191,419)	1,311,299

(v) Analysis of movement in the unearned premium provisions for pension and group life business:

(v) 養老及團體保險業務的未到期責任準備金變化分析：

		2016 二零一六年			2015 二零一五年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	544,567	(129,131)	415,436	482,957	(123,327)	359,630
Premiums written during the year	年內承保保費	2,405,631	(397,724)	2,007,907	2,174,683	(13,569)	2,161,114
Premiums earned during the year	年內已賺取保費	(2,325,488)	384,428	(1,941,060)	(2,080,979)	-	(2,080,979)
Exchange alignment	匯兌調整	(38,095)	8,780	(29,315)	(32,094)	7,765	(24,329)
Balance as at 31 December	於十二月三十一日結餘	586,615	(133,647)	452,968	544,567	(129,131)	415,436

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

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(以港幣列示)

29 PROVISION FOR OUTSTANDING CLAIMS

29 未決賠款準備

		At 31 December 2016 於二零一六年十二月三十一日			At 31 December 2015 於二零一五年十二月三十一日		
		Reinsurers' share			Reinsurers' share		
		Gross	share	Net	Gross	share	Net
		總額	再保險	淨額	總額	再保險	淨額
		\$'000	公司份額	\$'000	\$'000	公司份額	\$'000
		千元	千元	千元	千元	千元	千元
Life insurance	人壽保險	288,775	(9,180)	279,595	268,895	(10,288)	258,607
PRC property and casualty insurance (note (i))	中國財產保險 (註(i))	5,583,954	(898,286)	4,685,668	5,545,482	(1,070,387)	4,475,095
Overseas property and casualty insurance (note (ii))	海外財產保險 (註(ii))	4,703,193	(1,134,107)	3,569,086	4,636,576	(1,147,054)	3,489,522
Reinsurance (note (iii))	再保險 (註(iii))	5,556,435	(654,114)	4,902,321	5,032,904	(586,915)	4,445,989
Pension and group life (note (iv))	養老及團體保險 (註(iv))	583,701	(121,990)	461,711	519,156	(108,854)	410,302
		16,716,058	(2,817,677)	13,898,381	16,003,013	(2,923,498)	13,079,515

Notes:

(i) Analysis of movement in the provision for outstanding claims for the PRC property and casualty insurance business:

註:

(i) 中國財產保險業務的未決賠款準備變化分析:

		2016 二零一六年			2015 二零一五年		
		Reinsurers' share			Reinsurers' share		
		Gross	share	Net	Gross	share	Net
		總額	再保險	淨額	總額	再保險	淨額
		\$'000	公司份額	\$'000	\$'000	公司份額	\$'000
		千元	千元	千元	千元	千元	千元
Balance as at 1 January	於一月一日結餘	5,545,482	(1,070,387)	4,475,095	4,883,304	(1,026,396)	3,856,908
Claims paid during the year	年內已付賠款	(10,338,342)	(193,487)	(10,531,829)	(9,223,008)	823,943	(8,399,065)
Claims incurred/provision during the year (note (a))	年內索賠/提取準備 (註(a))	10,750,935	302,547	11,053,482	10,164,751	(932,366)	9,232,385
Exchange alignment	匯兌調整	(374,121)	63,041	(311,080)	(279,565)	64,432	(215,133)
Balance as at 31 December	於十二月三十一日結餘	5,583,954	(898,286)	4,685,668	5,545,482	(1,070,387)	4,475,095

Note (a): As at 31 December 2016, the balance of provision for outstanding claims was included the provision for agricultural insurance liabilities amounting to \$3,013,000 (2015: Nil).

註(a): 於二零一六年十二月三十一日, 未決賠款準備餘額內包含一筆為數3,013,000元(二零一五年: 無)的農業保險準備金。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

29 PROVISION FOR OUTSTANDING CLAIMS (Continued)

Notes: (Continued)

(ii) Analysis of movement in the provision for outstanding claims for the overseas property and casualty insurance business:

		2016 二零一六年			2015 二零一五年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	4,636,576	(1,147,054)	3,489,522	3,607,838	(1,118,929)	2,488,909
Claims paid during the year	年內已付賠款	(1,699,127)	375,351	(1,323,776)	(1,310,844)	419,590	(891,254)
Claims incurred during the year	年內索賠	1,825,141	(380,446)	1,444,695	2,411,193	(471,095)	1,940,098
Exchange alignment	匯兌調整	(59,397)	18,042	(41,355)	(71,611)	23,380	(48,231)
Balance as at 31 December	於十二月三十一日結餘	4,703,193	(1,134,107)	3,569,086	4,636,576	(1,147,054)	3,489,522

(iii) Analysis of movement in the provision for outstanding claims for the reinsurance business:

		2016 二零一六年			2015 二零一五年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	5,032,904	(586,915)	4,445,989	4,449,570	(368,325)	4,081,245
Claims paid during the year	年內已付賠款	(2,597,963)	191,608	(2,406,355)	(2,364,573)	229,455	(2,135,118)
Claims incurred during the year	年內索賠	3,232,708	(275,920)	2,956,788	3,112,803	(467,102)	2,645,701
Exchange alignment	匯兌調整	(111,214)	17,113	(94,101)	(164,896)	19,057	(145,839)
Balance as at 31 December	於十二月三十一日結餘	5,556,435	(654,114)	4,902,321	5,032,904	(586,915)	4,445,989

(iv) Analysis of movement in the provision for outstanding claims for pensions and group life business:

		2016 二零一六年			2015 二零一五年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	519,156	(108,854)	410,302	456,773	(100,232)	356,541
Claims paid during the year	年內已付賠款	(1,504,435)	270,188	(1,234,247)	(1,274,681)	256,841	(1,017,840)
Claims incurred during the year	年內索賠	1,606,434	(291,159)	1,315,275	1,367,596	(271,942)	1,095,654
Exchange alignment	匯兌調整	(37,454)	7,835	(29,619)	(30,532)	6,479	(24,053)
Balance as at 31 December	於十二月三十一日結餘	583,701	(121,990)	461,711	519,156	(108,854)	410,302

29 未決賠款準備 (續)

註：(續)

(ii) 海外財產保險業務的未決賠款準備變化分析：

(iii) 再保險業務的未決賠款準備變化分析：

(iv) 養老及團體保險業務的未決賠款準備變化分析：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

30 INVESTMENT CONTRACT LIABILITIES

30 投資合約負債

(a) Unit-linked products

(a) 投資連結產品

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Balance as at 1 January	於一月一日結餘	1,780,194	2,501,087
Premiums received during the year	年內已收保費	89,949	326,760
Investment gain/(loss) allocated to investment contracts	分配至投資合約之投資收益／ (虧損)	(365,926)	1,029,961
Surrenders and others	退保及其他	(205,723)	(1,956,536)
Exchange alignment	匯兌調整	(91,511)	(121,078)
Balance as at 31 December	於十二月三十一日結餘	1,206,983	1,780,194

(b) Universal life and other products

(b) 萬能壽險及其他產品

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Balance as at 1 January	於一月一日結餘	16,982,379	15,070,379
Premiums received during the year	年內已收保費	8,516,127	4,524,012
Interest allocated to investment contracts, net of management fee	分配至投資合約之利益， 減管理費	717,010	625,127
Surrenders and others	退保及其他	(3,759,281)	(2,258,184)
Exchange alignment	匯兌調整	(1,226,413)	(978,955)
Balance as at 31 December	於十二月三十一日結餘	21,229,822	16,982,379

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

31 DEFERRED TAX ASSETS AND LIABILITIES

31 遞延稅項資產及負債

(a) Deferred tax assets and liabilities recognised:

The movement in deferred tax assets and liabilities during the year without taking into consideration (prior to the offsetting of balances within the same taxation jurisdiction) is as follows:

(a) 已確認遞延稅項資產及負債：

在綜合財務狀況表所確認的遞延稅項資產和負債（與同一徵稅地區之結餘抵銷前）的組合及本年度的變動情況如下：

Deferred tax arising from:	遞延稅項來自：	Difference in depreciation allowances and related depreciation	折舊免稅額與相關折舊的差異	Revaluation of properties	物業重估	Fair value adjustment arising from business combination	業務合併而引起之公允價值調整	Fair value adjustment of available-for-sale securities	可供出售證券公允價值調整	Life insurance contract liabilities	壽險合約負債	Unused tax losses	未動用稅項虧損	Securities held for trading	持有作交易用途證券	Others	其他	Total	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2016	於二零一六年一月一日	(2,029)	(2,127,181)	(79,222)	(1,902,467)	(1,022,702)	211,339	(299,733)	1,391,913	(3,830,082)									
(Charged)/credited to consolidated statement of profit or loss	(支出) / 抵免於綜合損益表	(66,327)	(137,166)	-	245,203	311,383	(132,775)	150,530	88,418	459,266									
Credited/(charged) to other comprehensive income	抵免 / (支出) 於其他全面收益列入	-	(3,474)	-	2,272,126	-	-	-	-	2,268,652									
Exchange difference	匯兌調整	(897)	136,986	-	109,944	51,034	(4,435)	12,724	(92,079)	213,277									
At 31 December 2016	於二零一六年十二月三十一日	(69,253)	(2,130,835)	(79,222)	724,806	(660,285)	74,129	(136,479)	1,388,252	(888,887)									
At 1 January 2015	於二零一五年一月一日	(948)	(2,073,932)	(79,222)	(1,187,681)	(1,100,229)	86,097	(395,611)	606,186	(4,145,340)									
(Charged)/credited to consolidated statement of profit or loss	(支出) / 抵免於綜合損益表	(1,347)	(129,162)	-	(45,122)	13,869	(134,917)	75,852	756,289	805,296									
Credited/(charged) to other comprehensive income	抵免 / (支出) 於其他全面收益列入	-	(10,783)	-	(741,073)	-	-	-	-	(751,856)									
Exchange difference	匯兌調整	266	86,696	-	71,409	63,658	(9,675)	20,026	29,438	261,818									
At 31 December 2015	於二零一五年十二月三十一日	(2,029)	(2,127,181)	(79,222)	(1,902,467)	(1,022,702)	211,339	(299,733)	1,391,913	(3,830,082)									

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

31 DEFERRED TAX ASSETS AND LIABILITIES (Continued)

(a) Deferred tax assets and liabilities recognised: (Continued)

	At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Net deferred tax assets recognised in the consolidated statement of financial position 已確認於綜合財務狀況表的遞延稅項資產淨額	687,189	365,493
Net deferred tax liabilities recognised in the consolidated statement of financial position 已確認於綜合財務狀況表的遞延稅項負債淨額	(1,576,076)	(4,195,575)
	(888,887)	(3,830,082)

(b) Deferred tax assets not recognised

At 31 December 2016, the Group did not recognise deferred tax assets in respect of certain tax losses of \$2,117,871,000 (31 December 2015: \$1,741,720,000) and certain temporary differences of \$28,117,000 (31 December 2015: \$13,068,000). \$184,718,000 (31 December 2015: \$164,822,000) of the total tax losses can be carried forward up to five years after the year in which the loss was originated to offset future taxable profits, while the remaining tax losses and temporary difference do not expire under current tax legislation.

31 遞延稅項資產及負債 (續)

(a) 已確認遞延稅項資產及負債: (續)

	At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
	687,189	365,493
	(1,576,076)	(4,195,575)
	(888,887)	(3,830,082)

(b) 未確認的遞延稅項資產

於二零一六年十二月三十一日，本集團未有確認2,117,871,000元（二零一五年十二月三十一日：1,741,720,000元）之稅項虧損及28,117,000元（二零一五年十二月三十一日：13,068,000元）的暫時性差異而產生的遞延稅項資產。184,718,000元（二零一五年十二月三十一日：164,822,000元）稅項虧損總額可以在發生虧損年起計，最多不多於五年，用作抵銷未來之應評稅利潤，尚餘的稅項虧損額及暫時性差異在目前的稅務條例則並無期限。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

32 INTEREST-BEARING NOTES

32 需付息票據

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
RMB subordinated notes (note (a))	人民幣次級票據 (註(a))	-	358,089
USD notes (note (b))	美元票據 (註(b))	2,278,962	2,273,527
RMB subordinated notes (note (c))	人民幣次級票據 (註(c))	223,586	238,726
RMB subordinated notes (note (d))	人民幣次級票據 (註(d))	1,006,137	1,074,268
USD notes (note (e))	美元票據 (註(e))	2,326,524	2,325,288
		5,835,209	6,269,898

Notes:

- (a) On 23 February 2011, TPL, a subsidiary of the Group issued 4.8% subordinated notes at par for the principal amount of RMB300,000,000. The notes will mature during February 2021 but the notes can be redeemed at the fifth anniversary year of the issue date at par value at the discretion of TPL. Interest on the notes is payable annually in arrears.

The notes issued are free of any collateral and guarantee. The notes redeemed at par during the Year.

- (b) On 22 November 2012, China Taiping Capital Limited, a subsidiary of the Group issued 4.125% notes for the principal amount of USD300,000,000 at a discount of 0.728%. The notes are listed on the Stock Exchange of Hong Kong Limited and will mature on 21 November 2022 but the notes can be redeemed at any time at par plus accrued interest and premium at the discretion of the subsidiary. Interest on the notes is payable semi-annually in arrears. The directors considered that the fair value of redemption option of notes issued is insignificant and not recognised in the financial statements.

The notes may be redeemed by the subsidiary, at its option, at any time at par plus accrued interest, in the event of certain tax changes as described under "Conditions of the Notes – Redemption and Purchase" in the offering circular dated 14 November 2012.

The notes issued are unconditionally and irrevocably guaranteed by the Company.

註:

- (a) 於二零一一年二月二十三日，太平人壽，本集團一家附屬公司以票面值發行了本金價值人民幣300,000,000元4.8%的次級票據。票據將於二零二一年二月贖回，但票據可以由太平人壽酌定於發行日的第五週年以票面值贖回。票據利息每年於期末支付。

票據並無任何抵押品及擔保。票據已於本年度內以票面值贖回。

- (b) 於二零一二年十一月二十二日，本集團一家附屬公司以折讓0.728%發行了本金價值300,000,000美元4.125%的票據。票據在香港證券交易所上市，並將於二零二二年十一月二十一日到期，但票據可由附屬公司酌情於任何時間以票面值加上累計利息及溢價贖回。票據利息每半年於期末支付。董事認為票據發行的贖回選擇權之公允價值並不重大及並無確認於財務報表內。

如二零一二年十一月十四日發行函函「票據的條件—購買及贖回」內文所提及有關某些稅項改變發生之時，附屬公司有權在任何時間以票面值加上應計利息把票據贖回。

票據由本公司提供無條件及不可撤銷的擔保。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

32 INTEREST-BEARING NOTES (Continued)

Notes: (Continued)

- (c) On 26 December 2013, TPI, a subsidiary of the Group issued 6.0% subordinated notes at par for the principal amount of RMB200,000,000. The notes will mature in December 2023 but the notes can be redeemed at the fifth anniversary year of the issue date at par value at the discretion of TPI. Interest on the notes is payable annually in arrears.

The notes issued are free of any collateral and guarantee.

- (d) During the first quarter of 2014, TPI, a subsidiary of the Group issued 6.0% subordinated notes at par for the principal amount of RMB900,000,000. The notes will mature during the first quarter of 2024 but the notes can be redeemed at the fifth anniversary year of the issue date at par value at the discretion of TPI. Interest on the notes is payable annually in arrears.

The notes issued are free of any collateral and guarantee.

- (e) On 2 October 2013, China Taiping Fortunes Limited, a subsidiary of the Group issued 6.0% notes for the principal amount of USD300,000,000 at par. The notes will mature on 2 October 2028. Interest on the notes is payable semi-annually in arrears.

The notes issued are unconditionally and irrevocably guaranteed by the Company.

The following subsidiary had issued interest-bearing notes, some of which are held by the Group:

32 需付息票據 (續)

註：(續)

- (c) 於二零一三年十二月二十六日，太平財險，本集團一家附屬公司以票面值發行了本金價值人民幣200,000,000元6.0%的次級票據。票據將於二零二三年十二月贖回，但票據可以由太平財險酌定於發行日的第五週年以票面值贖回。票據利息每年於期末支付。

票據並無任何抵押品及擔保。

- (d) 在二零一四年第一季度期間，太平財險，本集團一家附屬公司以票面值發行了本金價值人民幣900,000,000元6.0%的次級票據。票據將於二零二四年第一季度贖回，但票據可以由太平財險酌定於發行日的第五週年以票面值贖回。票據利息每年於期末支付。

票據並無任何抵押品及擔保。

- (e) 於二零一三年十月二日，本集團一家附屬公司以票面值發行了本金價值300,000,000美元6.0%的票據。票據將於二零二八年十月二日到期。票據利息每半年於期末支付。

票據由本公司提供無條件及不可撤銷的擔保。

本集團持有部份由下列附屬公司發行的需付息票據：

	At 31 December 2016 於二零一六年十二月三十一日		
	Held by Group 由本集團持有 \$'000 千元	Held by third parties 由第三方持有 \$'000 千元	Total 總額 \$'000 千元
China Taiping Capital Limited	47,562	2,278,962	2,326,524
	At 31 December 2015 於二零一五年十二月三十一日		
	Held by Group 由本集團持有 \$'000 千元	Held by third parties 由第三方持有 \$'000 千元	Total 總額 \$'000 千元
China Taiping Capital Limited	51,761	2,273,527	2,325,288

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

33 INSURANCE CREDITORS

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Amounts due to insurance customers/creditors	應付保險客戶款項	5,304,268	35,768,193
Amounts due to insurance intermediaries	應付保險中介款項	2,202,469	1,508,472
Deposits retained from retrocessionaires	轉分保險人保留的按金	842,431	415,741
Surrender payable	應付退保金	635	-
Prepaid premiums received	預收保費	21,115,283	10,916,802
		29,465,086	48,609,208

All of the amounts due to the insurance creditors are expected to be settled within one year.

The following is an ageing analysis of the amounts due to insurance customers/creditors:

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Current	現時	4,491,824	35,547,783
More than 3 months but less than 12 months	超過三個月但少於十二個月	544,787	199,232
More than 12 months	超過十二個月	267,657	21,178
		5,304,268	35,768,193

34 OTHER PAYABLES AND ACCRUALS

All of the other payables and accruals are expected to be settled within one year.

33 保險應付賬款

所有保險應付賬款預期將於一年內清償。

應付保險客戶款項之賬齡分析如下：

34 其他應付及應計款項

所有其他應付及應計款項預期將於一年內清償。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

35 INSURANCE PROTECTION FUND

The amount represents the amount payable to the insurance protection fund at end of the reporting period. According to the CIRC's Order (2008) No. 2 "Administration rule on insurance protection fund", the insurance protection fund is calculated on the basis of 0.8% of retained premium for accident and short-term health policies, 0.15% of retained premium for long-term life and long-term health policies with guaranteed interest, and 0.05% of retained premium for long-term life policies without guaranteed interest. The ceiling of the fund for a life insurance company is 1% of its total assets and for a property and casualty insurance company is 6% of its total assets.

36 SECURITIES PURCHASED UNDER RESALE AGREEMENTS/SECURITIES SOLD UNDER REPURCHASE AGREEMENTS

The Group entered into transactions in which it transferred financial assets directly to third parties. As the Group has not transferred the significant risks and rewards relating to these securities, it continues to recognise the full carrying amount and has recognised the cash received on the transfer as securities sold under repurchase agreements. The following were the Group's held-to-maturity securities and available-for-sale securities that were transferred to the third parties with terms to repurchase these securities at the agreed dates and prices. These securities are either measured at amortised cost or carried at fair value respectively in the Group's consolidated statement of financial position.

35 保險保障基金

金額代表於報告期末應付保險保障基金之金額。根據中國保監會令[2008] 2號《保險保障基金管理辦法》，保險保障基金的提撥是按個人意外及短期健康保單自留保費的0.8%，含保證利息的長期人壽及長期健康保險保單自留保費的0.15%及不含保證利息的長期人壽保單自留保費的0.05%。當人壽保險的保險保障基金餘額達到總資產的1%時，不再提取保險保障基金，而財產保險公司則為總資產的6%。

36 買入返售證券／賣出回購證券

本集團進行交易把其金融資產直接轉讓至第三者。由於本集團並沒有把與此等證券有關的重大風險及回報轉移，因此繼續確認全數的賬面值，並把轉讓所收到的現金為賣出回購證券。本集團以商定的日期和價格之回購條款而轉移至另一實體的持有至到期日證券及可供出售證券如下。此等證券於本集團的綜合財務狀況表中分別按攤銷成本計量或以公允價值持有。

		31 December 2016 於二零一六年十二月三十一日		
		Held-to-maturity securities 持有至 到期日證券 \$'000 千元	Available- for-sale securities 可供出售 證券 \$'000 千元	Total 總額 \$'000 千元
Carrying amount of transferred assets	轉移資產的賬面值	809,998	1,874,777	2,684,775
Carrying amount of associated liabilities – securities sold under repurchase agreements	相關負債的賬面值 – 賣出回購證券 協議	(620,424)	(111,793)	(732,217)
Net position	淨值	189,574	1,762,984	1,952,558

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

36 SECURITIES PURCHASED UNDER RESALE AGREEMENTS/SECURITIES SOLD UNDER REPURCHASE AGREEMENTS (Continued)

36 買入返售證券／賣出回購證券 (續)

		31 December 2015 於二零一五年十二月三十一日		
		Held-to-maturity securities 持有至到期日證券 \$'000 千元	Available-for-sale securities 可供出售證券 \$'000 千元	Total 總額 \$'000 千元
Carrying amount of transferred assets	轉移資產的賬面值	19,588,946	10,880,140	30,469,086
Carrying amount of associated liabilities – securities sold under repurchase agreements	相關負債的賬面值 – 賣出回購證券 agreements	(10,791,747)	(5,855,903)	(16,647,650)
Net position	淨值	8,797,199	5,024,237	13,821,436

Conversely, the Group also enters into short-term investment arrangements secured by the securities purchased. The securities purchased are not recognised on the consolidated statement of financial position.

相反，本集團亦進行以買入的證券作抵押的短期投資安排。買入的證券並不確認於財務狀況表。

All of the securities purchased under resale agreements and securities sold under repurchase agreements are denominated in RMB and will be settled within one year from the end of the reporting period. The carrying amount of the securities purchased under resale agreements and securities sold under repurchase agreements approximate to their fair values.

所有買入返售證券及賣出回購證券以人民幣為單位及將在報告期末後一年內支付。買入返售證券及賣出回購證券之賬面值約相等於其公允價值。

As at 31 December 2016, most of the securities purchased under resale agreements and the securities sold under repurchase agreements will mature within 13 days (31 December 2015: within 11 days), with interest rates of 1% to 7% (31 December 2015: 3% to 5%) and 1% to 6% (31 December 2015: 2% to 4%) per annum respectively.

於二零一六年十二月三十一日，大部份的買入返售證券及賣出回購證券將於十三日內（二零一五年十二月三十一日：十一日內）到期，年利率分別為1%至7%（二零一五年十二月三十一日：3%至5%）及1%至6%（二零一五年十二月三十一日：2%至4%）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

37 BANK BORROWINGS

37 銀行貸款

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Unsecured	無抵押		
Bank loans (note (i))	銀行貸款 (註(i))	8,951,064	8,565,438
Bank loans for finance lease receivables (note (ii))	為應收金融租賃的 銀行貸款 (註(ii))	32,419,984	17,343,455
		41,371,048	25,908,893
Secured	抵押		
Bank loans for finance lease receivables (note (iii))	為應收金融租賃的 銀行貸款 (註(iii))	335,379	-
		41,706,427	25,908,893

The loans are repayable as follows:

貸款的還款期如下：

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Within 1 year	一年內	35,778,416	21,371,153
After 1 year but within 5 years	一年後但五年內	5,928,011	4,537,740
		41,706,427	25,908,893

The amounts presented in the above table are based on scheduled repayment dates set out in the loan agreements.

上表金額乃根據貸款協議的預定還款日期而呈列。

Notes:

註：

- (i) As at 31 December 2016, all bank loans are unsecured and carry interest at HIBOR plus 0.7% to HIBOR plus 1.1% or LIBOR plus 1% (31 December 2015: HIBOR plus 1% to HIBOR plus 2.15% or LIBOR plus 1.7%) per annum, with effective interest rates ranging from 0.90% to 1.84% (31 December 2015: 1.03% to 2.37%) per annum.
- (ii) As at 31 December 2016, the bank loans for finance lease receivables are unsecured and carry interest at fixed interest rates ranging from 3.1% to 4.98% (31 December 2015: fixed interest rate of 3.9% to 4.89%) per annum.
- (iii) As at 31 December 2016, the bank loans for finance lease receivables are secured and carry interest based on the benchmark interest rate issued by the People's Bank of China minus 0.19%, with effective interest rate of 3.89%.

- (i) 於二零一六年十二月三十一日，所有的銀行貸款均為無抵押及帶利息，年利率由香港銀行同業拆息加0.7%至香港銀行同業拆息加1.1%或倫敦銀行同業拆息加1%（二零一五年十二月三十一日：香港銀行同業拆息加1%至香港銀行同業拆息加2.15%或倫敦銀行同業拆息加1.7%），有效年利率則由0.90%至1.84%（二零一五年十二月三十一日：1.03%至2.37%）。
- (ii) 於二零一六年十二月三十一日，為應收金融租賃的銀行貸款為無抵押及帶利息，年利率為固定利率3.1%至4.98%（二零一五年十二月三十一日：固定利率3.9%至4.89%）。
- (iii) 於二零一六年十二月三十一日，為應收金融租賃的銀行貸款為抵押及帶利息，其年利率參照中國人民銀行頒佈的基準下浮0.19%，有效年利率為3.89%。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

38 SHARE CAPITAL

38 股本

		2016 二零一六年		2015 二零一五年	
		No. of shares 股份數目	\$'000 千元	No. of shares 股份數目	\$'000 千元
Ordinary shares, issued and fully paid: 已發行及繳足普通股股本:					
At 1 January	於一月一日	3,594,018,538	40,771,408	3,108,018,538	27,291,104
Placing and Subscriptions (note (a))	配售及認購股份 (附註 (a))	-	-	486,000,000	13,480,304
At 31 December	於十二月三十一日	3,594,018,538	40,771,408	3,594,018,538	40,771,408

All of the shares issued by the Company rank pari passu and do not carry pre-emptive rights.

本公司所發行的所有股份均享有同等權益，並沒有附帶任何優先權。

Note:

註:

(a) In May 2015, the Company raised \$13,481,640,000 through TPG (HK)'s subscriptions of 486,000,000 new shares of the Company at the price of \$27.74 per share after the placing of existing shares of the Company held by TPG (HK) pursuant to the placing and subscription agreement entered into on 7 May 2015. Proceeds of approximately \$13,480,304,000 were credited to the share capital of the Company. The net proceeds will be used as general working capital of the Group, which includes but not limited to the investment to further develop and support the Group's insurance businesses, as well as new growth potentials which can create effective synergy with the Group's existing business.

(a) 於二零一五年五月，本公司完成配售及認購募集資金約13,481,640,000元，根據二零一五年五月七日簽定的配售及認購協議，中國太平集團（香港）在配售其持有的本公司現有股份後，以每股股份27.74港元認購486,000,000股本公司新股份。所得款項中的約13,480,304,000元記入本公司的股本中。本公司把募集資金作為本集團的一般營運資金，包括但不限於撥作進一步發展和支持本集團的保險業務，以及其他能和本集團目前業務產生協同效應的新潛在增長點。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

39 RESERVES

39 儲備

		Capital reserve	Merger reserve	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Revaluation reserve	Retained profits	Perpetual subordinated capital securities	Attributable to owners of the Company	Non-controlling interests	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Balance at 1 January 2016	於二零一六年一月一日之結餘	(6,396,801)	(4,932,468)	(1,080,446)	5,060,733	4,077	(19,438)	639,021	20,974,570	4,707,349	18,956,597	12,070,628	31,027,225
Profit for the year	本年度溢利	-	-	-	-	-	-	4,520,451	253,797	4,774,248	1,528,228	6,302,476	
Other comprehensive income for the year:	本年度其他全面收益:												
Revaluation gain arising from reclassification of own-use properties to investment properties	因自用物業重新分類為投資物業而產生之重估收益	-	-	-	-	-	33,232	-	-	33,232	-	33,232	
Exchange differences on translation of the financial statements of subsidiaries, associates and joint ventures	換算附屬公司、聯營公司及合營公司賬項的匯兌差異	-	-	(2,833,667)	-	-	-	-	-	(2,833,667)	(804,867)	(3,638,534)	
Net changes in fair value of available-for-sale securities (note):	可供出售證券公允價值變動淨額(註):	-	-	-	(5,278,557)	-	-	-	-	(5,278,557)	(1,553,356)	(6,831,913)	
Total comprehensive income	全面收益總額	-	-	(2,833,667)	(5,278,557)	-	-	33,232	4,520,451	253,797	(3,304,744)	(829,995)	(4,134,739)
Distributions to holders of perpetual subordinated capital securities	向永續次級資本證券持有人分配	-	-	-	-	-	-	-	(254,199)	(254,199)	-	(254,199)	
Capital injection made to subsidiaries	向附屬公司注入資本	-	-	-	-	-	-	-	-	-	176,074	176,074	
Acquisition of a subsidiary	購入一間附屬公司	-	-	-	-	-	-	-	-	-	1,398	1,398	
Dividend declared by subsidiaries to non-controlling interests	附屬公司向非控股股東宣布的股息	-	-	-	-	-	-	-	-	-	(584,503)	(584,503)	
Balance at 31 December 2016	於二零一六年十二月三十一日之結餘	(6,396,801)	(4,932,468)	(3,914,113)	(217,824)	4,077	(19,438)	672,253	25,495,021	4,706,947	15,397,654	10,833,602	26,231,256

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

39 RESERVES (Continued)

39 儲備 (續)

	Capital reserve	Merger reserve	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Revaluation reserve	Retained profits	Perpetual subordinated capital securities	Attributable to owners of the Company	Non-controlling interests	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Balance at 1 January 2015	(6,478,938)	(4,932,468)	1,320,298	3,220,417	27,961	(19,438)	588,412	14,975,635	4,707,267	13,409,146	10,638,266	24,047,412
Profit for the year	-	-	-	-	-	-	-	6,087,735	253,501	6,341,236	1,827,002	8,168,238
Other comprehensive income for the year:												
Revaluation gain arising from reclassification of own-use properties to investment properties	-	-	-	-	-	-	50,609	-	-	50,609	4,924	55,533
Exchange differences on translation of the financial statements of subsidiaries, associates and joint ventures	-	-	(2,400,744)	-	-	-	-	-	-	(2,400,744)	(695,276)	(3,096,020)
Net changes in fair value of available-for-sale securities (note):	-	-	-	1,840,316	-	-	-	-	-	1,840,316	430,231	2,270,547
Total comprehensive income	-	-	(2,400,744)	1,840,316	-	-	50,609	6,087,735	253,501	5,831,417	1,566,881	7,398,298
Distributions to holders of perpetual subordinated capital securities	-	-	-	-	-	-	-	-	(253,419)	(253,419)	-	(253,419)
Transfer to capital reserve due to capitalisation of retained earnings as share capital from a subsidiary	82,137	-	-	-	-	-	-	(82,137)	-	-	-	-
Settlement of share-base payment and share options lapsed	-	-	-	-	(23,884)	-	-	(6,663)	-	(30,547)	-	(30,547)
Dividend declared by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(134,519)	(134,519)
At 31 December 2015	(6,396,801)	(4,932,468)	(1,080,446)	5,060,733	4,077	(19,438)	639,021	20,974,570	4,707,349	18,956,597	12,070,628	31,027,225

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

39 RESERVES (Continued)

Note:

39 儲備 (續)

註：

		31 December 2016 二零一六年十二月三十一日						
		Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Investments in debt and equity securities	債務及股本證券投資	(8,397,334)	(554,778)	43,061	(5,975)	(124,609)	(64,404)	(9,104,039)
Deferred tax charged to reserves	於儲備入賬之遞延稅項	2,099,667	138,695	(6,454)	7,296	31,152	1,770	2,272,126
Shared by non-controlling interests	非控股股東應佔權益	1,568,939	-	-	-	-	(15,583)	1,553,356
		(4,728,728)	(416,083)	36,607	1,321	(93,457)	(78,217)	(5,278,557)

		31 December 2015 二零一五年十二月三十一日						
		Life insurance 人壽保險 \$'000 千元	PRC property and casualty insurance 中國財產保險 \$'000 千元	Overseas property and casualty insurance 海外財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Pension and group life insurance 養老及團體保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Investments in debt and equity securities	債務及股本證券投資	2,292,293	201,577	(39,870)	(23,717)	22,897	558,440	3,011,620
Deferred tax charged to reserves	於儲備入賬之遞延稅項	(573,242)	(54,121)	6,065	(1,630)	(9,331)	(108,814)	(741,073)
Shared by non-controlling interests	非控股股東應佔權益	(428,212)	-	-	-	-	(2,019)	(430,231)
		1,290,839	147,456	(33,805)	(25,347)	13,566	447,607	1,840,316

Included in the retained profits is an amount of \$43,879,000 (2015: \$63,069,000), being the retained profits attributable to associates and joint ventures.

保留溢利當中包括聯營公司及合營公司的保留溢利，為數43,879,000元（二零一五年：63,069,000元）。

Included in the fair value reserve is a deficit of \$24,840,000 (2015: deficit of \$24,840,000), being the fair value reserves attributable to associates.

公允價值儲備當中包括聯營公司的公允價值儲備，為數虧絀24,840,000元（二零一五年：虧絀24,840,000元）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

39 RESERVES (Continued)

(a) Nature or purpose of reserves

(i) Capital reserve

The capital reserve represents the differences between the net assets value of the target interests, target assets and liabilities acquired and the fair value of the shares issued by the Company as consideration for the acquisition.

(ii) Merger reserve

Merger reserve represents the difference in (i) the fair value of the shares issued as a consideration paid to TPG and TPG (HK) and (ii) the share capital and share premium of the equity interests and the carrying value of certain assets acquired which were all under common control of TPG and TPG (HK) before and after the acquisition.

(iii) Exchange reserve

The exchange reserve is comprised of all of the foreign exchange differences arising from the translation of the financial statements of Group entities that has functional currency different from the Group's presentation currency. The reserve is dealt with in accordance with the accounting policy set out in Note 1(w).

(iv) Fair value reserve

The fair value reserve is comprised of the cumulative net change in the fair value of available-for-sale securities held at the end of the reporting period and is dealt with in accordance with the accounting policy set out in Note 1(h) (iv).

(v) Employee share-based compensation reserve

The employee share-based compensation reserve is comprised of the fair value of the actual or estimated number of unexercised share options and unvested awarded shares granted to employees of the Group recognised in accordance with the accounting policy adopted for share based payments set out in Note 1(aa)(i).

(vi) Shares held for Share Award Scheme

The Shares held for Share Award Scheme is the consideration paid, including any directly attributable incremental costs for purchase of shares under the Share Award Scheme, in accordance with the accounting policy set out in Note 1(aa)(ii).

39 儲備 (續)

(a) 儲備目的或性質

(i) 資本儲備

資本儲備是指所收購目標權益、目標資產及負債之資產淨值與本公司作為收購代價所發行股份公允價值的差額。

(ii) 合併儲備

合併儲備代表以下兩者之差異(i)作為支付予中國太平集團及中國太平集團(香港)代價所發行的股份之公允價值,及(ii)股本權益的股本及股份溢價和收購前及收購後均由中國太平集團及中國太平集團(香港)共同控制的若干資產之賬面價值。

(iii) 匯兌儲備

匯兌儲備包括換算所有香港以外業務賬項至本集團之呈報貨幣所產生的匯兌差異。此儲備根據有關附註1(w)所載的會計政策處理。

(iv) 公允價值儲備

公允價值儲備包括根據有關附註1(h) (iv)所載的會計政策處理於報告期末可供出售證券的累計公允價值變動淨額。

(v) 以股份為本之僱員補償儲備

以股份為本之僱員補償儲備包括根據已採納有關附註1(aa)(i)所載的股權支付會計政策確認授予本集團僱員之實際或估計未行使認股權及未歸屬獎授股份數目的公允價值。

(vi) 為股份獎勵計劃而持有之股份

為股份獎勵計劃而持有之股份是已支付之代價,並根據附註1(aa)(ii)內的會計政策,包括在股份獎勵計劃下購買股份的所有直接相關的增量成本。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

39 RESERVES (Continued)

(a) Nature or purpose of reserves (Continued)

(vii) Revaluation reserve

The revaluation reserve represents the revaluation of fair value of the assets and liabilities from the additional acquisition of TPI relating to previously held interest in TPI as associates and the revaluation of fair value of certain properties from land and building to investment properties.

40 PERPETUAL SUBORDINATED CAPITAL SECURITIES

The Company entered into an agreement on 2 September 2014 to issue perpetual subordinated capital securities in an aggregate principal amount of USD600,000,000, callable in 2019. According to the terms and conditions of the securities, the securities confer a right on the holders to receive distributions from the issue date. The rate of distribution shall be (i) 5.45% per annum in respect of the period from and including the issue date to but excluding 10 September 2019, (ii) applicable 5 year United States Treasury securities rate plus 3.786% per annum in respect of the period from and including 10 September 2019 to but excluding 10 September 2024, and (iii) applicable 5 year United States Treasury securities rate plus 4.786% per annum from and including 10 September 2024. The Company may redeem in whole, but not in part, the securities at their principal amount together with any distributions accrued on or after 10 September 2019. The Company may elect to defer any distributions, and is not subject to any restriction as to the number of times distribution can be deferred, if any distribution have been deferred, the Company and its subsidiaries shall be subject to certain restrictions from making dividends or distributions.

The perpetual subordinated capital securities, with an aggregate principal amount of USD600,000,000 (equivalent to \$4,650,090,000) were recorded as equity amounting to \$4,629,071,000 net of issuance costs. The balance of the perpetual subordinated capital securities as at 31 December 2016 and 2015 have been included the accrued distribution payments.

The distribution relating to the perpetual subordinated capital securities amounted to \$253,797,000 (2015: \$253,501,000) were accrued and distribution to holders of perpetual subordinated capital securities amounted to \$254,199,000 (2015: \$253,419,000) during the Year.

39 儲備 (續)

(a) 儲備目的或性質 (續)

(vii) 重估儲備

重估儲備代表額外購入太平財險時，有關過往持有太平財險權益為聯營公司的資產及負債之公允價值重估。此外，亦包括若干物業由土地及建築物重新分類至投資物業之公允價值重估。

40 永續次級資本證券

在二零一四年九月二日，本公司訂立認購協議，有關於發行本金總額為600,000,000美元之永續次級資本證券，可於二零一九年贖回。根據條款及條件，該債券賦予持有人權利可從發行日起按分派率收取分派。該證券所適用之分派率為：(i)自發行日(包括該日)起至二零一九年九月十日(不包括該日)期間，按每年5.45%計；(ii)自二零一九年九月十日(包括該日)起至二零二四年九月十日(不包括該日)期間，按適用五年期美國國庫債券息率加年利率3.786%計；及(iii)自二零二四年九月十日之後的各個重設日(包括該日)起至緊接的下一個重設日(不包括該日)期間，按適用五年期美國國庫債券息率加年利率4.786%計。本公司可選擇於二零一九年九月十日當天或之後，按該證券本金金額連同累計至指定贖回日之任何分派，贖回全部(而非部分)該證券。本公司可選擇延期支付分派，而不受任何分派次數延期限制，而本公司及其附屬公司仍應遵守若干關於股息或分派的限制。

永續次級資本證券的本金總額為600,000,000美元(相當於4,650,090,000元)，經扣除相關發行費用後，記錄在權益的金額為4,629,071,000元。於二零一六年及二零一五年十二月三十一日，永續次級資本證券結餘包括應付的分派付款。

於本年度內，有關永續次級資本證券應付的分派金額為253,797,000元(二零一五年：253,501,000元)，而向永續次級資本證券持有人分配254,199,000元(二零一五年：253,419,000元)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

(Expressed in Hong Kong dollars)
(以港幣列示)

41 EMPLOYEE RETIREMENT BENEFITS

The Group operates a MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance and one Staff Provident Fund Scheme (the "SPF scheme") under the Occupational Retirement Schemes Ordinance for employees employed under the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employers and its employees are each required to make contributions to the MPF scheme at 5% of the employees' relevant income, subject to a cap of a monthly relevant income of \$30,000 (\$25,000 before 1 June 2014). Contributions to the scheme vest immediately. Under the SPF scheme, the Group is required to make contributions based on a certain percentage of the relevant employees' salaries which is dependent on their length of service with the Group. Forfeited contributions to the SPF scheme are used to reduce the Group's future contributions.

As stipulated by the labour regulations of the PRC, certain subsidiaries of the Group participate in various defined contribution retirement plans authorised by municipal and provincial governments for its staff. These subsidiaries are required to contribute at a rate of 10% to 22% (31 December 2015: 10% to 22%) of the salaries, bonuses and certain allowances of their staff to the retirement plans. A member of the plans is entitled to a pension equal to a fixed proportion of the salary prevailing at his or her retirement date.

The Group has no other material obligations for the payment of its staff's retirement and other post-employment benefits other than the contributions described above.

41 僱員退休福利

根據香港強制性公積金計劃條例適用於按香港僱傭條例僱用的員工，本集團參與了一項強制性公積金計劃（「強積金計劃」），及根據職業退休計劃條例提供一項僱員公積金計劃（「公積金計劃」）。此強積金計劃是通過獨立信託人管理，屬已訂定供款退休計劃。根據此強積金計劃，僱主及僱員雙方均須按僱員之相關收入5%供款至此計劃，惟相關之收入上限為30,000元（二零一四年六月一日前為25,000元）。供款須即時投入計劃。就公積金計劃，本集團須按有關僱員薪金按其於本集團服務年期而定之百分比作供款。公積金之沒收供款用作扣減本集團日後供款。

根據中國勞工條例，本集團若干附屬公司為其僱員參加了由市及省政府組織的不同類型已訂定供款退休計劃。這些附屬公司須按其僱員的薪金、花紅及某些津貼的10%至22%（二零一五年十二月三十一日：10%至22%）供款給那些退休計劃。參與計劃的成員可以領取相等於在其退休之時薪金的一個固定比例的退休金。

本集團除作出上述已訂定的供款外，毋須支付退休金或任何其他離職後的進一步責任。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

42 EQUITY COMPENSATION BENEFITS

(a) Share Option Scheme

The Group has two share option schemes. Under the Old Scheme, the directors of the Company were authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for shares of the Company. Options granted between 24 May 2000 and 31 December 2002 were granted under the Old Scheme and in accordance with the requirements of Chapter 17 of the Listing Rules which came under effect on 1 September 2001.

A new share option scheme which is in line with the prevailing requirements of Chapter 17 of the Listing Rules was adopted on 7 January 2003.

All of the share options are settled in equity.

(i) Movements in share options

At 1 January	於一月一日	842,240	5,781,978
Lapsed	已失效	-	(4,939,738)
At 31 December	於十二月三十一日	842,240	842,240
Options exercisable as at 31 December	於十二月三十一日已歸屬的認股權	842,240	842,240

(ii) Terms of unexpired and unexercised share options at the end of the reporting period

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價 \$ 元	2016 二零一六年 Number 數目	2015 二零一五年 Number 數目
26/02/2007	26/02/2007 to 25/02/2017	9.014	842,240	842,240
			842,240	842,240

42 股本補償福利

(a) 認股權計劃

本集團擁有兩項認股權計劃。根據舊計劃，本公司董事有權酌情邀請本集團僱員（包括本集團內任何公司的董事）接納可認購本公司股份的認股權。在二零零零年五月二十四日至二零零二年十二月三十一日所授出的認股權均是按舊計劃及於二零零一年九月一日起生效的上市條例第十七章的規定而授出。

新認股權計劃是根據於二零零三年一月七日起生效的上市條例第十七章的規定而授出。

所有認股權是以股權支付。

(i) 認股權的變動

	2016 二零一六年 Number 數目	2015 二零一五年 Number 數目
At 1 January	842,240	5,781,978
Lapsed	-	(4,939,738)
At 31 December	842,240	842,240
Options exercisable as at 31 December	842,240	842,240

(ii) 於報告期末尚未屆滿及尚未行使的認股權之年期

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價 \$ 元	2016 二零一六年 Number 數目	2015 二零一五年 Number 數目
26/02/2007	26/02/2007 to 25/02/2017	9.014	842,240	842,240
			842,240	842,240

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

42 EQUITY COMPENSATION BENEFITS (Continued)

(a) Share Option Scheme (Continued)

(iii) Details of share options lapsed during the Year. The options were granted for \$1 in consideration.

Exercise period 行使期	Exercise price 行使價 \$ 元	2016 二零一六年 Number 數目	2015 二零一五年 Number 數目
23/11/2005 to 27/11/2015	2.731	-	(2,913,098)
29/12/2006 to 28/12/2016	9.309	-	(184,240)
29/06/2007 to 28/06/2017	13.507	-	(184,240)
31/12/2007 to 30/12/2017	20.327	-	(184,240)
30/06/2008 to 29/06/2018	18.347	-	(184,240)
31/12/2008 to 30/12/2018	11.322	-	(184,240)
31/12/2009 to 30/12/2019	23.841	-	(368,480)
30/06/2010 to 29/06/2020	24.611	-	(184,240)
31/12/2010 to 30/12/2020	22.967	-	(184,240)
30/06/2011 to 29/06/2021	16.698	-	(184,240)
30/12/2011 to 29/12/2021	13.989	-	(184,240)
		-	(4,939,738)

(b) Share Award Scheme

The purpose of the Share Award Scheme is to recognise and reward certain employees (including without limitation to an employee who is also a director) of the Group and TPG and its subsidiaries for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group.

The Share Award Scheme of the Company was adopted by the Board on 10 September 2007. A summary of the principal terms of the Share Award Scheme is set out in the Share Award Scheme Section of the Report of the Directors.

As at 31 December 2016, 969,200 shares (31 December 2015: 969,200 shares) are deemed as unallocated shares which are held under Share Award Scheme and are available for future award and/or disposal pursuant to the rules of Share Award Scheme.

42 股本補償福利 (續)

(a) 認股權計劃 (續)

(iii) 年內失效的認股權詳情。認股權均為以代價1元授出。

(b) 股份獎勵計劃

股份獎勵計劃旨在肯定及表揚本集團及中國太平集團及其附屬公司的僱員(包括身為董事的僱員)對本集團作出貢獻及提供長效激勵讓他們繼續為本集團的持續營運及發展努力。

董事會於二零零七年九月十日採納本公司的股份獎勵計劃。股份獎勵計劃的主要條款概要載於董事會報告書「股份獎勵計劃」標題下的內文。

於二零一六年十二月三十一日，969,200股(二零一五年十二月三十一日：969,200股)被視為未分配的股份以股份獎勵計劃持有，可供日後根據股份獎授計劃獎勵及/或出售。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

43 MATURITY PROFILE

The following table details the Group's contractual maturity for some of its financial assets and financial liabilities.

43 到期情況

下表載列本集團若干金融資產及金融負債的合約到期情況詳情。

		Repayable on demand 接獲要求 時償還 \$'000 千元	Less than 3 months 少於 三個月 \$'000 千元	3 to 12 months 三至十二 個月 \$'000 千元	1 to 5 years 一年 至五年 \$'000 千元	Over 5 years 超過五年 \$'000 千元	Undated 未有限期 \$'000 千元	Total 總額 \$'000 千元
At 31 December 2016	於二零一六年 十二月三十一日							
Assets	資產							
Deposits at banks and other financial institutions (including statutory deposits)	銀行及其他財務機構存款 (包括法定存款)	3,641	19,325,656	10,851,781	21,732,729	-	-	51,913,807
Money market funds	貨幣市場基金	229,667	-	-	-	-	-	229,667
Pledged deposits at banks	已抵押予銀行的存款	-	481,344	54,108	-	-	-	535,452
Debt securities	債務證券							
- held-to-maturity	- 持有至到期日	-	714,162	2,108,040	14,056,707	115,823,292	-	132,702,201
- available-for-sale	- 可供出售	-	720,629	3,747,268	8,413,707	17,375,529	352,809	30,609,942
- held-for-trading	- 持有作交易用途	-	89,611	455,287	1,472,003	258,427	7,815	2,283,143
- designated at fair value through profit or loss	- 指定為透過損益 以反映公允價值	-	67,122	127,186	124,107	16,777	-	335,192
Debt securities and debt products - loans and receivables	債務證券及債權產品 - 貸款及應收款項	-	6,926,387	3,518,431	50,773,487	14,734,936	-	75,953,241
Securities purchased under resale agreements	買入返售證券	33,538	5,464,198	-	-	-	-	5,497,736
Loans and advances	貸款及墊款	-	1,326,553	27,259,516	-	-	-	28,586,069
Finance lease receivables	應收金融租賃	-	2,063,293	7,485,277	28,239,689	-	-	37,788,259
		266,846	37,178,955	55,606,894	124,812,429	148,208,961	360,624	366,434,709
Liabilities	負債							
Interest-bearing notes	需付息票據	-	-	-	1,229,724	4,605,485	-	5,835,209
Bank borrowings	銀行貸款	-	8,082,713	26,556,933	7,066,781	-	-	41,706,427
		-	8,082,713	26,556,933	8,296,505	4,605,485	-	47,541,636

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

43 MATURITY PROFILE (Continued)

43 到期情況 (續)

	Repayable on demand 接獲要求 時償還 \$'000 千元	Less than 3 months 少於 三個月 \$'000 千元	3 to 12 months 三至十二 個月 \$'000 千元	1 to 5 years 一年 至五年 \$'000 千元	Over 5 years 超過五年 \$'000 千元	Undated 未有限 \$'000 千元	Total 總額 \$'000 千元
At 31 December 2015							
Assets							
Deposits at banks and other financial institutions (including statutory deposits)	1,688	16,839,902	8,467,870	22,139,604	-	56,921	47,505,985
Money market funds	16,410	838,822	-	-	-	265	855,497
Pledged deposits at banks	78	399,094	-	-	-	-	399,172
Debt securities							
- held-to-maturity	-	714,993	928,586	14,356,910	96,923,594	-	112,924,083
- available-for-sale	-	2,068,842	1,750,617	10,330,589	20,671,191	154,070	34,975,309
- held-for-trading	-	5,525	224,727	1,161,353	143,110	8,568	1,543,283
- designated at fair value through profit or loss	-	6,887	87,371	136,119	210,464	-	440,841
Debt securities and debt products - loans and receivables	-	10,749,770	2,867,411	37,635,539	20,665,013	-	71,917,733
Securities purchased under resale agreements	-	3,282,485	1,834,252	-	-	-	5,116,737
Loans and advances	-	-	20,649,116	-	-	-	20,649,116
Finance lease receivables	1,042,586	3,620,130	10,455,990	7,911,959	-	-	23,030,665
	1,060,762	38,526,450	47,265,940	93,672,073	138,613,372	219,824	319,358,421
Liabilities							
Interest-bearing notes	-	358,089	-	1,312,994	4,598,815	-	6,269,898
Bank borrowings	410,344	17,033,111	1,096,189	7,369,249	-	-	25,908,893
	410,344	17,391,200	1,096,189	8,682,243	4,598,815	-	32,178,791

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
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44 FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) Fair value of Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

The fair value of financial assets and liabilities are determined as follows:

- The fair value of financial assets and financial liabilities classified as Level 1 with standard terms and conditions and traded on active liquid markets are determined with reference to recent transaction price or quoted market bid prices and ask prices respectively;
- The fair value of derivative instruments are estimated using discounted cash flow analysis and the applicable yield curve for the duration of the non-applicable derivative;
- The fair value of unlisted investment funds and unlisted debt securities included in financial assets at fair value through profit or loss and available-for-sale investments classified as Level 2 are established by reference to the prices quoted by respective fund administrators or by using valuation techniques including discounted cash flow method. The main parameters used include bond prices, interest rates, foreign exchange rates, prepayment rates, counter party credit spreads and others; and
- The Level 3 financial assets, primarily comprises unlisted equity securities. Fair values are generally determined using valuation techniques, including discounted cash flows translation and markets comparison methods. Unobservable inputs include discount rates, comparable company valuation multiples, liquidity spreads, recent transaction prices of similar instruments etc. The valuation requires management to make certain assumptions about unobservable inputs to the models.

44 金融工具的公允價值

(a) 本集團經常性以公允價值計量的金融資產及金融負債

金融資產及金融負債的公允價值按以下方式釐定：

- 歸類為第一級為於活躍流動市場交易並受標準條款及條件規管之金融資產及金融負債，其公允價值分別參照近期交易價格或所報市場買價與賣價釐定；
- 衍生工具的公允價值乃根據折算現金流分析及對非可選衍生工具的存續期適用收益率曲線釐定；
- 歸類為第二級為包含在通過損益以反映公允價值的金融資產（指非上市投資基金及非上市債務證券）及可供出售投資，其公允價值參照各自的基金管理人報價或採用估值技術包括貼現現金流量法。使用的主要參數包括債券價格，利率，外匯匯率，提前償還率，對方信用利差等；及
- 第三級金融資產要包括非上市股本證券。公允價值通常使用估值技術確定，包括貼現現金流量折算和市場比較方法。不可觀察的投入包括折現率，可比公司估值倍數，流動性價差，類似工具的近期交易價格等。估值要求管理層對模型的不可觀察輸入做出某些假設。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

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44 FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

44 金融工具的公允價值 (續)

(a) Fair value of Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

(a) 本集團經常性以公允價值計量的金融資產及金融負債 (續)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

下表提供於初步確認後按公允價值計量之金融工具分析，其公允價值可按其觀察度分為第一至第三級。

		At 31 December 2016 於二零一六年十二月三十一日			
		Level 1 第一級 \$'000 千元	Level 2 第二級 \$'000 千元	Level 3 第三級 \$'000 千元	Total 總額 \$'000 千元
Financial assets	金融資產				
Investments in debt and equity securities:	債務及股本證券投資：				
- Available-for-sale	- 可供出售	39,349,963	24,675,431	6,425,549	70,450,943
- Held-for-trading	- 持有作交易用途	16,812,210	1,617,301	-	18,429,511
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	335,192	-	-	335,192
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	929,442	277,541	-	1,206,983
Financial liabilities	金融負債				
Investment contract liabilities in respect of unit-linked products	有關投資連結產品之投資合約負債	(929,442)	(277,541)	-	(1,206,983)
		At 31 December 2015 於二零一五年十二月三十一日			
		Level 1 第一級 \$'000 千元	Level 2 第二級 \$'000 千元	Level 3 第三級 \$'000 千元	Total 總額 \$'000 千元
Financial assets	金融資產				
Investments in debt and equity securities:	債務及股本證券投資：				
- Available-for-sale	- 可供出售	42,814,998	26,622,819	203,012	69,640,829
- Held-for-trading	- 持有作交易用途	8,721,922	950,030	-	9,671,952
- Designated at fair value through profit or loss	- 指定為通過損益以反映公允價值	484,400	220,294	-	704,694
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	1,600,652	179,542	-	1,780,194
Financial liabilities	金融負債				
Investment contract liabilities in respect of unit-linked products	有關投資連結產品之投資合約負債	(1,600,652)	(179,542)	-	(1,780,194)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

44 FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

- (a) Fair value of Group's financial assets and financial liabilities that are measured at fair value on a recurring basis
(Continued)

Reconciliation of Level 3 fair value measurements of financial assets:

44 金融工具的公允價值 (續)

- (a) 本集團經常性以公允價值計量的金融資產及金融負債 (續)

第三級金融資產公允價值計量之對賬：

		Available-for-sale unlisted securities 可供出售非上市證券 \$'000 千元
At 1 January 2016	於二零一六年一月一日	203,012
Transfer to Level 3	轉入第三級	3,405,545
Purchases	購入	2,492,947
Gain or losses recognised in:	收益或虧損確認於：	
- other comprehensive income	- 其他全面收益	336,144
Disposal	出售	(305)
Exchange difference	匯兌差額	(11,794)
		6,425,549
At 31 December 2016	於二零一六年十二月三十一日	6,425,549
		Available-for-sale unlisted securities 可供出售非上市證券 \$'000 千元
At 1 January 2015	於二零一五年一月一日	15,390
Purchases	購入	185,990
Gain or losses recognised in:	收益或虧損確認於：	
- other comprehensive income	- 其他全面收益	1,634
Exchange difference	匯兌差額	(2)
		203,012
At 31 December 2015	於二零一五年十二月三十一日	203,012

At 31 December 2016, investments in debt and equity securities classified as available-for-sale with carrying amounts of \$1,282,826,000 (31 December 2015: \$3,262,857,000) were transferred from Level 1 to Level 2 because quoted prices in the market for such investments were no longer regularly available. Conversely, investments in debt and equity securities classified as available-for-sale with carrying amounts of \$897,955,000 (31 December 2015: \$6,080,725,000) were transferred from Level 2 to Level 1 because quoted prices in active markets were available as at 31 December 2016.

於二零一六年十二月三十一日，賬面值為1,282,826,000元（二零一五年十二月三十一日：3,262,857,000元）之分類為可供出售的債務及股本證券投資從第一級轉為第二級，由於該等投資在市場中的所報價格已不再是經常使用。相反地，賬面值為897,955,000元（二零一五年十二月三十一日：6,080,725,000元）之分類為可供出售的債務及股本證券投資從第二級轉為第一級，由於該等投資可於二零一六年十二月三十一日從活躍市場中取得所報價格。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

44 FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Fair value of Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

During the year ended 31 December 2016, available-for-sale equity securities of \$3,405,545,000 were transferred into the Level 3 fair value measurement category. These financial assets were previously measured at costs less impairment because the range of reasonable fair value measurements was significantly wide.

(b) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2015 and 2016 except for the following financial instruments, for which their carrying amounts and fair value and the level of fair value hierarchy are disclosed below:

44 金融工具的公允價值 (續)

(a) 本集團經常性以公允價值計量的金融資產及金融負債 (續)

截至二零一六年十二月三十一日止年度，賬面值為3,405,545,000元之可供出售股權證券轉撥為第三級公允價值計量類別。這些金融資產之前以成本減去減值進行計量，因為合理的公允價值計量範圍非常廣泛。

(b) 並未有恆常以公允價值計量的金融資產及金融負債公允價值 (但需要進行公允價值披露)

於二零一五年及二零一六年十二月三十一日，惟於下文列出的金融工具除外，本集團所持有的金融工具，其賬面值按成本或攤銷成本，與其公允價值並無存在重大性差異。金融工具的賬面值、公允價值及公允價值層級披露如下：

		Carrying amount 賬面值 \$'000 千元	Fair value 公允價值 \$'000 千元	Level 1 第一級 \$'000 千元	Level 2 第二級 \$'000 千元	Level 3 第三級 \$'000 千元
At 31 December 2016	於二零一六年十二月三十一日					
Held-to-maturity debt securities	持有至到期日債務證券	132,702,201	138,577,445	20,654,088	117,923,357	-
Loans and receivables	貸款及應收款項					
- investment funds	- 投資基金	7,465,052	7,465,052	20,052	7,421,000	24,000
- debt products	- 債權產品	75,953,241	77,671,465	-	1,149,233	76,522,232
Interest-bearing notes	需付息票據	(5,835,209)	(5,951,282)	-	(5,951,282)	-
		Carrying amount 賬面值 \$'000 千元	Fair value 公允價值 \$'000 千元	Level 1 第一級 \$'000 千元	Level 2 第二級 \$'000 千元	Level 3 第三級 \$'000 千元
At 31 December 2015	於二零一五年十二月三十一日					
Held-to-maturity debt securities	持有至到期日債務證券	112,924,083	122,209,936	12,135,493	110,074,443	-
Loans and receivables	貸款及應收款項					
- debts securities	- 債務證券	401,692	401,982	99,990	65,363	236,629
- investment funds	- 投資基金	3,113,677	3,113,677	-	1,817,077	1,296,600
- debt products	- 債權產品	71,516,041	73,440,985	-	11,739,323	61,701,662
Interest-bearing notes	需付息票據	(6,269,898)	(6,618,329)	-	(6,618,329)	-

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

44 FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required) (Continued)

For listed held-to-maturity debt securities classified as Level 1, fair value is based on unadjusted quoted prices for identical assets traded in active market.

For unlisted held-to-maturity debt securities and interest-bearing notes issued classified as Level 2, fair value is determined by generally accepted pricing models including discounted cash flow technique by using observable market inputs such as market interest yield. For unlisted investment fund classified as Level 2, fair value is determined by broker quotes that can be corroborated with observable recent market transactions.

For debt products under loans and receivables classified as Level 3, fair value is determined by generally accepted pricing models including discounted cash flow technique by using unobservable discount rates that reflect the credit risk.

45 COMMITMENTS

(a) Capital commitments as at 31 December 2016 were as follows:

Contracted for but not provided	已訂約但未反映
– property and equipment	– 物業及設備
– investment properties	– 投資物業
Authorised but not contracted for	批准但未訂約
– property and equipment	– 物業及設備

44 金融工具的公允價值 (續)

(b) 並未有恆常以公允價值計量的金融資產及金融負債公允價值 (但需要進行公允價值披露) (續)

就分類為第一級的上市持有至到期日債務證券，其公允價值乃基於相同資產於活躍市場中所報之未調整價格釐定。

就分類為第二級的非上市持有至到期日債務證券及已發行的需付息票據，其公允價值按公認定價模式釐定，包括基於可在市場觀察的輸入數據（如市場利息收益率）計算的折算現金流量分析。就分類為第二級的非上市投資基金，其公允價值按可經目前市場交易觀察證實的券商報價釐定。

就分類為第三級的貸款及應收款項之債權產品，其公允價值按公認定價模式釐定，包括基於無法觀察的折現率計算的折算現金流量分析，以反映相關的信用風險。

45 承擔

(a) 於二零一六年十二月三十一日的資本性承擔如下：

	At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Contracted for but not provided		
– property and equipment	1,807,315	7,919,942
– investment properties	1,006,225	612,308
Authorised but not contracted for		
– property and equipment	1,537,838	–
	4,351,378	8,532,250

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

45 COMMITMENTS (Continued)

- (b) As at 31 December 2016, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Within 1 year	一年內	653,069	518,695
After 1 year but within 5 years	一年後但五年內	1,103,987	738,976
After 5 years	五年後	46,253	24,716
		1,803,309	1,282,387

The Group leases a number of properties under operating leases. The leases typically run for an initial period of 1 to 6 years, with an option to renew the leases while all terms are renegotiated. Lease payments are usually reviewed annually to reflect market rentals. None of the leases includes contingent rentals.

45 承擔 (續)

- (b) 於二零一六年十二月三十一日，根據不可解除的經營租賃在日後應付的最低租賃付款額如下：

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
一年內		653,069	518,695
一年後但五年內		1,103,987	738,976
五年後		46,253	24,716
		1,803,309	1,282,387

本集團以經營租賃租入部份物業。這些租賃一般初步為期一至六年，並有權選擇在到期日後續期，屆時所有條款均可重新商定。租賃付款通常會逐年檢討，以反映市場租金。各項租賃均不包括或然租金。

46 POLICYHOLDER ACCOUNT ASSETS IN RESPECT OF UNIT-LINKED PRODUCTS

		31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
Investments in held-for-trading securities	持有作交易用途之證券投資		
– Debt securities	– 債務證券	99,740	133,883
– Equity securities	– 股本證券	385,989	661,567
– Investment funds	– 投資基金	541,062	784,436
Other assets	其他資產	1,706	24,940
Securities purchased under resale agreements	買入返售證券	13,242	3,020
Money market fund	貨幣市場基金	14,328	12,428
Cash and bank balances	銀行結存及現金	150,916	159,920
		1,206,983	1,780,194

The above assets are held for policyholders of unit-linked products.

46 有關投資連結產品之保單持有人賬戶資產

		31 December 2016 二零一六年 十二月三十一日 \$'000 千元	31 December 2015 二零一五年 十二月三十一日 \$'000 千元
持有作交易用途之證券投資			
– 債務證券		99,740	133,883
– 股本證券		385,989	661,567
– 投資基金		541,062	784,436
其他資產		1,706	24,940
買入返售證券		13,242	3,020
貨幣市場基金		14,328	12,428
銀行結存及現金		150,916	159,920
		1,206,983	1,780,194

上述資產為為投資連結產品的保單持有人而持有。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

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47 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 2016.

48 MATERIAL RELATED PARTY TRANSACTIONS

The Group has not entered significant recurring and non-recurring transactions with related parties during the Year. Remuneration of directors and key management personnel disclosed in Notes 9 and 10.

Business transactions between state-owned enterprises controlled by the PRC (collectively "State-Owned Entities") are within the scope of related party transaction. During the Year, the Group had transactions with State-Owned Entities including but not limited to the sales of insurance policies and banking related services. These transactions are conducted in the ordinary course of the Group's insurance business on terms similar to those that would have been entered into with non-state-owned entities. The Group has also established its pricing strategy and approval processes for its major insurance products. Such pricing strategy and approval processes do not depend on whether the customers are State-Owned Entities or not. Having due regard to the substance of the relationships, the directors believe that none of these transactions are related party transactions that require separate disclosure.

47 或然負債

除上述所披露及在本集團日常保險業務中產生的訴訟外，於二零一六年十二月三十一日，本集團概無任何未決訴訟或其他或然負債。

48 重大關連人士交易

本集團與關連人士於本年度沒有進行重大經常及非經常交易。董事及關鍵管理人員薪酬於附註9及10披露。

與中國政府控制的國家控股企業（統稱為「國有實體」）之間的業務交易屬於關聯交易。本集團於本年度內與國有實體進行包括但不限於保單銷售及銀行相關服務之交易，該些交易所執行的條款跟本集團日常保險業務過程中與非國有實體進行交易所執行的條款相似。本集團亦已制定就其主要保險產品的定價策略及審批程序。該等定價策略及審批程序與客戶是否國有實體無關。經考慮其關係的性質後，董事相信該等交易並非須獨立披露之關連人士交易。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

49 STATEMENT OF FINANCIAL POSITION AND RESERVE OF HOLDING COMPANY

49 控股公司財務狀況表及儲備

		At 31 December 2016 於二零一六年 十二月三十一日 \$'000 千元	At 31 December 2015 於二零一五年 十二月三十一日 \$'000 千元
Assets	資產		
Fixed assets	固定資產		
– Property and equipment	– 物業及設備	15,601	13,804
– Investment properties	– 預付租賃付款	271,722	252,654
Interests in subsidiaries	無形資產	36,436,461	33,323,221
Interests in associates	於聯營公司及合營公司的權益	6,993	6,993
Investments in debt and equity securities	債務及股本證券投資	4,199,495	3,960,391
Deferred tax assets	遞延稅項資產	122	–
Amounts due from group companies	應收集團內公司款項	7,607,945	6,413,418
Other debtors	其他應收賬款	78,541	64,603
Cash and cash equivalents	現金及現金等價物	9,972,089	13,137,487
		58,588,969	57,172,571
Liabilities	負債		
Deferred tax liabilities	遞延稅項負債	72	19
Bank borrowings	銀行貸款	1,650,000	1,800,000
Amounts due to group companies	應付集團內公司款項	10,422,211	10,387,460
Other payables and accruals	其他應付及應計款項	148,747	151,257
Current taxation	當期稅項	3,230	1,277
		12,224,260	12,340,013
Net assets	資產淨值	46,364,709	44,832,558
Capital and reserves	資本及儲備		
Share capital	股本	40,771,408	40,771,408
Reserves	儲備	886,354	(646,199)
		41,657,762	40,125,209
Perpetual subordinated capital securities	永續次級資本證券	4,706,947	4,707,349
Total equity	總權益	46,364,709	44,832,558

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

49 STATEMENT OF FINANCIAL POSITION AND RESERVE OF HOLDING COMPANY (Continued)

49 控股公司財務狀況表及儲備 (續)

		Capital reserve	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Retained profits	Perpetual subordinated capital securities	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2016	於二零一六年一月一日	(661,995)	2,924	(11,620)	4,077	(13,304)	33,719	4,707,349	4,061,150
Available-for-sale securities:	可供出售證券:								
- Changes in fair value	- 公允價值變化	-	-	13,220	-	-	-	-	13,220
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	-	8,990	-	-	-	-	-	8,990
Profit for the year	本年度溢利	-	-	-	-	-	1,510,343	253,797	1,764,140
Distributions to holders of perpetual subordinated capital securities	向永續次級資本證券持有人分配	-	-	-	-	-	-	(254,199)	(254,199)
At 31 December 2016	於二零一六年十二月三十一日	(661,995)	11,914	1,600	4,077	(13,304)	1,544,062	4,706,947	5,593,301
At 1 January 2015	於二零一五年一月一日	(661,995)	(518)	11,000	27,961	(13,304)	186,973	4,707,267	4,257,384
Available-for-sale securities:	可供出售證券:								
- Changes in fair value	- 公允價值變化	-	-	(22,620)	-	-	-	-	(22,620)
Exchange difference on translation of foreign operations	換算海外業務的匯兌差額	-	3,442	-	-	-	-	-	3,442
Profit for the year	本年度溢利	-	-	-	-	-	(146,591)	253,501	106,910
Distributions to holders of perpetual subordinated capital securities	向永續次級資本證券持有人分配	-	-	-	-	-	-	(253,419)	(253,419)
Settlement of share-based payment and share options lapsed	僱員補償支付結算及認股權失效	-	-	-	(23,884)	-	(6,663)	-	(30,547)
At 31 December 2015	於二零一五年十二月三十一日	(661,995)	2,924	(11,620)	4,077	(13,304)	33,719	4,707,349	4,061,150

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

50 ACCOUNTING ESTIMATES AND JUDGEMENTS 50 會計估計及判斷

The preparation of financial statements under HKFRSs requires management to make significant estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses as well as the related disclosures. Changes in assumptions may have a significant impact on the financial statements in the periods where the assumptions are changed. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Impairment of goodwill and intangible assets

The Group assesses annually if the goodwill and intangible assets associated with the acquisition of subsidiaries and associates have suffered any impairment losses in accordance with the accounting policy stated in Note 1(o). The recoverable amount of the goodwill and intangible assets is determined using discounted cash flows which require the use of estimated revenue from business operations, investment returns and an appropriate discount rate. As at 31 December 2016, the carrying amount of goodwill and intangible assets were \$762.04 million (31 December 2015: \$668.52 million) and \$261.67 million (31 December 2015: \$261.67 million) respectively.

(b) Held-to-maturity investments

The Group classifies non-derivative financial assets with fixed or determinable payments and fixed maturity and where the Group has a positive intention and ability to hold the assets to maturity as held-to-maturity investments. In making this judgement, the Group evaluates its intention and ability to hold such investments until maturity.

If the Group fails to hold these investments to maturity other than for certain specific circumstances, the Group would have to reclassify the entire portfolio of held-to-maturity investments as available-for-sale investments, as such portfolio of investments would be deemed to have been tainted. This would result in the held-to-maturity investments being measured at fair value instead of at amortised cost.

(c) Impairment of available-for-sale financial assets

The Group follows the guidance of HKAS 39 when determining whether there has been a significant or prolonged decline in the fair value of an investment in available-for-sale financial assets below its cost. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost. As at 31 December 2016, the carrying amount of available-for-sale financial assets were \$70,604.11 million (31 December 2015: \$75,242.03 million).

根據香港財務報告準則編製財務報表時，管理層須作出重要估計及假設，因而影響到所列報之資產、負債、收入及開支，以至相關披露之金額。更改假設或會對更改假設之期間的財務報表造成重大影響。引致下個財政年度內之資產及負債之賬面值有重大調整主要風險之估計及假設論述如下：

(a) 商譽及無形資產減值

本集團每年按照附註1(o)所述之會計政策評估與收購附屬公司及聯營公司有關之商譽及無形資產是否蒙受任何減值。商譽及無形資產之可收回金額乃使用已折現現金流量釐定，已折現現金流量須使用經營業務估計收入、投資回報及適當之折現率進行計算。於二零一六年十二月三十一日，商譽及無形資產的賬面值分別為7.6204億元（二零一五年十二月三十一日：6.6852億元）及2.6167億元（二零一五年十二月三十一日：2.6167億元）。

(b) 持有至到期投資

本集團將有固定或可確定付款金額及固定期限而本集團又有明確意向及有能力持有至到期日非衍生工具金融資產，分類為持有至到期投資。於作出此判斷時，本集團評估其持有該等投資直至到期之意向及能力。

除在若干特定情況下外，倘本集團未能持有該等投資至到期，本集團將必須把持有至到期投資之整個投資組合，重新分類為可供出售投資，因該投資組合已被視為受影響。這將導致持有至到期投資按公允價值而非按攤銷成本計算。

(c) 可供出售金融資產減值

本集團於決定可供出售金融資產之公允價值有否大幅或長期下跌至低於其成本時，乃按照香港會計準則第39號之指引作出決定。此決定需要重大的判斷。於作出此判斷時，本集團評估（包括其他因素）投資之公允價值少於其成本之年期及程度。於二零一六年十二月三十一日，可供出售金融資產的賬面值為706.0411億元（二零一五年十二月三十一日：752.4203億元）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

50 ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

50 會計估計及判斷 (續)

(d) Determination of insurance liabilities

The Group's insurance liabilities are mainly comprised of unearned premium provisions of \$11,815.45 million (31 December 2015: \$11,118.27 million), provision for outstanding claims of \$16,716.06 million (31 December 2015: \$16,003.01 million) and life insurance contract liabilities of \$291,843.97 million (31 December 2015: \$254,020.79 million).

The Group makes a reasonable estimate of the payments which the Group is required to make in fulfilling its obligations under the insurance contracts, based on information currently available at the end of the reporting period. The Group makes an estimate of assumptions used in the measurement of insurance contract liabilities, such assumptions including but not limited to mortality, morbidity, disability rates, lapse rates, expenses, policy dividend, claim development factors, expected claim ratio and risk discount rate. Also, the Group determines estimates for premiums and claims data not received from ceding companies at the date of the consolidated financial statements on the basis of historical information, actuarial analyses, financing modeling and other analytical techniques. The directors continually review the estimates and make adjustments as necessary, but actual results could differ significantly from what is envisioned when these estimates are made.

(e) Fair value of investment properties and financial instruments

The fair values of investment properties and financial instruments were determined based on valuation models which involve certain assumptions. Favourable or unfavourable change to these assumptions would result in changes in the fair value and corresponding adjustment to the amount of gain or loss reported in profit or loss.

51 PARENT AND ULTIMATE HOLDING COMPANIES

The immediate holding company and the ultimate holding company as at 31 December 2016 are China Taiping Insurance Group (HK) Company Limited (incorporated in Hong Kong) and China Taiping Insurance Group Ltd. (established in the PRC), respectively. China Taiping Insurance Group Ltd. is ultimately controlled by the State Council of the PRC.

(d) 釐定保險負債

本集團之保險負債主要包括未到期責任準備金118.1545億元(二零一五年十二月三十一日:111.1827億元)、未決賠款準備167.1606億元(二零一五年十二月三十一日:160.0301億元)及壽險合約負債2,918.4397億元(二零一五年十二月三十一日:2,540.2079億元)。

本集團於報告期末根據目前掌握的資料就本集團須在履行其保險合約的責任需要支付的金額作出合理估計。本集團對計量保險合約負債的假設進行估計,這些假設包括但不限於死亡率、發病率、傷殘率、退保率、費用、保單紅利、賠付發展因素、預計賠付率和風險折現率。本集團因於綜合財務報表日期仍未收到分保公司所提供之保費及賠款金額數據而作出之估計,並按歷史資料、精算分析、財務模型及其他分析技巧而確定此等估計。董事不斷檢討有關之估計,並在有需要時作出調整,但實際結果可能與作出估計時預計的結果差別很大。

(e) 投資物業及金融工具的公允價值

投資物業及金融工具的公允價值乃根據估值模型而釐定,當中涉及若干假設。該等假設的有利或不利變化將導致公允價值產生變化及相對應對收益或虧損的調整於損益呈報。

51 母公司及最終控股公司

於二零一六年十二月三十一日的直屬控股公司及最終控股公司分別為於香港成立的中國太平保險集團(香港)有限公司及於中國成立的中國太平保險集團有限責任公司。中國太平保險集團有限責任公司隸屬於中國國務院。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

52 POSSIBLE IMPACT OF NEW HKFRSS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016

Up to the date of issue of these financial statements, the HKICPA has issued the following new and revised HKFRSs which are not yet effective for the year ended 31 December 2016 and which have not been adopted in these financial statements.

52 已在截至二零一六年十二月三十一日止年度前頒布但尚未生效的新訂香港財務報告準則所可能產生的影響

在此等財務報表發布日期前，香港會計師公會頒布了以下新及經修訂香港財務報告準則，但此等新及經修訂準則於截至二零一六年十二月三十一日止年度尚未生效，因此亦尚未應用於此等財務報表。

Amendments to HKAS 12
香港會計準則第12號之修訂

Income taxes ¹
所得稅 ¹

Amendments to HKAS 7
香港會計準則第7號之修訂

Statement of cash flows ¹
現金流量表 ¹

HKFRS 9
香港財務報告準則第9號

Financial Instruments ²
金融工具 ²

HKFRS 15
香港財務報告準則第15號

Revenue from contracts with customers ²
基於客戶合同的收入確認 ²

HKFRS 16
香港財務報告準則第16號

Leases ³
租賃 ³

Amendments to HKFRS 10 and HKAS 28
香港財務報告準則第10號及
香港會計準則第28號之修訂

Sale or contribution of assets between an investor and its
associate or joint venture ³
投資者與其聯營或合營公司之間的資產出售或注資 ³

Note:

- ¹ Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.
- ² Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
- ³ Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

註：

- ¹ 生效於二零一七年一月一日或以後開始之年度期間並准許提早應用。
- ² 生效於二零一八年一月一日或以後開始之年度期間並准許提早應用。
- ³ 生效於二零一九年一月一日或以後開始之年度期間並准許提早應用。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

52 POSSIBLE IMPACT OF NEW HKFRSS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (Continued)

HKFRS 9 Financial Instruments

HKFRS 9 (2014) Financial Instruments replaces the whole of HKAS 39.

HKFRS 9 has three financial asset classification categories for investments in debt instruments: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. Classification is driven by the entity's business model for managing the debt instruments and their contractual cash flow characteristics. Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in OCI, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. For financial liabilities there are two classification categories: amortised cost and fair value through profit or loss. Where non-derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability's own credit risk are recognised in OCI, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognised in profit or loss. There is no subsequent recycling of the amounts in OCI to profit or loss. For financial liabilities held for trading (including derivative financial liabilities), all changes in fair value are presented in profit or loss.

HKFRS 9 introduces a new model for the recognition of impairment losses – the expected credit losses (ECL) model, which constitutes a change from the incurred loss model in HKAS 39. HKFRS 9 contains a 'three stage' approach, which is based on the change in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. The new rules mean that on initial recognition of a non-credit impaired financial asset carried at amortised cost a day-1 loss equal to the 12-month ECL is recognised in profit or loss. In the case of accounts receivables this day-1 loss will be equal to their lifetime ECL. Where there is a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL.

HKFRS 9 applies to all hedging relationships, with the exception of portfolio fair value hedges of interest rate risk. The new guidance better aligns hedge accounting with the risk management activities of an entity and provides relief from the more "rule-based" approach of HKAS 39.

The directors are in the process of assessing the impact of adoption of HKFRS 9 on the Group's consolidated financial statements.

52 已在截至二零一六年十二月三十一日止年度前頒布但尚未生效的新訂香港財務報告準則所可能產生的影響 (續)

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號(2014)「金融工具」將取代香港會計準則第39號整項準則。

香港財務報告準則第9號將債務工具投資分為三類：已攤銷成本、通過其他綜合收益以反映公允價值，及通過損益以反映公允價值。分類由報告實體管理債務投資的商業模式及其合同現金流的特徵決定。權益工具的投資始終按公允價值計量。不過，管理層可以做出不可撤銷的選擇，在其他綜合收益中列報公允價值的變動，前提是權益工具的不是持有作交易。如果權益工具是持有作交易，公允價值的變動應當列報在損益中。金融負債分為兩類：已攤銷成本及通過損益以反映公允價值。當非衍生工具金融負債被指定為通過損益以反映公允價值，因為負債本身的信貸風險變動而導致的公允價值變動，在其他綜合收益中確認，除非該等公允價值變動會導致損益的會計錯配，在此情況下，所有公允價值變動在損益中確認。在其他綜合收益內的數額其後不循環至損益。對於為持有作交易的金融負債（包括衍生金融負債），所有公允價值變動在損益中列報。

香港財務報告準則第9號為確認減值損失引入了一個新模型—預期信用損失模型，這是對香港會計準則第39號指引的變化。香港財務報告準則第9號包含一種「三階段」方法，這種方法以初始確認後金融資產信用品質的變動為基礎。資產隨信用品質變動在這三個階段內轉變，不同階段決定主體對減值損失的計量方法及實際利率法的運用方式。新規定意味著，主體在對未發生信用減值的金融資產初始確認時，必須將12個月內的預期信用損失作為首日損失在損益中確認。對於貿易應收賬款，首日損失將等於其整個生命期的預期信用損失。當信用風險顯著增加時，使用整個生命期的預期信用損失（而非12個月內的預期信用損失）計量減值。

香港財務報告準則第9號「對沖會計」適用於所有對沖關係，除了針對利率風險的組合公允價值對沖。新指引將對沖會計與主體的風險管理活動作更佳配合，並較香港會計準則第39號中較為「規則為本」的方法更為寬鬆。

董事現正評估應用香港財務報告準則第9號會對本集團綜合財務報表造成的影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

52 POSSIBLE IMPACT OF NEW HKFRSS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (Continued)

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) recognise revenue when performance obligation is satisfied. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an 'earnings processes' to an 'asset-liability' approach based on transfer of control.

HKFRS 15 provides specific guidance on capitalisation of contract cost and licence arrangements. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

HKFRS 15 replaces the previous revenue standards:

- HKAS 18 *Revenue*; and
- HKAS 11 *Construction Contracts*;

and the related Interpretations on revenue recognition:

- HK(IFRIC) 13 *Customer Loyalty Programmes*;
- HK(IFRIC) 15 *Agreements for the Construction of Real Estate*;
- HK(IFRIC) 18 *Transfers of Assets from Customers*; and
- SIC-31 *Revenue – Barter Transactions Involving Advertising Services*

The directors are in the process of assessing the impact of adoption of HKFRS 15 on the Group's consolidated financial statements.

52 已在截至二零一六年十二月三十一日止年度前頒布但尚未生效的新訂香港財務報告準則所可能產生的影響 (續)

香港財務報告準則第15號「基於客戶合同的收入確認」

香港財務報告準則第15號建立了一個綜合框架，通過五步法來確定何時確認收入以及應當確認多少收入：(1) 界定與客戶的合同；(2) 界定合同內獨立的履約義務；(3) 釐定交易價格；(4) 將交易價格分攤至合同內的履約義務；(5) 當主體符合履約義務時確認收入。核心原則為主體須確認收入，以體現向客戶轉讓承諾貨品或服務的數額，並反映主體預期交換該等貨品或服務而應得的對價。它摒棄了基於「收益過程」的收入確認模型，轉向基於控制轉移的「資產－負債」模型。

香港財務報告準則第15號就合同成本的資本化和許可安排提供了具體的指引。它同時包括了一整套有關客戶合同的性質、金額、時間以及收入和現金流的不確定性的披露要求。

香港財務報告準則第15號取代了之前收入準則：

- 香港會計準則第18號「收入」；和
- 香港會計準則第11號「建造合同」；

以及與收入確認相關的解析：

- 香港（國際財務報告解釋理事會）第13號「客戶忠誠度計劃」；
- 香港（國際財務報告解釋理事會）第15號「房地產建造協議」；
- 香港（國際財務報告解釋理事會）第18號「轉撥自客戶的資產」；及
- 解釋公告第31號「收入－涉及廣告服務的以物易物交易」

董事現正評估應用香港財務報告準則第15號會對本集團綜合財務報表造成的影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

52 POSSIBLE IMPACT OF NEW HKFRSS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (Continued)

Amendments to HKFRS 10 and HKAS 28 Sale or Contribution of Assets between an Investor and its Associate and Joint Venture

The amendments address an inconsistency between HKFRS 10 and HKAS 28 in the sale and contribution of assets between an investor and its associate or joint venture.

A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.

The directors do not anticipate that the application of the Amendments to HKFRS 10 and HKAS 28 *Sale or Contribution of Assets between an Investor and its Associate and Joint Venture* will have a material effect on the Group's consolidated financial statements.

Except as described above, the directors anticipate that the application of the other new and revised HKFRS will not have material impact on the Group's financial performance and positions for the coming financial years and/or on the disclosures set out in these consolidated financial statements.

52 已在截至二零一六年十二月三十一日止年度前頒布但尚未生效的新訂香港財務報告準則所可能產生的影響 (續)

香港財務報告準則第10號及香港會計準則第28號之修訂「投資者與其聯營或合營公司之間的資產出售或注資」

此等修改針對香港財務報告準則第10號及香港會計準則第28號之間有關投資者與其聯營或合營公司之間的資產出售或注資兩者的不一致性。

當交易涉及一項業務，須確認全數利得或虧損。當交易涉及不構成一項業務的資產項，須確認部分利得或虧損，即使該等資產在附屬公司以內。

董事預期應用包括在香港財務報告準則第10號及香港會計準則第28號之修訂「投資者與其聯營或合營公司之間的資產出售或注資」中的修訂將不會對本集團的綜合財務報表產生重大影響。

除以上載述外，董事預期應用其他新訂或經修訂香港財務報告準則將不會對本集團下一個財政年度的業績及財務狀況及／或在該等綜合財務報表的披露規定產生重大影響。

Independent Auditor's Report

獨立核數師報告



羅兵咸永道

To the Members of
China Taiping Insurance Holdings Company Limited
(incorporated in Hong Kong with limited liability)

致中國太平保險控股有限公司成員
(於香港註冊成立的有限公司)

OPINION

意見

What we have audited

我們已審計的內容

The consolidated financial statements of China Taiping Insurance Holdings Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 122 to 306, which comprise:

中國太平保險控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第122至306頁的綜合財務報表,包括:

- the consolidated statement of financial position as at 31 December 2016;
 - the consolidated statement of profit or loss for the year then ended;
 - the consolidated statement of profit or loss and other comprehensive income for the year then ended;
 - the consolidated statement of changes in equity for the year then ended;
 - the consolidated statement of cash flows for the year then ended; and
 - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於二零一六年十二月三十一日的綜合財務狀況表;
 - 截至該日止年度的綜合損益表;
 - 截至該日止年度的綜合損益及其他全面收益表;
 - 截至該日止年度的綜合權益變動表;
 - 截至該日止年度的綜合現金流量表;及
 - 綜合財務報表附註,包括主要會計政策概要。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零一六年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

Independent Auditor's Report

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Valuation of life insurance contract liabilities
- Valuation of provision for outstanding claims for general insurance businesses
- Valuation of unlisted equity securities

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 壽險合約負債的計量
- 財產保險未決賠款準備的計量
- 非上市股本證券投資的估值

Independent Auditor's Report

獨立核數師報告

Key Audit Matter 關鍵審計事項

Valuation of life insurance contract liabilities 壽險合約負債的計量

Refer to Note 1(d) Significant Accounting Policies – Recognition and measurement of contracts (ii) Life insurance contract liabilities, and Note 27 Life insurance contract liabilities.

參見附註1(d) 主要會計政策－合約確認及計量(ii) 壽險合約負債和附註27壽險合約負債。

Refer to Note 50(d) Accounting Estimates and Judgements – Determination of insurance liabilities.

參見附註50(d) 會計估計及判斷－釐定保險負債。

The Group had life insurance contract liabilities of HK\$291,844 million as at 31 December 2016, representing 66.6% of the Group's total liabilities. 本集團於二零一六年十二月三十一日之人壽保險合約負債為2,918億港元，相當於本集團總負債的66.6%。

The valuation of life insurance contract liabilities requires the use of appropriate actuarial methodologies, and also various economic and operational assumptions that are subject to a high degree of management's judgement. Therefore, this is identified as a key audit matter in our audit. There are inherent uncertainties in the estimation of future policyholder benefits as at the balance sheet date. The key assumptions used in measuring the life insurance contract liabilities include discount rates, mortality and morbidity rates, disability rates, lapse rates, expenses, and policy dividend.

壽險合約負債的計量需使用適當的精算方法以及各種有關經濟和運營的假設，涉及高程度的管理層判斷。因此，壽險合約負債的計量被定為關鍵審計事項。在資產負債表日，保單持有人未來給付的估計存在根本的不確定性。計量壽險合約負債的關鍵假設包括折現率、死亡率及發病率、傷殘率、退保率、費用和保單紅利。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

We evaluated the internal controls over the actuarial process of the valuation of life insurance contract liabilities.

我們評估了壽險合約負債計量中的精算過程中的內部控制。

We involved our actuarial experts in performing all of the following audit procedures.

我們的精算專家參與了以下所有審計程序的執行工作。

We checked the appropriateness of the methodologies adopted against market actuarial practices. We assessed the reasonableness of the key assumptions used including discount rates, mortality and morbidity rates, disability rates, lapse rates, expenses, and policy dividend, and management's rationale for the judgements applied. We considered the Group's historical data and applicable industry experiences.

我們根據市場一般精算做法，檢查集團所採用的精算方法的適用性。我們評估了關鍵假設的合理性，包括折現率、死亡率和發病率、傷殘率、退保率、費用和保單紅利，以及管理層作出判斷的基礎理論。我們考慮了集團的歷史資料和適用的行業經驗。

We evaluated the overall reasonableness of the life insurance contract liabilities through trend and movement analysis, analysis of actual experiences against expected results, and analysis of impacts of key assumption changes.

我們通過進行壽險合約負債趨勢及變動分析、對實際經驗與預期的結果進行比較分析、並分析關鍵假設變動的影響，從而評估壽險合約負債的整體合理性。

Based on the work performed, we considered the key assumptions and methodologies applied to be appropriate for the valuation of life insurance contract liabilities.

根據已完成的工作，我們認為用於計量壽險合約負債時的關鍵假設及計量方法均為合適。

Independent Auditor's Report

獨立核數師報告

Key Audit Matter 關鍵審計事項

Valuation of provision for outstanding claims for general insurance businesses

財產保險未決賠款準備的計量

Refer to Note 1(d) Significant Accounting Policies – Recognition and measurement of contracts (iv) Provision for outstanding claims, and Note 29 Provision for outstanding claims.

參見附註1(d) 主要會計政策—合約確認及計量 (iv) 未決賠款準備及附註29未決賠款準備。

Refer to Note 50(d) Accounting Estimates and Judgements – Determination of insurance liabilities.

參見附註50(d) 會計估計及判斷—釐定保險負債。

The Group had provision for outstanding claims for general insurance businesses of HK\$15,844 million as at 31 December 2016, representing 3.6% of the Group's total liabilities.

本集團於二零一六年十二月三十一日之財產保險未決賠款準備為158億港元，相當於本集團總負債的3.6%。

The valuation of provision for outstanding claims for general insurance businesses involves a high degree of management's judgement and therefore is our audit focus. The key assumption in measuring provision for outstanding claims for general insurance businesses is the ultimate claims expenses, which is estimated based on the Group's past claims development experiences. Actuarial methods are used to extrapolate the expected loss ratios based on the historical data such as development of paid and incurred losses, and average costs per claim.

財險未決賠款準備的計量涉及高程度的管理層判斷，因此成為我們的關注事項。計量財險未決賠款準備的關鍵假設是根據集團過去的賠付發展經驗估計的最終賠付成本。集團根據歷史資料例如已支付和已發生損失的發展以及賠付的平均成本，使用精算方法來推斷預期賠付率。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

We evaluated the internal controls over the actuarial process, including data collection and analysis, in estimating the valuation of provision for outstanding claims for general businesses. We involved our actuarial experts in performing all of the following audit procedures.

我們評估了財險未決賠款準備計量中精算過程中的內部控制，包括資料收集和分析。我們的精算專家參與了以下所有審計程序的執行工作。

We developed our independent view of a range of best estimates of the provision for outstanding claims for general insurance businesses and compared with management's estimates. We further assessed the reasonableness of management's key assumption, being the ultimate claims expenses, by considering the Group's historical data and applicable industry experiences.

我們就財險未決賠款準備獨立推算了最佳估計範圍，並與管理層的估計做出比較。我們亦根據集團財險合約的歷史資料和適用的行業經驗，評估了管理層的關鍵假設的合理性，即最終賠付成本。

We evaluated the overall reasonableness of the provision for outstanding claims for general insurance businesses by performing retrospective analysis and assessed whether there is any indication that the estimated liability may be inadequate.

我們通過進行回溯性分析評估財險未決賠款準備的整體合理性，並評估是否有任何跡象表明預計負債可能不足。

Based on the work performed, we considered the assumptions and methodologies applied to be appropriate for the valuation of outstanding claims liabilities for general insurance businesses.

根據已完成的工作，我們認為用於計量財險未決賠款準備時被採用的關鍵假設及計量方法均為合適。

Independent Auditor's Report

獨立核數師報告

Key Audit Matter 關鍵審計事項

Valuation of unlisted equity securities 非上市股本證券投資的估值

Refer to Note 1(h) Significant Accounting Policies – Investments in debt and equity securities, Note 19 Investments in debt and equity securities and Note 44 Fair Value of Financial Instruments.

參見附註1(h)主要會計政策－債務及股本證券投資，附註19債務及股本證券投資及附註44金融工具的公允價值。

The Group held unlisted equity securities that were classified under available-for-sale financial assets and were classified as level 3 for fair value measurement purposes. These unlisted equity securities represented 1.3% of the Group's total assets as at the balance sheet date. The valuation of these securities involves a high degree of management's judgements as they are valued based on assumptions which are not observable from the market. The valuation of unlisted equity securities is identified as an area of our focus.

集團持有被分類為可供出售的金融資產以及公允價值計量被分類為第三級的非上市股本證券投資。在資產負債表日，這些非上市股本證券佔集團總資產的1.3%。由於這類證券的估值基於在市場上不可觀察的假設，其估值涉及高程度的管理層判斷。因此非上市股本證券投資的估值是我們關注的事項。

How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

We evaluated the internal controls over the investment valuation process.
我們評估了投資評估過程中的內部控制。

We involved our internal valuation experts in assessing the methodologies and key assumptions in the valuation of these financial assets. We also assessed the reasonableness of the key unobservable inputs used in the valuation such as discount rates, comparable company valuation multiples, liquidity spreads, and recent transaction prices of similar securities.

我們的內部估值專家參與了對這些投資估值用的方法和關鍵假設的評估。我們也評估了採用於估值那些不可觀察的關鍵投入的合理性，比如折現率、可比公司估值倍數、流動性價差、相似的金融工具的近期交易價格等。

Based on the work performed, we considered the assumptions and methodologies applied to be appropriate for the valuation of these unlisted equity securities.

根據已完成的工作，我們認為用於計量非上市股本證券投資的估值時被採用的方法和假設均為合適。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

其他信息

貴公司董事須對其他資訊負責。其他資訊包括年報內的所有資訊，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資訊，我們亦不對該等其他資訊發表任何形式的鑒證結論。

Independent Auditor's Report

獨立核數師報告

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審計委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會須負責監督貴集團的財務報告過程。

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獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）按照香港《公司條例》第405條報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

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獨立核數師報告

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

除其他事項外，我們與審計委員會溝通了計畫的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

Independent Auditor's Report

獨立核數師報告

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wong Kin Lap.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

23 March 2017

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是黃健立。

羅兵咸永道會計師事務所
執業會計師
香港

二零一七年三月二十三日

Five Year Financial Summary

五年財務概要

(Expressed in Hong Kong dollars)
(以港幣列示)

RESULTS

業績

		2016 二零一六年	2015 二零一五年	2014 二零一四年	2013 二零一三年 (Restated) (重列)	2012 二零一二年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Income	收入					
Total premiums written and policy fees	總保費及保單費收入	149,265,378	138,431,538	111,602,669	86,373,412	60,465,305
Less: Premiums ceded to reinsurers	減：分出保費	(4,615,285)	(6,718,355)	(43,182,475)	(3,328,291)	(2,484,892)
Net premiums written and policy fees	淨保費收入及保單費收入	144,650,093	131,713,183	68,420,194	83,045,121	57,980,413
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化， 減再保險	(1,081,519)	(1,056,420)	(1,706,169)	(1,551,654)	(1,127,898)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	143,568,574	130,656,763	66,714,025	81,493,467	56,852,515
Investment income	投資收入	20,018,454	28,151,683	17,654,299	11,491,847	6,611,546
Other income	其他收益	2,911,572	1,859,982	748,851	575,620	633,079
Total income	收入總額	166,498,600	160,668,428	85,117,175	93,560,934	64,097,140
Benefits, losses and expenses	給付、賠款及費用					
Net policyholders' benefits	保單持有人利益淨額	(32,832,962)	(61,519,614)	(34,030,114)	(21,476,062)	(15,675,765)
Net commission expenses	佣金支出淨額	(16,704,474)	(12,872,561)	(10,887,494)	(8,136,281)	(5,126,240)
Administrative and other expenses	行政及其他費用	(22,680,494)	(23,391,703)	(18,418,330)	(13,931,477)	(10,599,055)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化， 減再保險	(83,642,837)	(50,824,406)	(14,349,985)	(46,442,437)	(30,274,336)
Total benefits, losses and expenses	給付、賠款及費用總額	(155,860,767)	(148,608,284)	(77,685,923)	(89,986,257)	(61,675,396)
Profit from operations	經營溢利	10,637,833	12,060,144	7,431,252	3,574,677	2,421,744
Share of results of associates and joint ventures	應佔聯營公司及 合營公司業績	(10,136)	(2,393)	1,965	(779)	15,126
Finance costs	財務費用	(1,377,203)	(1,049,337)	(819,593)	(859,081)	(686,839)
Profit before taxation	除稅前溢利	9,250,494	11,008,414	6,613,624	2,714,817	1,750,031
Income tax (charge)/credit	稅項(支出)/抵免	(2,948,018)	(2,840,176)	(1,739,522)	(374,764)	102,517
Profit after taxation	除稅後溢利	6,302,476	8,168,238	4,874,102	2,340,053	1,852,548
Attributable to:	應佔：					
Owners of the Company	本公司股東權益	4,774,248	6,341,236	4,041,682	1,652,934	1,315,545
Non-controlling interests	非控股股東權益	1,528,228	1,827,002	832,420	687,119	537,003
		6,302,476	8,168,238	4,874,102	2,340,053	1,852,548

Note: The results for the year ended 31 December 2013 had been prepared in accordance with the merger accounting on business combination as set out on the Annual Report. However, the results for years ended 31 December 2012 had not been restated accordingly.

註：截至二零一三年十二月三十一日止年度之業績，已根據載於年報之業務合併應用合併會計而編製。然而，截至二零一二年十二月三十一日止年度之業績，並沒有作相應重列。

Five Year Financial Summary

五年財務概要

(Expressed in Hong Kong dollars)
(以港幣列示)

		2016 二零一六年	2015 二零一五年	2014 二零一四年	2013 二零一三年 (Restated) (重列)	2012 二零一二年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Assets and liabilities	資產及負債					
Statutory deposits	法定存款	5,643,348	5,896,222	5,054,556	4,738,712	2,506,505
Fixed assets	固定資產	27,389,996	23,739,435	23,858,454	19,543,542	14,018,287
Goodwill and intangible assets	商譽及無形資產	1,023,709	930,185	930,185	1,033,901	568,156
Interests in associates and joint ventures	於聯營公司及合營公司的權益	1,184,297	978,429	25,164	25,133	26,513
Deferred tax assets	遞延稅項資產	687,189	365,493	253,613	265,386	140,721
Investments in debt and equity securities	債務及股本證券投資	305,489,307	273,574,170	246,105,105	197,887,314	160,058,584
Securities purchased under resale agreements	買入返售證券	5,497,736	5,116,737	916,850	214,949	80,163
Amounts due from group companies	應收集團內公司款項	21,434	19,704	12,254	35,478	2,965,618
Insurance debtors	保險客戶應收賬款	6,693,635	9,237,674	6,843,970	3,152,442	2,627,032
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	5,835,514	34,155,408	41,274,875	3,251,762	2,675,521
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	1,206,983	1,780,194	2,501,087	2,778,038	3,141,049
Finance lease receivables	應收金融租賃	37,788,259	23,030,665	5,040,715	-	-
Other assets	其他資產	38,308,453	33,749,076	28,856,067	17,899,408	8,421,449
Tax recoverable	可收回稅項	-	-	689	32,900	25,737
Assets classified as held-for-sale	分類為持有作出售之資產	-	-	45,130	-	-
Pledged deposits at banks	已抵押銀行存款	535,452	399,172	515,897	353,246	288,586
Cash and cash equivalents and deposits at bank with original maturity more than three months	現金及現金等價物及原到期日超過三個月的銀行存款	68,100,447	75,058,790	81,314,374	67,329,846	54,209,780
Total assets	總資產	505,405,759	488,031,354	443,548,985	318,542,057	251,753,701
Less: Total liabilities	減：總負債	(438,403,095)	(416,232,721)	(392,210,469)	(293,084,044)	(228,412,741)
Non-controlling interests	非控股股東權益	(10,833,602)	(12,070,628)	(10,638,266)	(4,036,567)	(7,033,238)
		56,169,062	59,728,005	40,700,250	21,421,446	16,307,722
Share capital	股本	40,771,408	40,771,408	27,291,104	85,294	85,294
Reserves	儲備	10,690,707	14,249,248	8,701,879	21,336,152	16,222,428
Perpetual subordinated capital securities	永續次級資本證券	4,706,947	4,707,349	4,707,267	-	-
		56,169,062	59,728,005	40,700,250	21,421,446	16,307,722
		dollar 元	dollar 元	dollar 元	dollar 元	dollar 元
Earnings per share	每股盈利					
Basic	基本	1.258	1.783	1.442	0.748	0.321
Diluted	攤薄	1.258	1.781	1.440	0.746	0.319

Definitions

In the annual report, the following expressions shall have the following meanings unless the context requires otherwise:

“Ageas”	Ageas Insurance International N.V.
“Board”	the board of Directors
“BVI”	British Virgin Islands
“C-ROSS”	China Risk Oriented Solvency System
“CIRC”	China Insurance Regulatory Commission
“Code”	Corporate Governance Code as set out in Appendix 14 of the Listing Rules
“CTPI (HK)”	China Taiping Insurance (HK) Company Limited
“Directors”	The directors of the Company, including the independent non-executive directors
“Grantee”	A person who has been granted the right to accept the Company’s offer of share options
“HIBOR”	Hong Kong Interbank Offer Rate
“HKAS”	Hong Kong Accounting Standard
“HKFRS”	Hong Kong Financial Reporting Standard
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HK(IFRIC)”	Hong Kong (International Financial Reporting Interpretations Committee)
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Indonesia”	Republic of Indonesia
“Last Year”	The year ended 31 December 2015
“LIBOR”	London Interbank Offer Rate
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

釋義

於本年報中，除文義另有所指外，下列詞彙具有以下涵義：

「富傑」	指	荷蘭富傑保險國際股份有限公司
「償二代」	指	中國風險導向的償付能力體系
「中國保監會」	指	中國保險監督管理委員會
「守則」	指	上市規則附錄14所載列之企業管治守則
「太平香港」	指	中國太平保險(香港)有限公司
「董事」	指	本公司董事，包括獨立非執行董事
「承授人」	指	被授予權利可以接納本公司所賦予之認股權之人仕
「香港」	指	中國香港特別行政區
「印尼」	指	印度尼西亞共和國
「去年」	指	截至二零一五年十二月三十一日止之年度
「上市規則」	指	聯交所證券上市規則

Definitions

“Macau”	Macau Special Administrative Region of the PRC
“MPF scheme”	Mandatory Provident Fund Scheme
“SFO”	Securities and Futures Ordinance
“Share(s)”	Share(s) in the capital of the Company
“Share Award Scheme”	CIIH Employees’ Share Award Scheme adopted on 10 September 2007
“SZTPI”	深圳市太平投資有限公司 (“Shenzhen Taiping Investment Company Limited”, being the unofficial English name)
“the Company” or “CTIH”	China Taiping Insurance Holdings Company Limited
“the Group”	CTIH and its subsidiaries
“the New Scheme”	Share option scheme of the Company adopted on 7 January 2003
“the Old Scheme”	Share option scheme of the Company adopted on 24 May 2000 and terminated on 7 January 2003
“the PRC”	The People’s Republic of China
“the Stock Exchange”	The Stock Exchange of Hong Kong Limited
“the Year”	The year ended 31 December 2016
“TPA (HK)”	Taiping Assets Management (HK) Company Limited,
“TPAM”	Taiping Asset Management Company Limited
“TPeC”	Taiping E-Commerce Company Limited
“TPFAS”	太平金融稽核服務(深圳)有限公司 (“Taiping Financial Audit Service (Shenzhen) Company Limited”, being the unofficial English name)
“TPFH”	Taiping Financial Holdings Company Limited
“TPFSC”	太平共享金融服務(上海)有限公司 (“Taiping Financial Service Centre (Shanghai) Company Limited”, being the unofficial English name)

釋義

「澳門」	指	中國澳門特別行政區
「股份」	指	本公司股本中的股份
「股份獎勵計劃」	指	於二零零七年九月十日所採納之中保國際僱員股份獎勵計劃
「深圳太平投資」	指	深圳市太平投資有限公司
「本公司」或「中國太平控股」	指	中國太平保險控股有限公司
「本集團」	指	中國太平控股及其附屬公司
「新計劃」	指	本公司於二零零三年一月七日所採納之認股權計劃
「舊計劃」	指	本公司於二零零零年五月二十四日所採納之認股權計劃，於二零零三年一月七日已終止
「中國」	指	中華人民共和國
「聯交所」	指	香港聯合交易所有限公司
「本年度」	指	截至二零一六年十二月三十一日止之年度
「太平資產（香港）」	指	太平資產管理（香港）有限公司
「太平資產」	指	太平資產管理有限公司
「太平電商」	指	太平電子商務有限公司
「太平金融稽核服務」	指	太平金融稽核服務（深圳）有限公司
「太平金控」	指	太平金融控股有限公司
「太平共享金融服務」	指	太平共享金融服務（上海）有限公司

Definitions

“TPG”	China Taiping Insurance Group Ltd.
“TPG (HK)”	China Taiping Insurance Group (HK) Company Limited
“TPI”	Taiping General Insurance Company Limited
“TPIH”	Taiping Investment Holdings Company Limited
“TPL”	Taiping Life Insurance Company Limited
“TPL (HK)”	China Taiping Life Insurance (Hong Kong) Company Limited
“TPP”	Taiping Pension Company Limited
“TPPM”	Shenzhen Taiping Property Management Co. Ltd
“TPR (BJ)”	Taiping Real Estate (Beijing) Co. Ltd.
“TPR (Nanning)”	Taiping Real Estate (Nanning) Co. Ltd.
“TPR (SH)”	Taiping Real Estate Shanghai Company Limited
“TPR (Suzhou)”	Taiping Real Estate (Suzhou Industrial Park) Co. Ltd.
“TPRB”	Taiping Reinsurance Brokers Limited
“TPRe”	Taiping Reinsurance Company Limited
“TPRe (China)”	Taiping Reinsurance (China) Company Limited
“TPSI”	Taiping Senior Living Investments Company Limited
“TPSM”	Taiping Senior Living Management Co. Ltd.
“TP Indonesia”	PT China Taiping Insurance Indonesia
“TP Japan”	China Taiping Insurance Service (Japan) Co. Ltd.
“TP Macau”	China Taiping Insurance (Macau) Company Limited
“TP Singapore”	China Taiping Insurance (Singapore) PTE. Ltd.
“TP UK”	China Taiping Insurance (UK) Company Limited
“TSFL”	Taiping & Sinopec Financial Leasing Co. Ltd.
“UK”	the United Kingdom of Great Britain and Northern Ireland

釋義

「中國太平集團」	指	中國太平保險集團有限責任公司
「中國太平集團(香港)」	指	中國太平保險集團(香港)有限公司
「太平財險」	指	太平財產保險有限公司
「太平投資控股」	指	太平投資控股有限公司
「太平人壽」	指	太平人壽保險有限公司
「太平人壽香港」	指	中國太平人壽保險(香港)有限公司
「太平養老」	指	太平養老保險股份有限公司
「太平物業」	指	深圳市太平物業管理有限公司
「北京置業」	指	太平置業(北京)有限公司
「南寧置業」	指	太平置業(南寧)有限公司
「上海置業」	指	太平置業(上海)有限公司
「蘇州置業」	指	太平置業(蘇州工業園區)有限公司
「太平再保顧問」	指	太平再保險顧問有限公司
「太平再保險」	指	太平再保險有限公司
「太平再保險(中國)」	指	太平再保險(中國)有限公司
「太平養老產投」	指	太平養老產業投資有限公司
「太平養老產業管理」	指	太平養老產業管理有限公司
「太平印尼」	指	中國太平保險印度尼西亞有限公司
「太平日本」	指	中國太平保險服務(日本)有限公司
「太平澳門」	指	中國太平保險(澳門)股份有限公司
「太平新加坡」	指	中國太平保險(新加坡)有限公司
「太平英國」	指	中國太平保險(英國)有限公司
「太平石化租賃」	指	太平石化金融租賃有限責任公司
「英國」	指	大不列顛及北愛爾蘭聯合王國

Definitions

“RMB”	Renminbi
“HKD” or “HK\$”	Hong Kong dollars
“GBP”	British Pound
“IDR”	Indonesian Rupiah
“JPY”	Japanese Yen
“MOP”	Macau Pataca
“SGD”	Singaporean dollars
“USD”	United States dollars



中國太平保險控股有限公司

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