

# InsurTech Analysis: Executive Summary



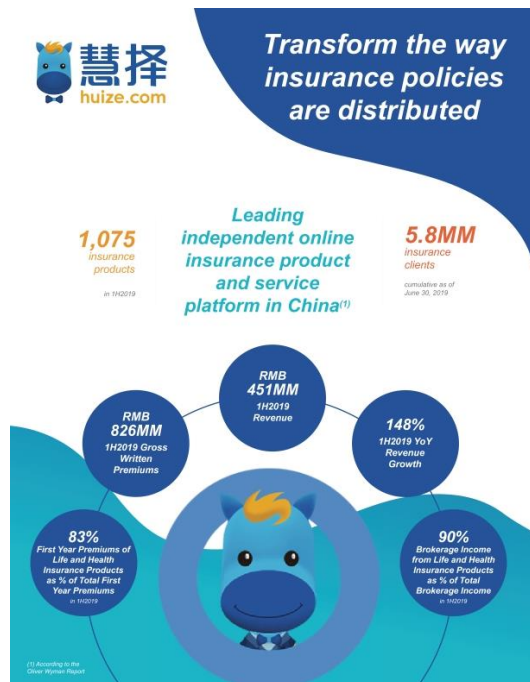
## Hui Ze (慧择)



## Building an intermediary platform through technology



Using technology to provide value-add as intermediary



### What it offers?

- Provide value-add service to insurers and insurance buyers
- Offer over 1,000 insurance products in partnership with over 100 insurers

### How is it different?

- Provide their partners with insights on consumer needs to develop unique products
- Offer 'Insurance + Channel' to insurers

### Management team

- CEO – Ma Chun Jun (马存军)
- CTO – Ou Yang Kai (欧阳凯)

### Tech deployed

- Cloud and SaaS service for insurers to offer their products with Hui Ze process through Qi Xin Cloud Service
- Big Data and analytics
- Intelligent underwriting
- Claims processing

### Funding, revenue, clients and scale

- Listed on Nasdaq on 12 Feb 2020
- Service over 5.8m clients online with gross written premium of 825m RMB

### What to look out for

- Hui Ze to focus on long term insurance
- Focus on 'Insurance + Technology + Service'

Further info

[Hui Ze \(In Chinese\)](#)

[About Hui Ze](#)

[Qi Xin Yun Fu \(Qi Xin Cloud Service\) \(In Chinese\)](#)

## So what?

- Using technology to provide product recommendations to buyers, and big data and analytics to insurers for unique products



# InsurTech Analysis: Key facts

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### Company overview

Established in 2006, Huize.com is one of the earliest online insurance platforms to be accredited

They partner with over 100 insurance institutions to offer more than 1000 products, providing the underwriting and claims workflow and analytics

### Current position / Development stage

- Listed on Nasdaq in 2020
- Offers three brands for different customer bases:
  - Hui Ze (慧择) - Serving needs of individuals and family
  - Xie Bao (携保保险网) - For corporates
  - Ju Mi Wang (聚米网) - Serving needs of insurance agents and sales reps

### Operational effectiveness

- Provide e-policy issuance in 30 mins for 15 insurers
- Provide one-click Claims service – Claims handled by Hui Ze
- For claims below 2,000 RMB, Hui Ze is authorized to pay out in three days
- Sales channel mainly through their website, mobile app, WeChat account and mini app

### Business potential

- In recent years, China's insurance industry has experienced on average over 20% yearly growth
- With separation of product and sales within the sector, Hui Ze will stand to benefit with the customers that they have built over the years
- They also value add by developing products together with their insurance partners

### Competitive position

- Ranked within the InsurStar 50 – China InsurTech Top 50
- Received the 'Most Trusted Insurance Intermediary Award' in 2019
- Their product developed – Hui Ze Darwin No.1 Critical Illness Plan was also 'Most Popular Insurance Intermediary Product'

### People

- They have a staff strength of 1,160
- Their CTO, Ou Yang Kai used to be the Technology Architect of Tencent



# InsurTech Analysis: SWOT

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### Strengths

- Provides value-add to consumers by product recommendations through their analytics
- Handles certain processes on behalf of the insurers, allowing for efficiency including O2O capabilities
- Leverage on big data and analytics to develop scenario-based products with their partners
- Life and health products make up 89.8% of their business

### Opportunities

- China's growing insurance market, especially the strong growth expected in the independent insurance service and product space, as well as long-term life and health

### Weaknesses

- High cost of client acquisition through indirect channels

### Threats

- Increased competition in the insurance intermediary space in China
- Competition from players with other channels to direct consumers like WeChat and Ant Financial



# InsurTech Analysis: Hui Ze core business model



## A Leading Independent Online Insurance Product and Service Platform in China



# InsurTech Analysis: Hui Ze services provided





# InsurTech Analysis: Hui Ze main website



Callout 1: Clients can browse through products satisfying protection needs for different life stages

Callout 2: Popular tags and product features based on data of all clients' searches for easy reference on product selection

Callout 3: Recommendations of flagship products co-developed with insurer partners

Callout 4: Offers additional educational content such as online product comparison

Callout 5: Offers tailor-made insurance products co-designed and developed with insurer partners based on Huize's big data analytics

Callout 6: Key statistics such as number of policies distributed and client satisfaction rate to demonstrate the quality and popularity of Huize's products and services

Statistic	Value
Number of policies distributed	1,003,664
Number of clients	45,661,315
Client satisfaction rate	98%



# InsurTech Analysis: China market stats

## China's insurance market sizing estimates

### GWP, in RMB BN

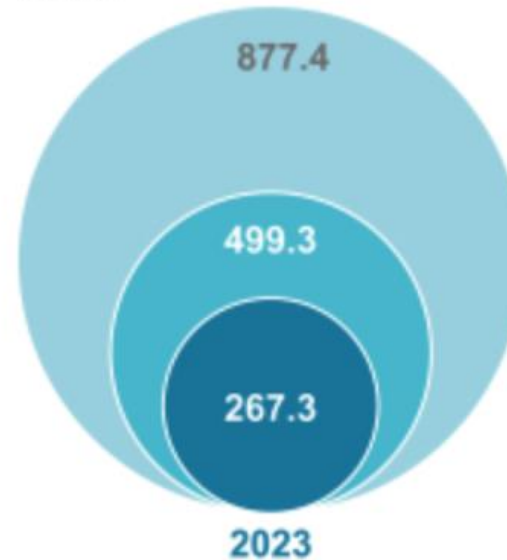
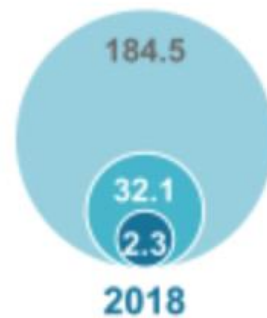
- China's online insurance market
- China's online independent insurance product and service platform market
- Long-term life and health insurance sold through online independent insurance product and service platforms in China

### Three emerging opportunities for China's insurance industry:

China's online insurance market

China's independent insurance product and service market

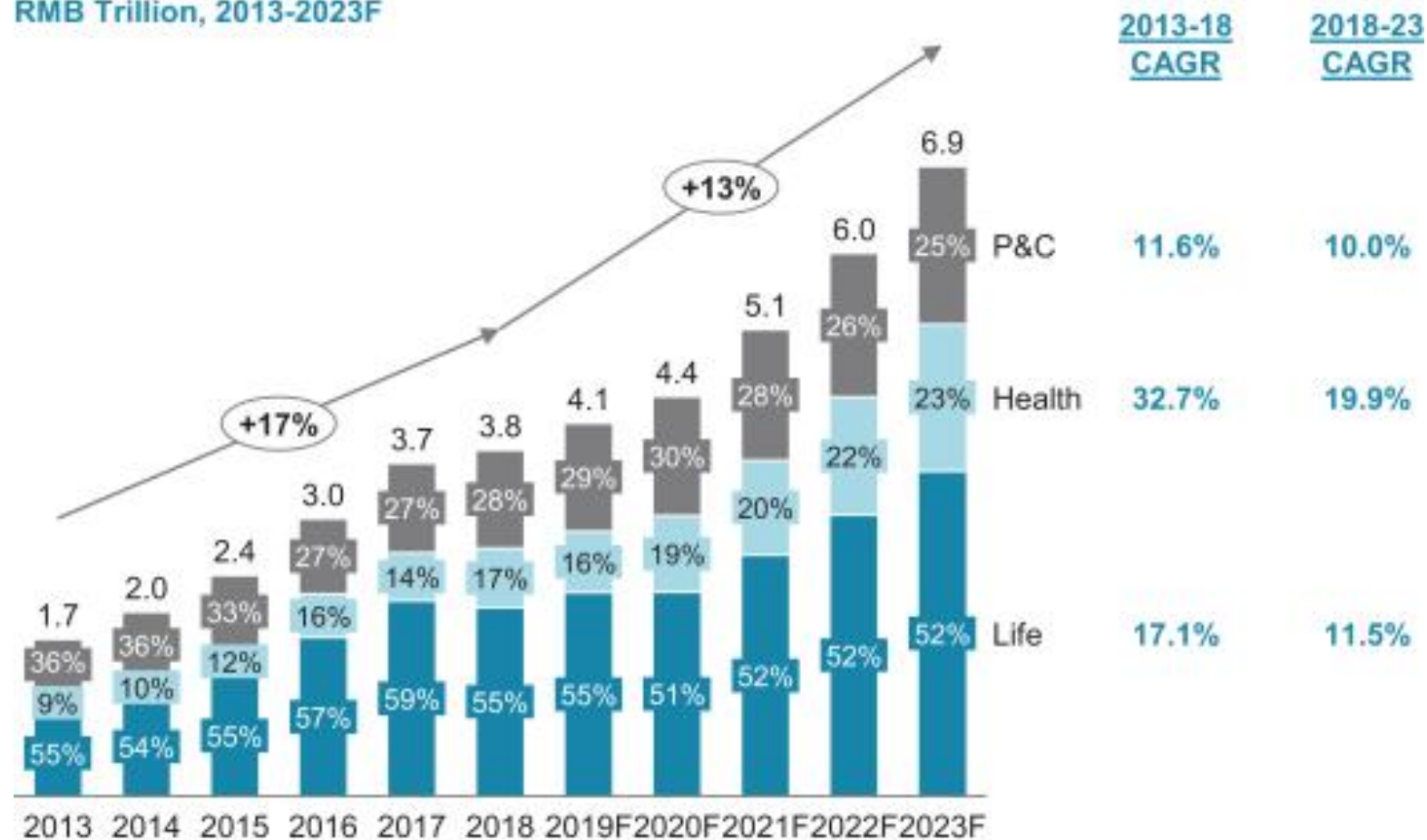
China's long-term life and health insurance market



# InsurTech Analysis: China market stats

## *Premiums of China's insurance market by product*

RMB Trillion, 2013-2023F



Source: CBIRC, BMI, Oliver Wyman estimation

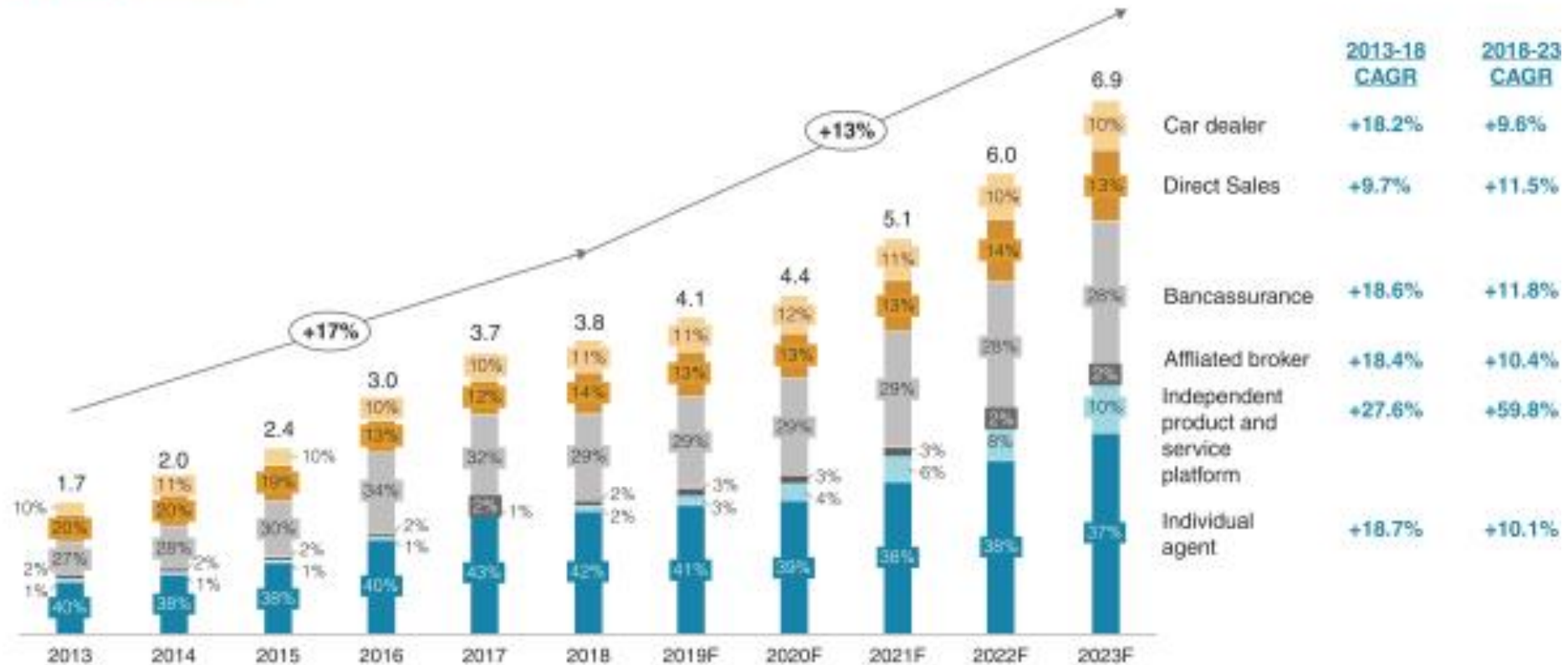




# InsurTech Analysis: China market stats

## Premiums of China's insurance market by channel

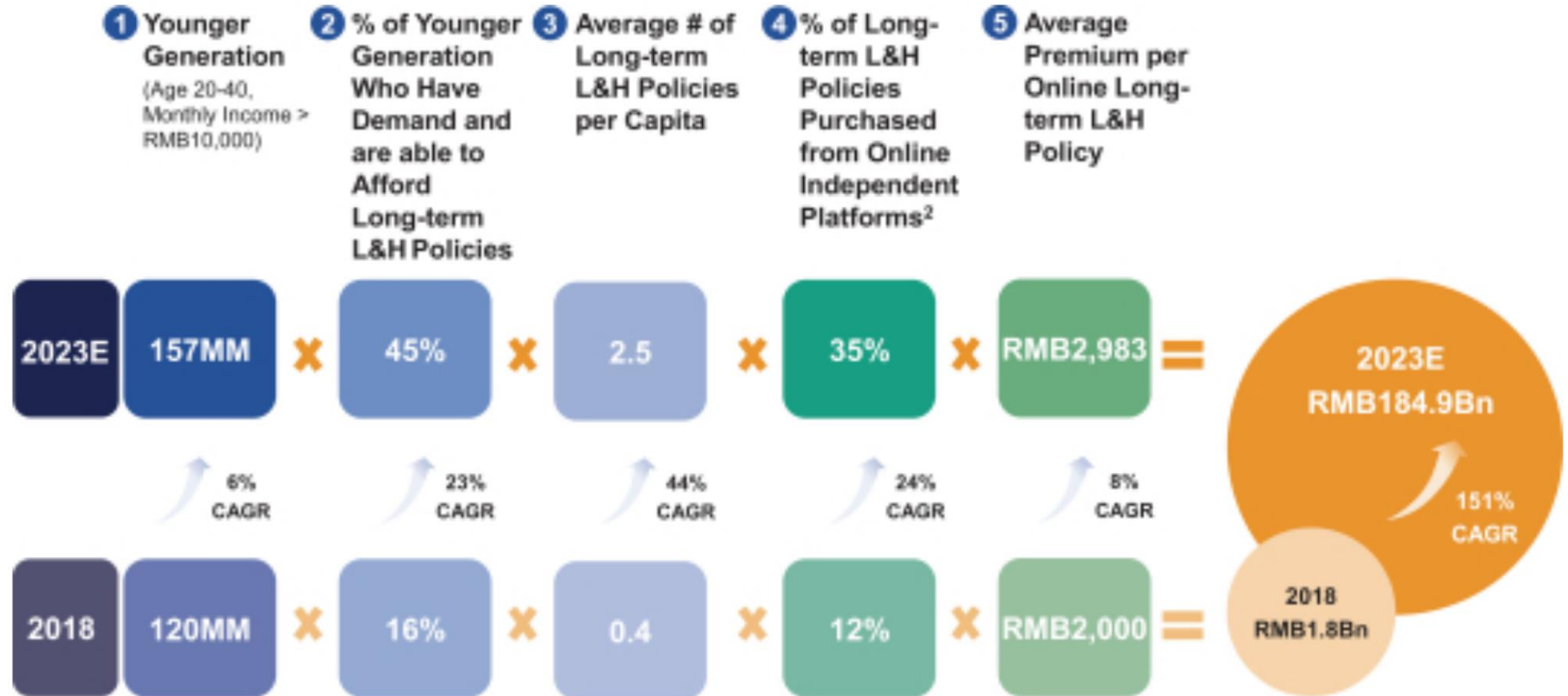
RMB Trillion, 2013-2023F



Source: CBIRC, BMI, Oliver Wyman estimation.



# InsurTech Analysis: Estimated market size



Source: [Huize filling with SEC](#)



# InsurTech Analysis: Hui Ze further references

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Reference link	Description and Source	Why it was useful
<a href="#"><i><u>Touching the heart, Huize Commercial Ecosystem (In Chinese)</u></i></a>	Showcase of one of Hui Ze's products and marketing, and how their ecosystem is set up	Learn about how they are catering to their different customer base
<a href="#"><i><u>Hui Ze's SEC filling</u></i></a>	Detailed information about Huize's financials and strategy	In-depth of their financial and strategies
<a href="#"><i><u>Summary of Hui Ze's IPO info</u></i></a>	An overview of their IPO Info	For quick read

