

The “Financial Service + Technology” Strategy of Ping An

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Important Notes

Cautionary Statements Regarding Forward-Looking Statement

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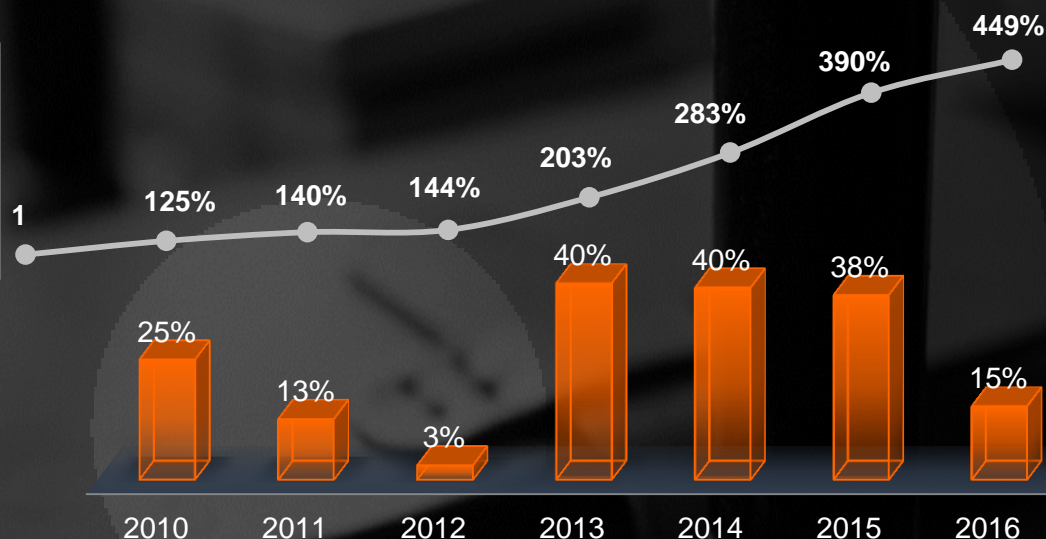
Ping An's Performance on Value

Ping An Started Technology Innovation Strategy 7 Years Ago and Keeps Value Focus, Leading to Ongoing Earnings Growth

02

Cumulative annual growth rate of profit attributable to shareholders of parent company (%)

Annual growth rate of profit attributable to shareholders of parent company (%)



	Compound annual growth rate of profit 2009-2016	Standard deviation of profit growth
Ping An	24%	15.04

How to make profit out of value ?

Value Focus

Strong KPI mechanism

Strict compliance & risk management

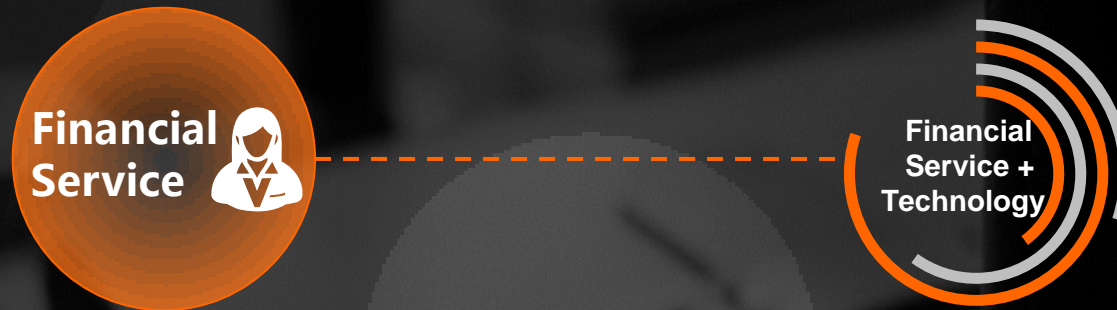
Ongoing investment and incubation of technology



The Strategy of “Financial Service + Technology”

The “Financial Service + Technology” Strategy Will Bring Us A Huge Leap in Our Earnings and Value

04



Why Adopting the “Financial Service + Technology” Strategy And What’s the Business Model?

05

Why?

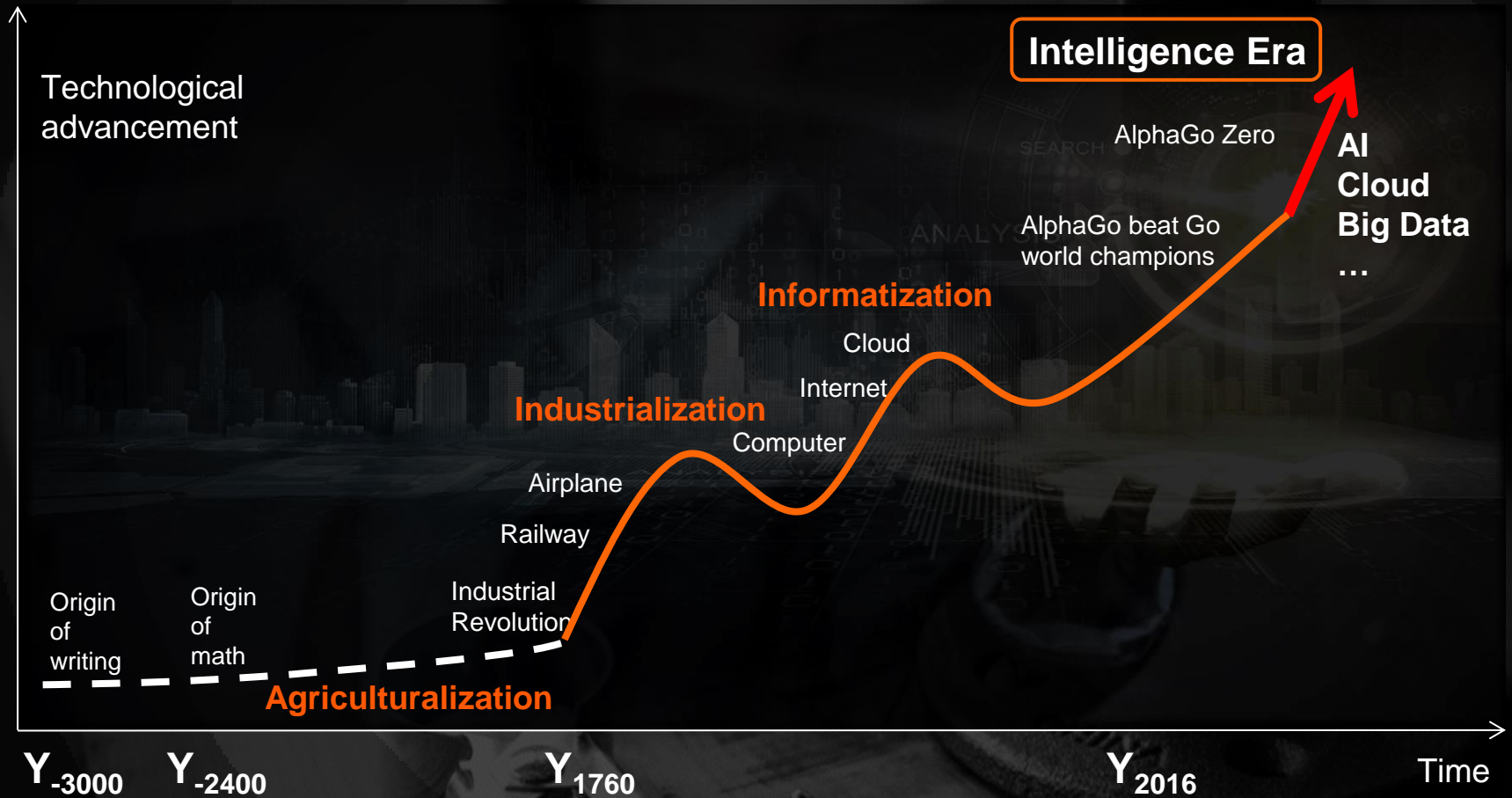
1. Tide of Tech & Big Trend
2. Modularization
3. PA's Advantages

What?

4. PA's Domain
5. PA's Model

1.1 On Top of the Tide

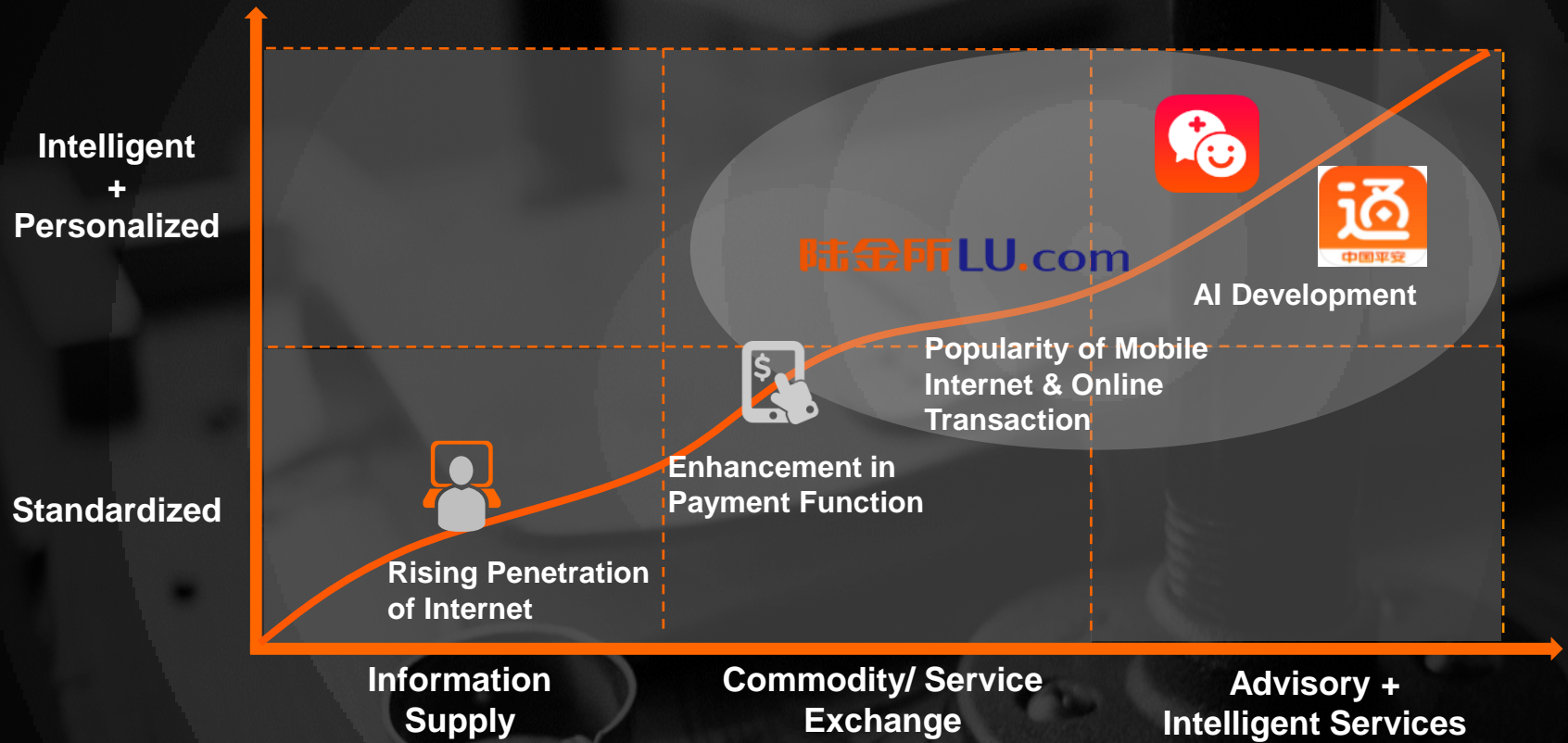
06



Big Trend > Modularization > Advantages

1.2 Intelligent & Personalized Internet Technology

07



Big Trend

Modularization

Advantages

1.3 Opportunities from Technological Advancements

08



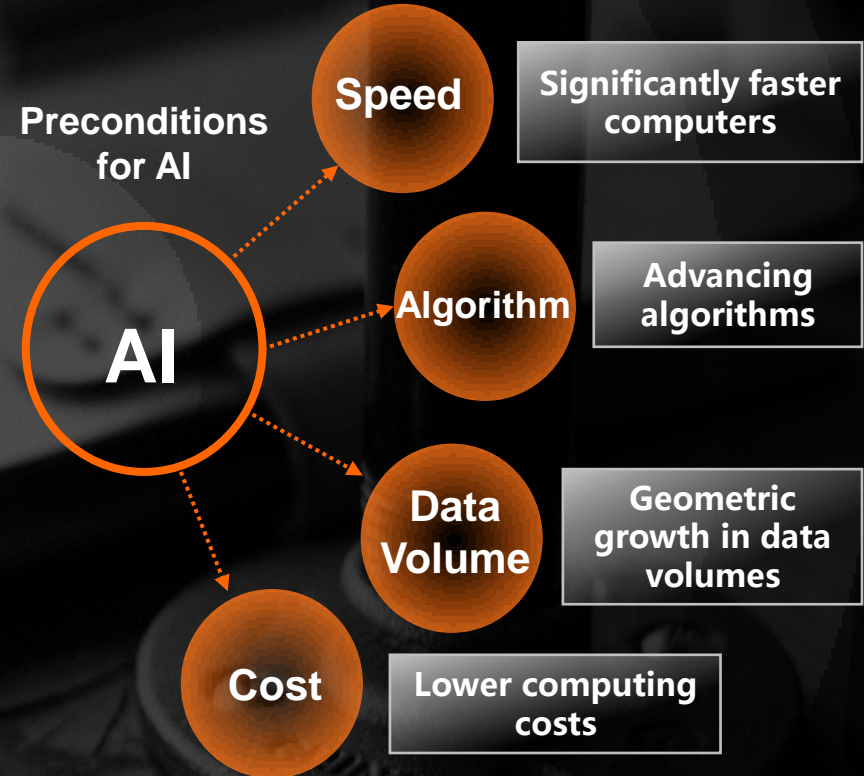
Our Opportunities

- Cloud computing reduces our reliance on Wintel
- Internet speed increases pave the way for advancement of cloud computing
- External barriers designed for information security represent growth opportunities

Our Advantages

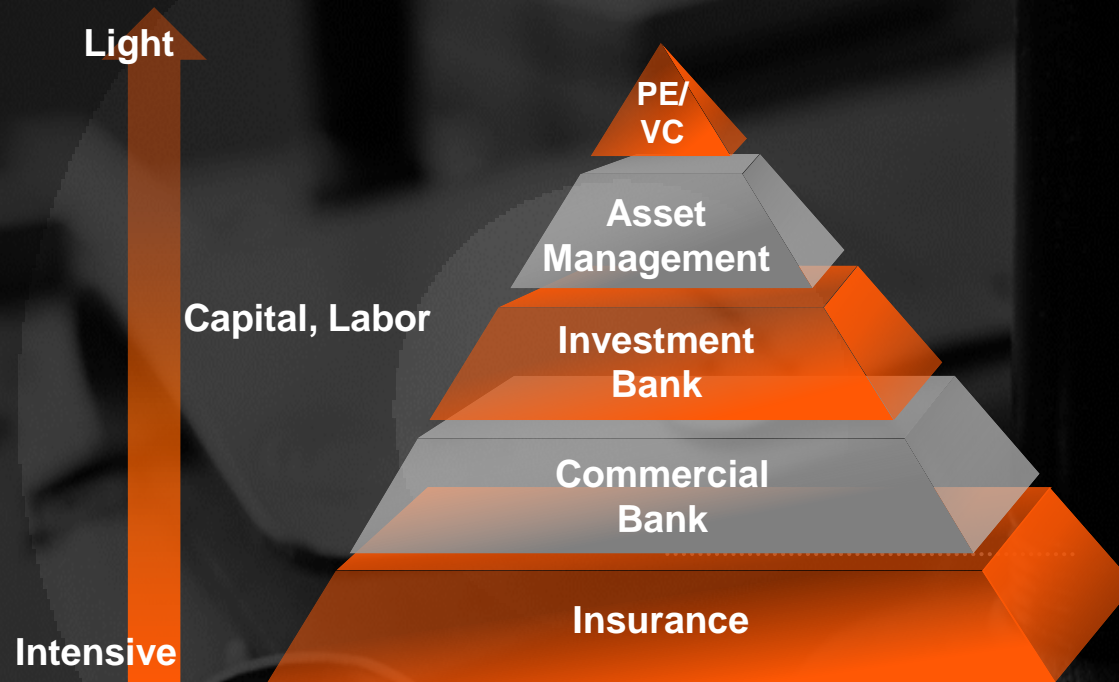
- 80% of our infrastructure is in our own cloud
- Cloud is the delivery mechanism for our rich SAAS offering to external clients
- High SDLC (Software Development Life Cycle) Speeds

Preconditions for AI



2.1 Traditional FIs Rely on Capital, Labor and Integrated Operations

09



Traditional FIs all have integrated operations of front, middle and back offices

Big Trend

Modularization

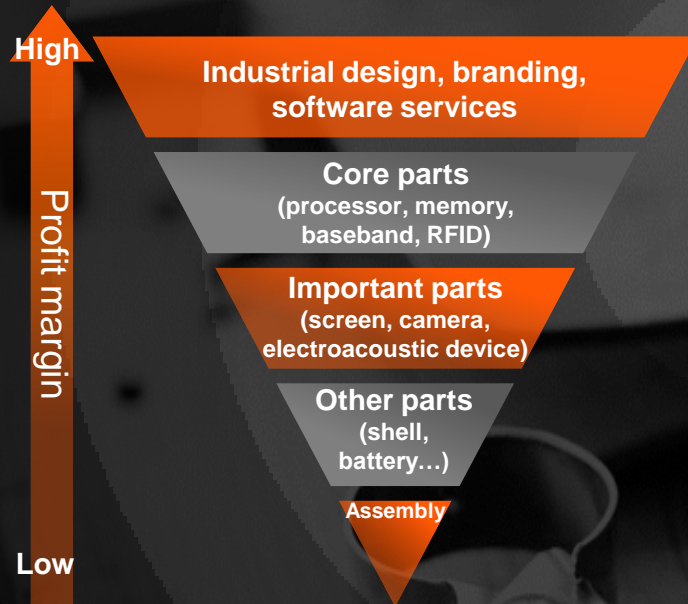
Advantages

2.2 Implications from Modularization of Smartphone And Auto Industries

10

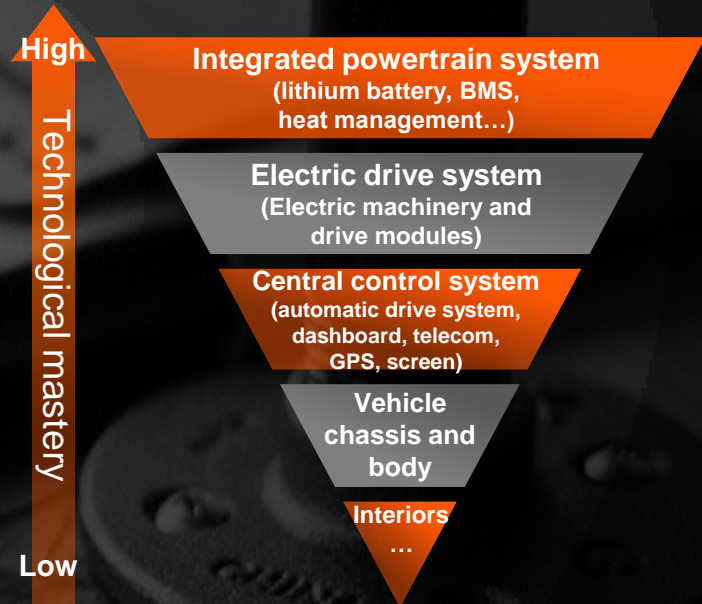
The iPhone industry chain

Apple secures a high margin on the industry chain by strengthening its design, brand, and services via modularization under a capital-light model.



The Tesla industry chain

With core advantages in the BMS, electric drive system and automatic drive, Tesla selects and assembles modules from across the world to launch groundbreaking products such as Model S.



Big Trend

Modularization

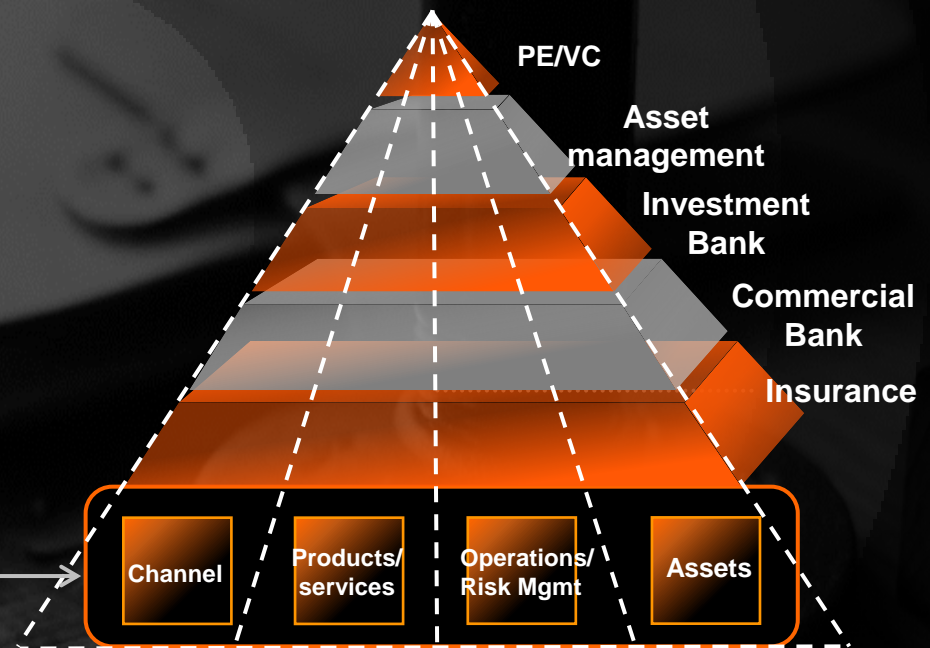
Advantages

2.3 Fintech Companies Will Supply Modular Services

11

Our vision is to make Ping An a world leading Fintech company which will provide modular financial services

We can generate capital light revenue streams from providing financial institutions modular services



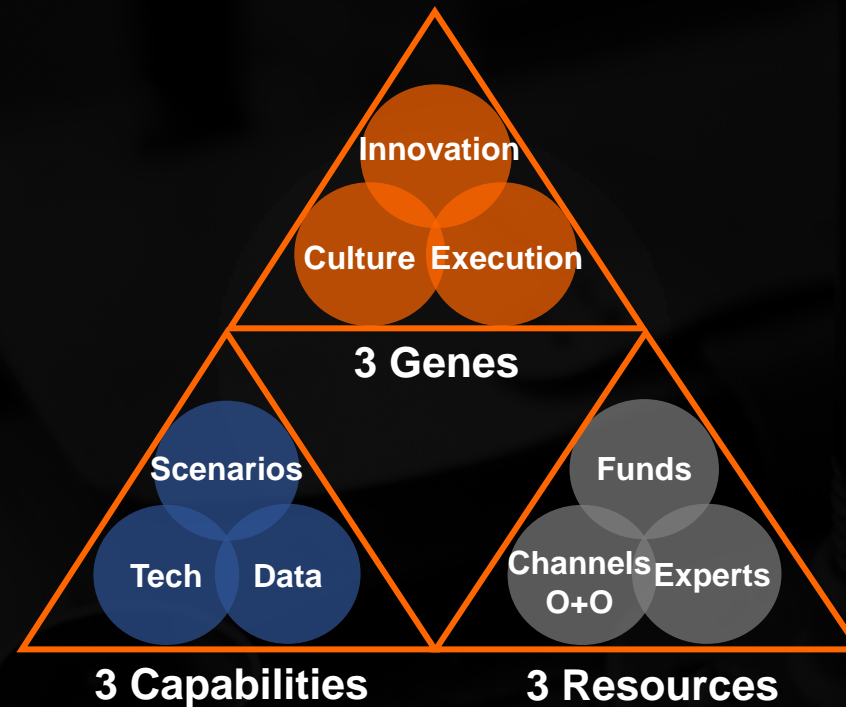
Big Trend

Modularization

Advantages

3 Ping An's Advantages

12



Big Trend

Modularization

Advantages

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13

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4 Ping An's Domain: 2 Big Focus + 5 Key Technologies

14

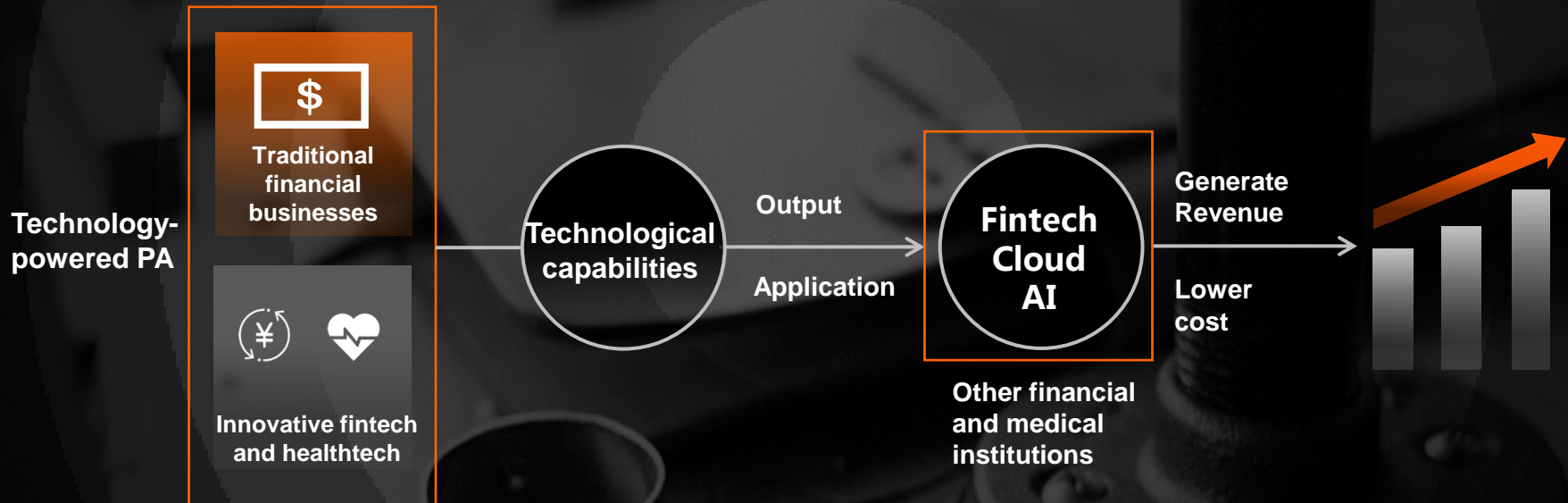


5 Ping An's Technology-powered Model

15

Technology-powered PA will seek innovations in financial and healthcare industries to become more competitive in traditional financial businesses

PA will provide FIs and medical institutions with new technologies to improve their efficiency and generate capital light revenue streams



Domain Model

“Financial Service + Technology”, An Ongoing Value Generating Strategy

16





Thank you