

中国平安 PINGAN

专业·价值

# 2023 First Quarter Results

April 2023



# Cautionary Statements Regarding Forward-Looking Statements

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To the extent any statements made in this Report contain information that is not historical, these statements are essentially forward-looking. These forward-looking statements include but are not limited to projections, targets, estimates and business plans that the Company expects or anticipates may or may not occur in the future. Words such as “potential”, “estimates”, “expects”, “anticipates”, “objective”, “intends”, “plans”, “believes”, “will”, “may”, “should”, variations of these words and similar expressions are intended to identify forward-looking statements.

These forward-looking statements are subject to known and unknown risks and uncertainties that may be general or specific. Readers should be cautioned that a variety of factors, many of which are beyond the Company’s control, affect the performance, operations and results of the Company, and could cause actual results to differ materially from the expectations expressed in any of the Company’s forward-looking statements. These factors include, but are not limited to, exchange rate fluctuations, market shares, competition, environmental risks, changes in legal, financial and regulatory frameworks, international economic and financial market conditions and other risks and factors beyond our control. These and other factors should be considered carefully and readers should not place undue reliance on the Company’s forward-looking statements. In addition, the Company undertakes no obligation to publicly update or revise any forward-looking statement that is contained in this Report as a result of new information, future events or otherwise. Neither the Company nor any of its employees or affiliates is responsible for, or is making, any representations concerning the future performance of the Company.

# Business highlights for 1Q 2023

## Group

- Operating profit of **RMB41.4 billion** equating to a **19%** Operating ROE (annualized). Net profit rose **49%** YoY to **RMB38.4 billion**

## Integrated finance

- Have nearly **229 million** retail customers which on average hold **c.3** contracts each

## Life & Health

- NBV rose **21%** on a like for like basis and rose **9%** on a reported basis. All major channels delivered positive NBV growth on a reported basis in 1Q

## Property & Casualty

- P&C delivered a **7%** rise in insurance revenue and an underwriting profit (**98.7%** combined ratio)

## Banking

- Net profit rose **14%** YoY supported by a **stable** non-performing loan ratio. Provision coverage ratio remained strong at **290%**

Notes: (1) Ping An has implemented IFRS 17 since January 1, 2023. This Report has been prepared under IFRS 17. Comparable data has been restated in accordance with IFRS 17.

(2) Operating profit and net profit of the Group refer to the operating profit and net profit attributable to shareholders of the parent company.

# Core performance for 1Q 2023

(in RMB)

Operating profit<sup>(1)</sup>

41.4 billion

-3.4%

Net profit<sup>(1)</sup>

38.4 billion

+48.9%

Operating ROE  
(annualized)

18.8%

NBV<sup>(2)</sup>

13.7 billion

+21.1%

Number of retail  
customers

229 million

+0.9%

Contracts per  
retail customer

2.98

+0.3%

Notes: (1) Operating profit and net profit refer to the operating profit and net profit attributable to shareholders of the parent company respectively.

(2) Life & Health NBV grew 8.8% YoY to RMB13,702 million in the first three months of 2023. Like-for-like growth in Life & Health NBV reached 21.1% YoY in the first three months of 2023.

# Ping An's strategies: advancing the “integrated finance + healthcare” strategic upgrade

One vision

World-leading  
Integrated Finance and Healthcare Services Provider

Two-pronged



**Integrated Finance**

One customer, multiple products,  
and one-stop services



**Healthcare**

Family doctors and  
elderlycare concierges

Technology-driven

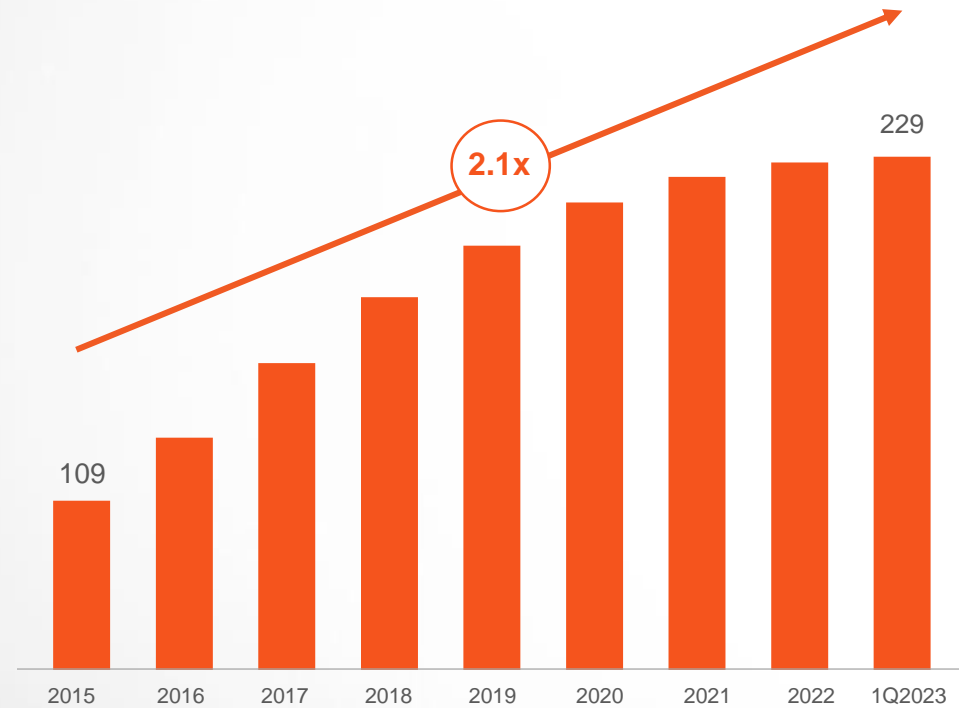
**Technological Empowerment**

Empowering financial services with technologies, empowering financial services with ecosystems, and advancing development with technologies

# Retail integrated finance progress continues

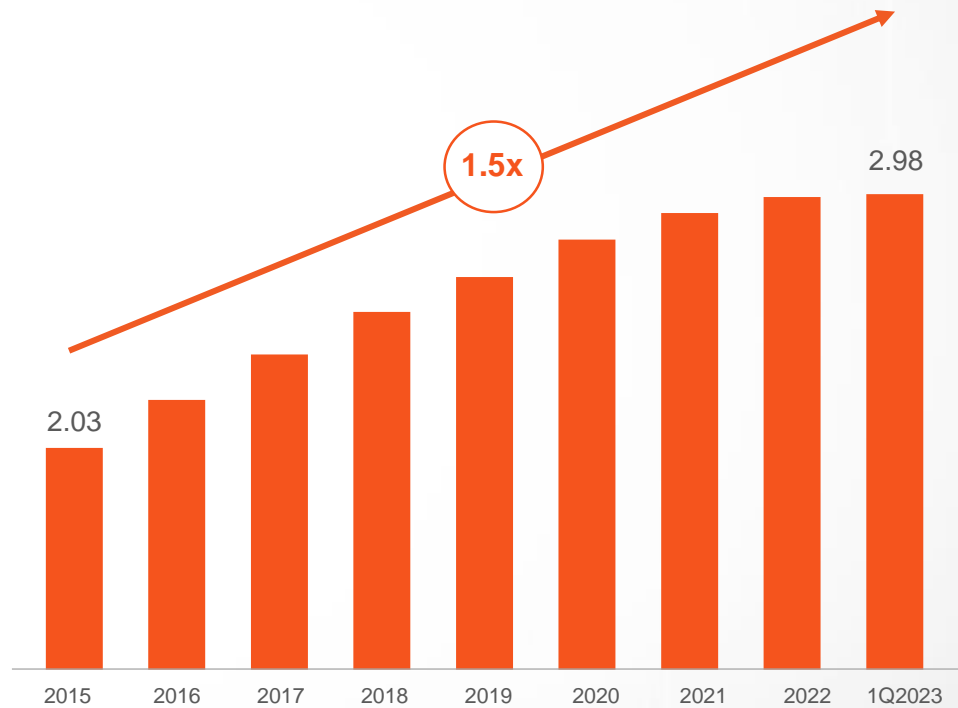
Retail customers have  
doubled since 2015

(million persons)



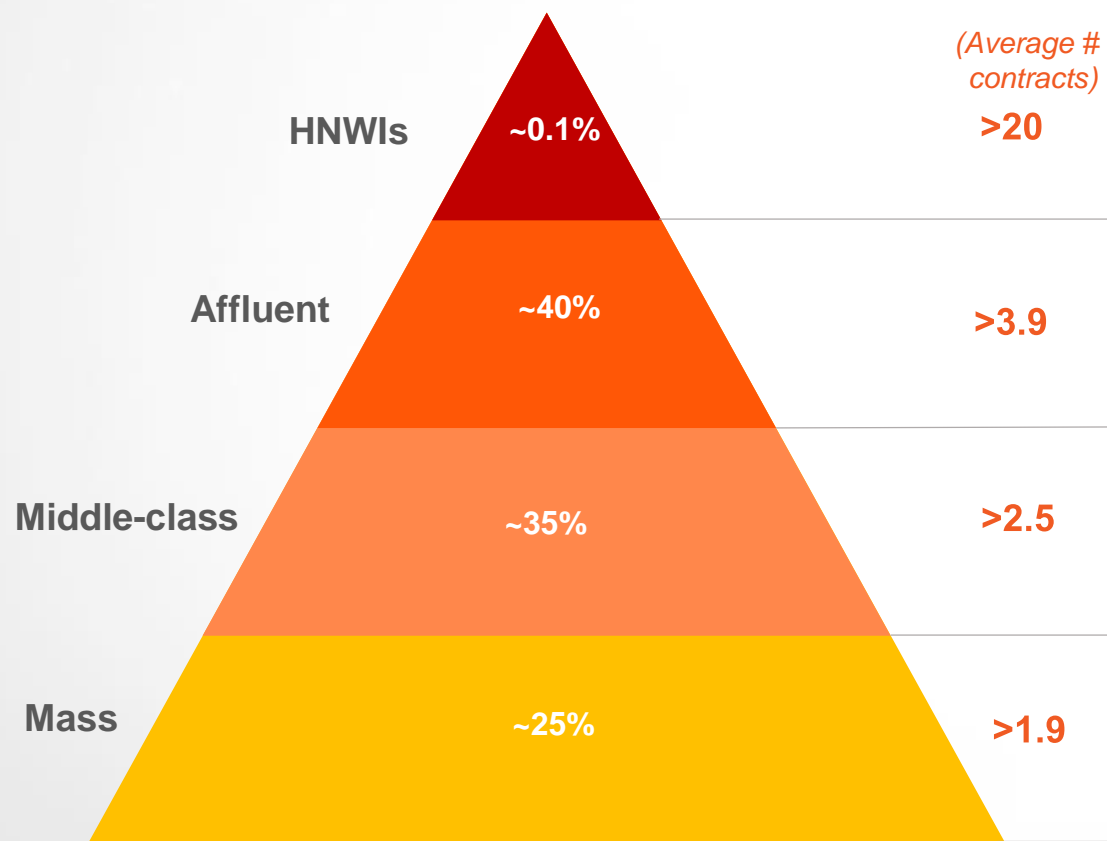
Contracts per customer have  
risen significantly since 2015

(contract)



# Retail integrated finance: offering excellent products and services to meet customer needs and create value

## Retail customer structure and contracts per customer by segment



## Customer needs and typical offerings

### Wealth management and inheritance

- Wealth management: privately offered products and family trusts, pension annuities, pension funds
- Inheritance and protection: insurance trusts, life insurance
- Investment and consumption: wealth management products, securities accounts, securities margin trading, home mortgages, auto loans, auto owner credit cards

### Consumption, business management, comprehensive protection

- Credit card purchases and installments, business operation loans
- Life insurance, critical illness insurance, accident insurance, physical checkups, auto insurance
- Highly liquid products, wealth management products, publicly offered products

### Pension reserves, capital turnover, personal protection, housing/auto consumption

- The well-off middle-aged and elderly: pension funds, pension wealth management, medical insurance, deposit products
- Diligent middle-class: business operation loans, life insurance, credit card installments, publicly offered products
- The well-off young and middle-aged: home loans, auto insurance, auto owner credit cards

### Capital turnover, basic protection, housing/auto consumption

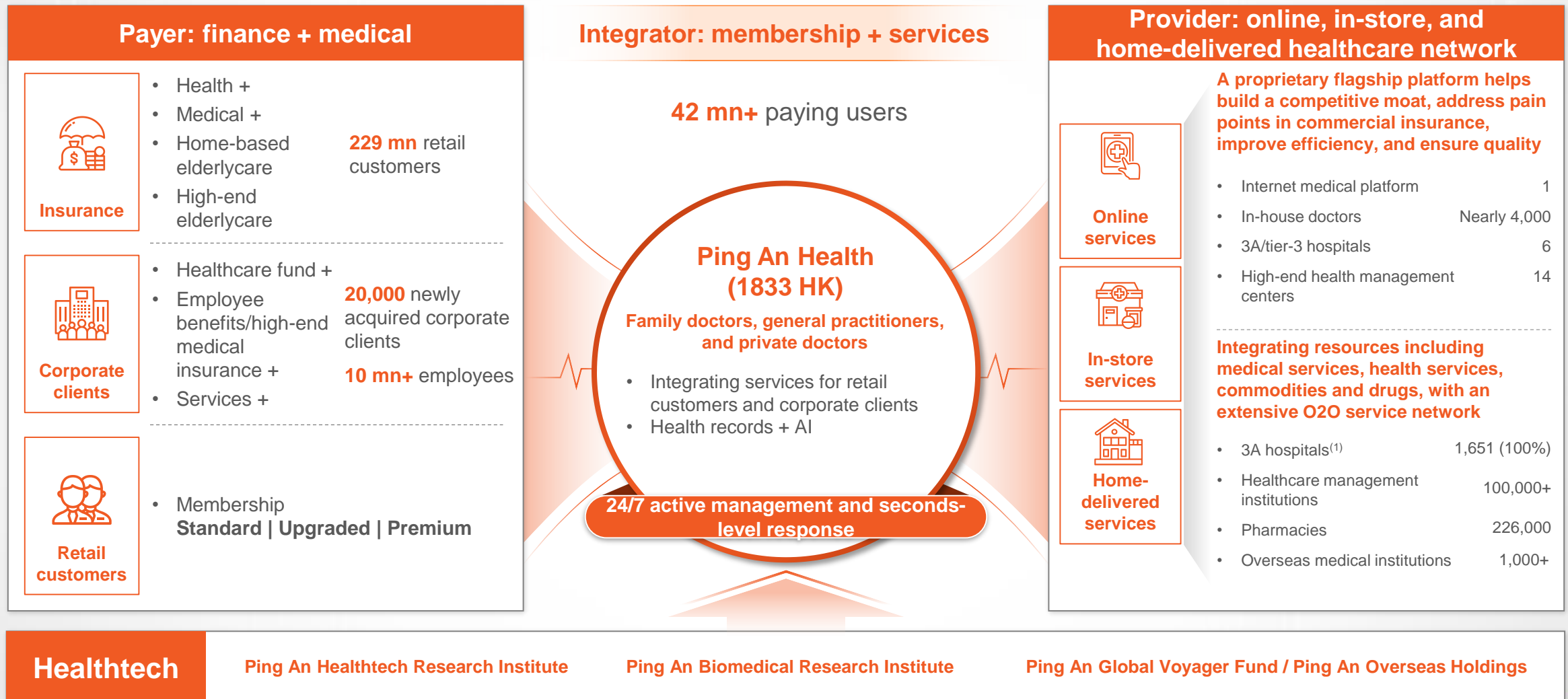
- The diligent moderately prosperous: business operation loans, elderly protection, life insurance
- Moderately prosperous families: accident insurance, medical insurance
- The striving young: home loans, auto insurance, credit card purchases

The number of retail customers: **229 million**  
versus **400 million** target customers

Note: Figures may not match the calculation due to rounding.



# Ping An's "managed care": building a world-leading healthcare ecosystem with differential advantages



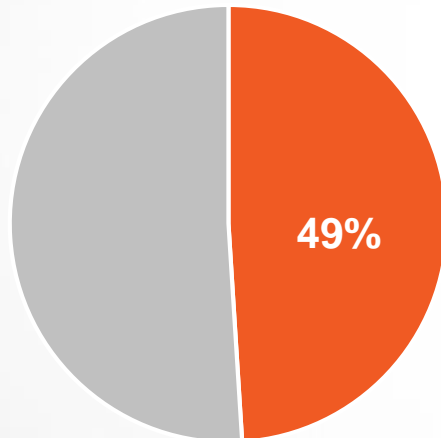
Note: (1) Source of data: the 2022 China Health Statistics Yearbook released by the National Health Commission of the PRC.



# Technology: leverage cutting-edge technologies to upgrade the end-to-end services

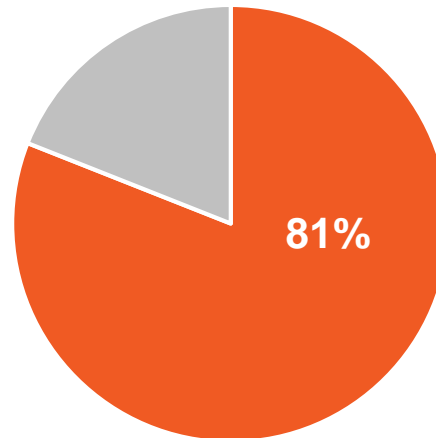
## Promoting sales

Proportion of sales realized  
by AI service  
representatives



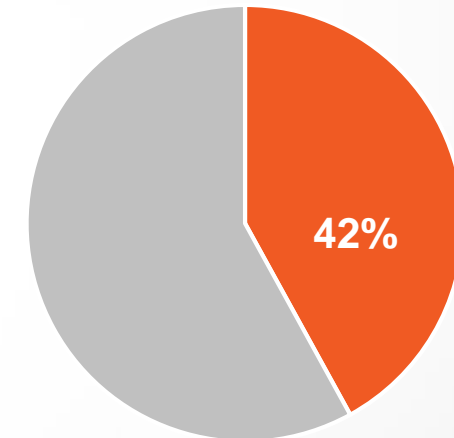
## Improving efficiency

Proportion of service  
volume handled by AI



## Containing risks

Percentage of the amount of  
overdue loans collected by AI

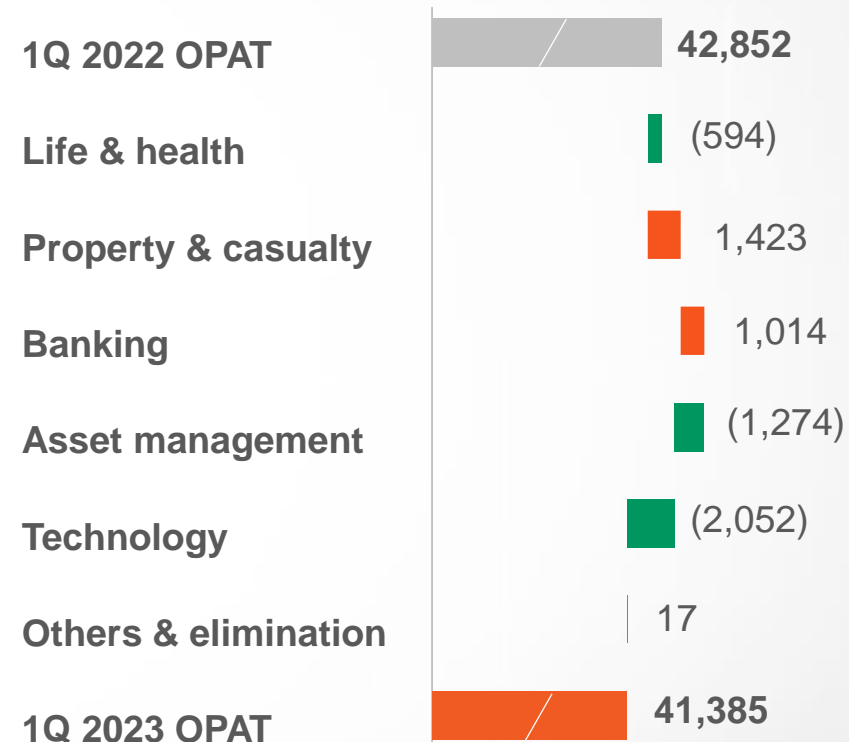


# Group operating profit under IFRS 17

(in RMB million)

	1Q 2023	Proportion (%)	YoY Change (%)
Life & health	28,161	68.0	(2.1)
Property & casualty	4,523	10.9	45.9
Banking	8,462	20.4	13.6
Asset management	1,305	3.2	(49.4)
Technology	693	1.7	(74.8)
Others & elimination	(1,759)	(4.3)	(1.0)
<b>Total Operating Profit</b>	<b>41,385</b>	<b>100.0</b>	<b>(3.4)</b>

## Operating profit growth drivers



Notes: (1) Life & Health net profit attributable to shareholders of the parent company grew 104.5% YoY to RMB24,971 million. Technology business net profit attributable to shareholders of the parent company declined 61.3% YoY to RMB850 million. For property and casualty insurance, banking, and asset management businesses, net profits attributable to shareholders of the parent company equal operating profits attributable to shareholders of the parent company.

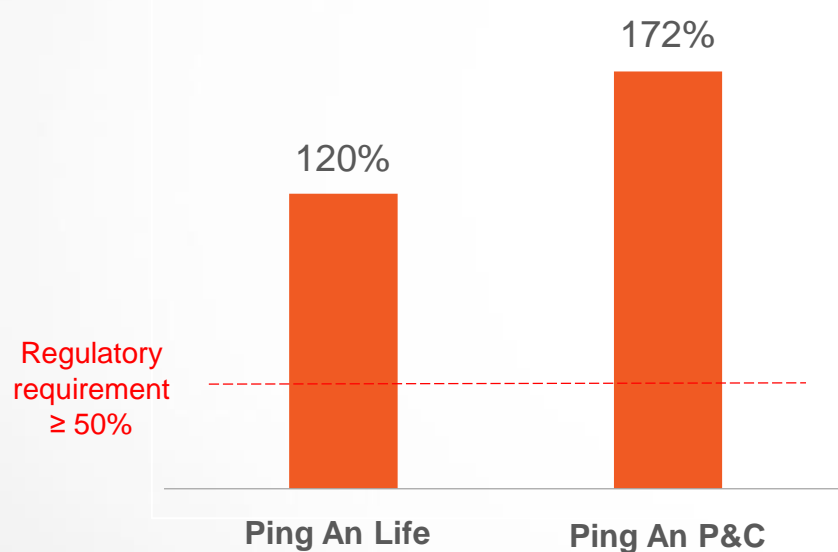
(2) YoY changes of L&H, P&C and the Group are the results of computation after restatement of data for 1Q 2022 under IFRS 17.

(3) Figures may not match the calculation due to rounding.

# Solvency margin ratios significantly exceeded regulatory requirements

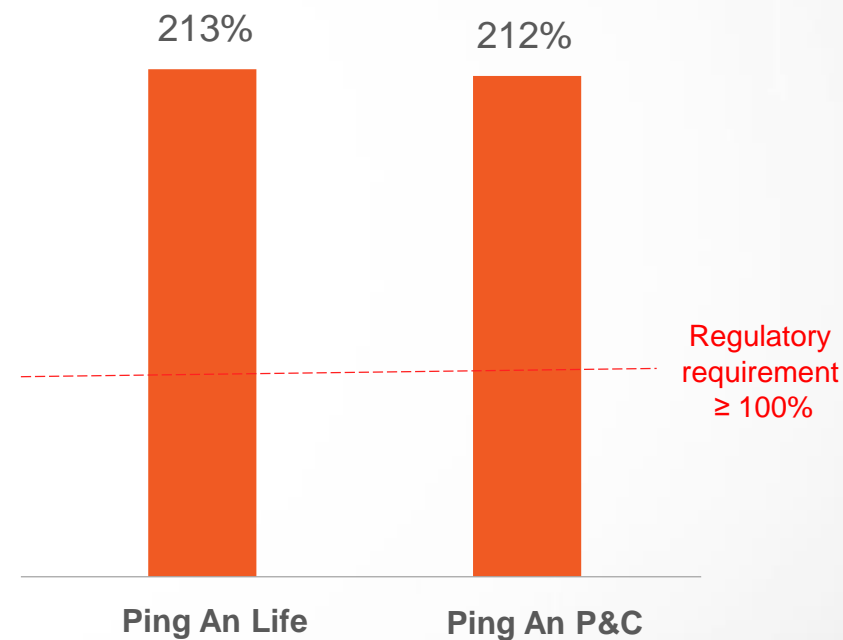
## Strong core solvency margin ratio

Mar 31, 2023



## Strong comprehensive solvency margin ratio

Mar 31, 2023

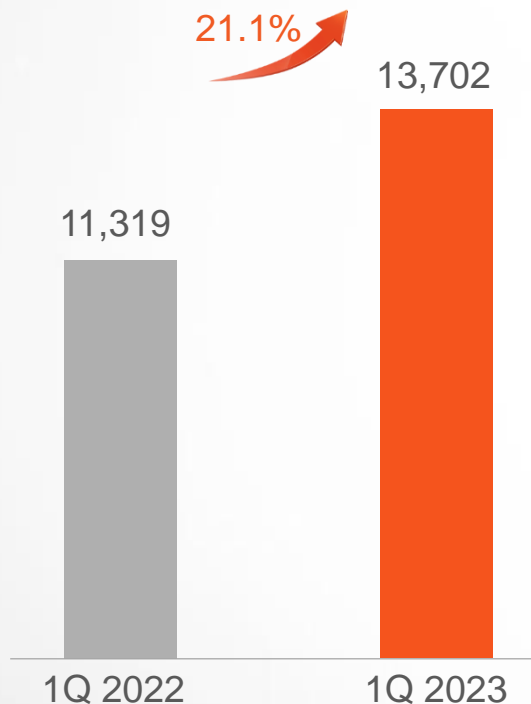


Note: Solvency margin ratios of Ping An Life and Ping An P&C are computed in accordance with the C-ROSS Phase II and the transition period policy, unaffected by the implementation of IFRS 17. If the transition period policy is not considered, the companies' core solvency margin ratios will still be above 100%.

# Life & Health: NBV resumed positive growth as reform paid off gradually

## NBV resumed positive growth<sup>(1)</sup>

(in RMB million)



## Business performance

- **Operating profit attributable to shareholders of the parent company:** down 2.1% YoY to RMB28.2 billion in 1Q 2023
- **Net profit attributable to shareholders of the parent company:** up 104.5% YoY to RMB25 billion in 1Q 2023

## Diversified channel strategy

- **Channel turned positive:** All major Life channels, including the agent channel and the bancassurance channel, achieved positive NBV growth in 1Q

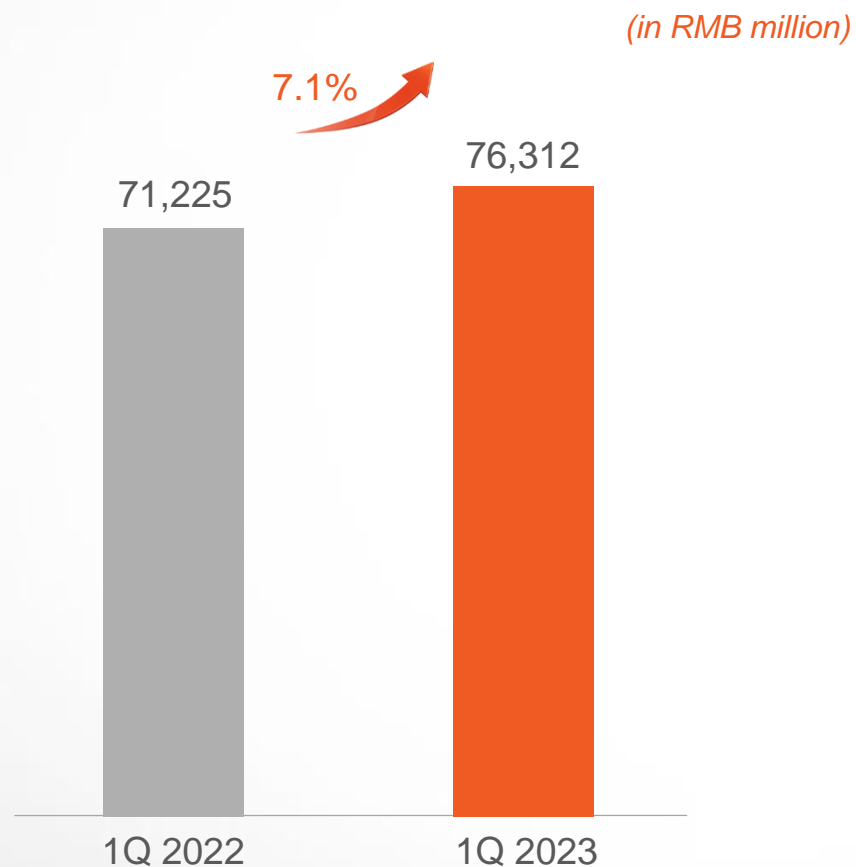
## Greater NBV contribution from “products + services”

- Customers entitled to “+ service” benefits accounted for a steadily increasing percentage of Ping An Life’s NBV
- **“Insurance + home-based elderlycare”:** covering 47 cities across China as of March 31, 2023
- **“Insurance + high-end elderlycare”:** “Shanghai Yi Nian Cheng” project was unveiled in February 2023

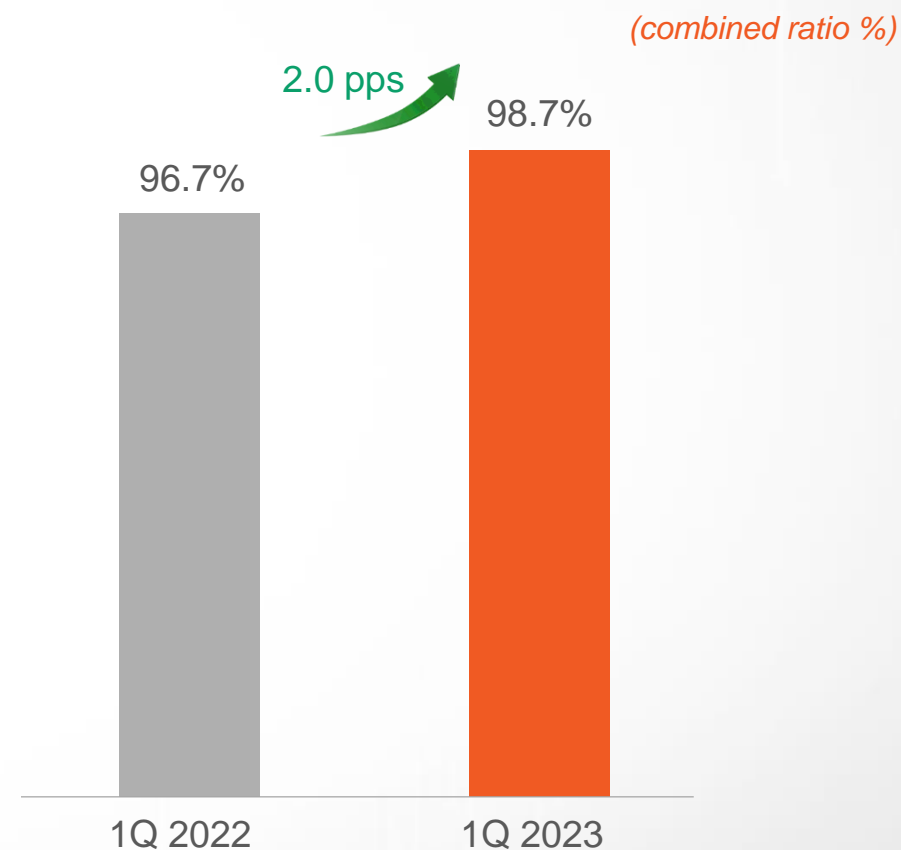
Note: (1) Life & Health NBV grew 8.8% YoY to RMB13,702 million in the first three months of 2023. Like-for-like growth in Life & Health NBV reached 21.1% YoY in the first three months of 2023.

# Property & Casualty: maintained good business quality with steady growth in insurance revenue

## Steady growth in insurance revenue



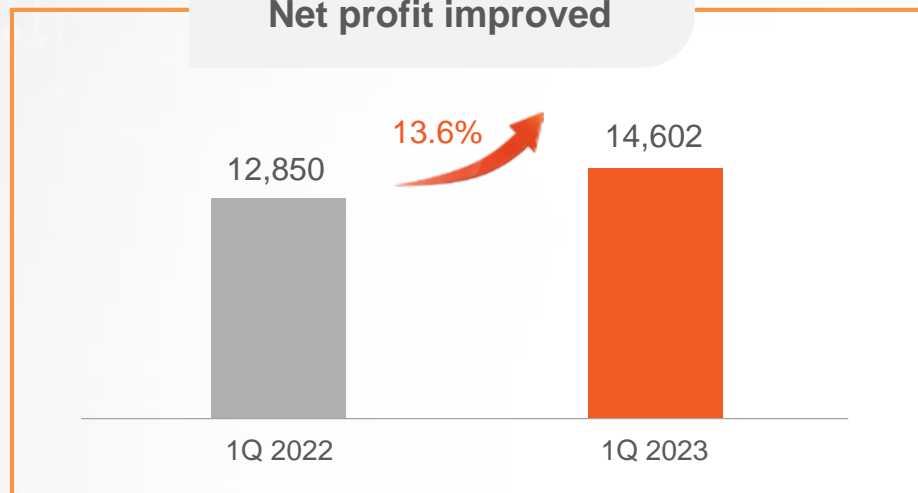
## Delivered underwriting profit



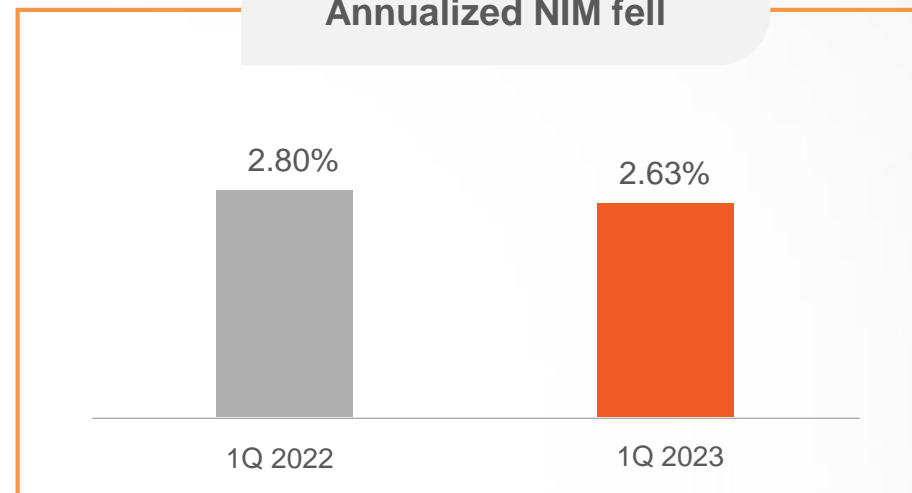
# Banking: maintained stable, healthy business performance and solid asset quality

(in RMB million)

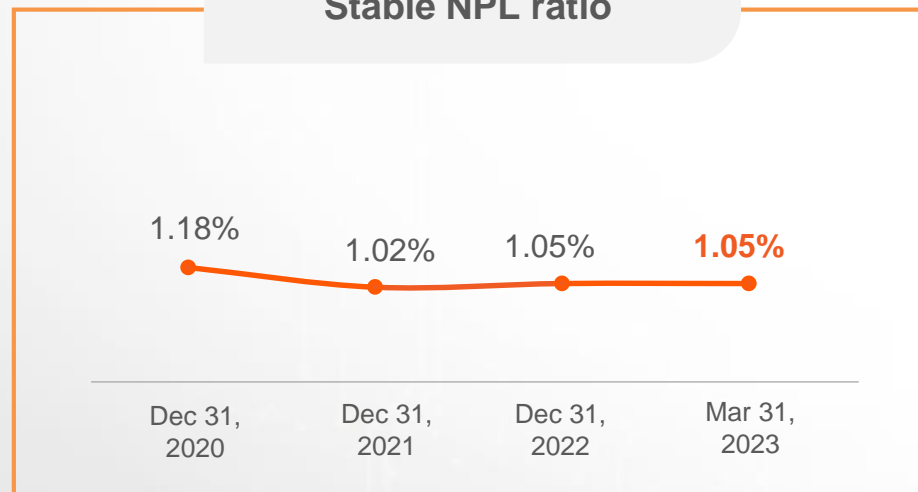
### Net profit improved



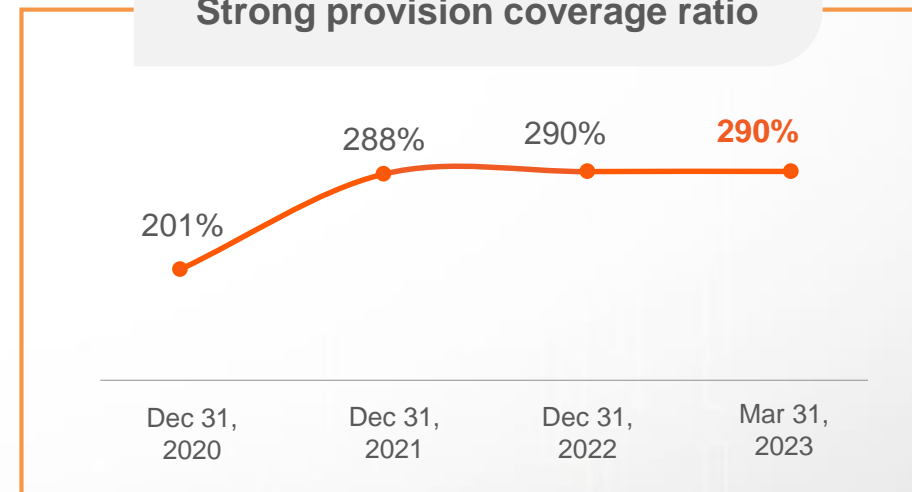
### Annualized NIM fell



### Stable NPL ratio



### Strong provision coverage ratio



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Thank you!

