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HSBC TO ACQUIRE REMAINING 50% STAKE IN ITS LIFE INSURANCE JOINT VENTURE IN CHINA

HSBC Insurance (Asia) Limited, an indirect wholly-owned subsidiary of HSBC Holdings plc ("HSBC"), is pleased to announce that it has entered into an agreement to acquire the remaining 50% equity interest in HSBC Life Insurance Company Limited ("HSBC Life China"), its life insurance joint venture in China, from The National Trust Limited ("NT").

The transaction is in line with the removal of foreign ownership restrictions on foreign-funded life insurance companies in China, which became effective on 1 January 2020.

The transaction will be structured as a transfer of equity interest and is subject to regulatory approvals, including from the China Banking and Insurance Regulatory Commission.

Noel Quinn, HSBC's Group Chief Executive, said: "Despite the current difficult environment engendered by the Covid-19 pandemic, we continue to take steps to implement our growth strategy. This transaction supports our ambition to accelerate growth within our Asian franchise, particularly in the dynamic and fast-growing Greater Bay Area, where we fully intend to expand in all lines of businesses. It also allows us to further extend our capabilities in wealth, another area of strategic focus for the Group."

Peter Wong, HSBC's Asia Pacific Chief Executive, commented: "As the leading international bank in China, HSBC is privileged to participate in the opening up of the insurance sector, a positive development which underlines China's commitment to financial reform. This transaction allows us to increase our investment and deepen our presence in China, an important country within our well-regarded Asian franchise and a strategic market supporting our customers' activity across our global footprint."

Bryce Johns, Global Chief Executive of HSBC Life, added: "The increase of our stake in the joint venture demonstrates our strong commitment to continued investment in mainland China, on track to be the largest insurance market in the world. Full ownership of HSBC Life China, combined with the HSBC Group's international strengths and robust digital and wealth management capabilities, will enable us to significantly extend our reach and amplify the scope of our life insurance offerings to meet the burgeoning protection, health and wealth needs of our customers in the Mainland."

HSBC Life China was formed in 2009 as a 50:50 joint venture between HSBC and NT, and as of December 2019 had a registered capital of RMB1.025 billion. Headquartered in Shanghai, HSBC Life China is present in nine key Mainland cities covering Shanghai, Beijing, Tianjin, Hangzhou, Guangzhou, Foshan, Dongguan, Zhuhai and Shenzhen. HSBC Life China offers a comprehensive range of insurance solutions covering annuity, whole life, critical illness and unit-linked insurance products.

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Media enquiries:

Vinh Tran	+852 2822 4924	vinhtran@hsbc.com.hk
Laine Santana	+852 9013 1665	lainesantana@hsbc.com

Note to editors:

HSBC Holdings plc

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,918bn at 31 March 2020, HSBC is one of the world's largest banking and financial services organisations.

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