

中国平安 PINGAN

专业·价值

# 2023 Nine Months Results

October 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. The forward-looking statements herein do not constitute a material commitment by the Company to investors, and investors and related persons should maintain an adequate understanding of the risks and should understand the differences between commitments and forward-looking statements such as plans and forecasts. These and other factors should be considered carefully; readers should not place undue reliance on the Company’s forward-looking statements, and should pay attention to investment risks. 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 9M 2023

## Group

- **RMB112.5 billion** in operating profit with a **16.7%** annualized operating ROE due to the Group's solid business operations and stable core financial businesses

## Integrated finance

- Have **nearly 230 million** retail customers which on average hold **c.3** contracts each

## Life & Health

- L&H maintained its steady operating profit and stable solvency position. NBV rose **40.9%** YoY like for like<sup>(1)</sup> to **RMB33.6 billion**

## Property & Casualty

- P&C delivered a **6.8%** YoY rise in insurance revenue, with an industry-leading **97.4%** auto insurance underwriting COR

## Banking

- Net profit rose **8.1%** YoY, non-performing loan ratio was **1.04%**, and provision coverage ratio was **283%**, indicating adequate capital and risk provisions

Notes: (1) On a like-for-like basis, which means NBV for 9M 2022 has been restated using the end-2022 valuation assumptions and method.

(2) 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.

(3) Operating profit of the Group refers to the operating profit attributable to shareholders of the parent company.

# Ping An's strategies: stick to 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

# Core performance for 9M 2023

(in RMB)

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

112.5 billion

-9.8%

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

87.6 billion

-5.6%

Operating ROE  
(annualized)

16.7%

NBV

33.6 billion

+40.9%<sup>(2)</sup>

Number of retail  
customers

230 million

+1.5%

Contracts per  
retail customer

2.99

+0.7%

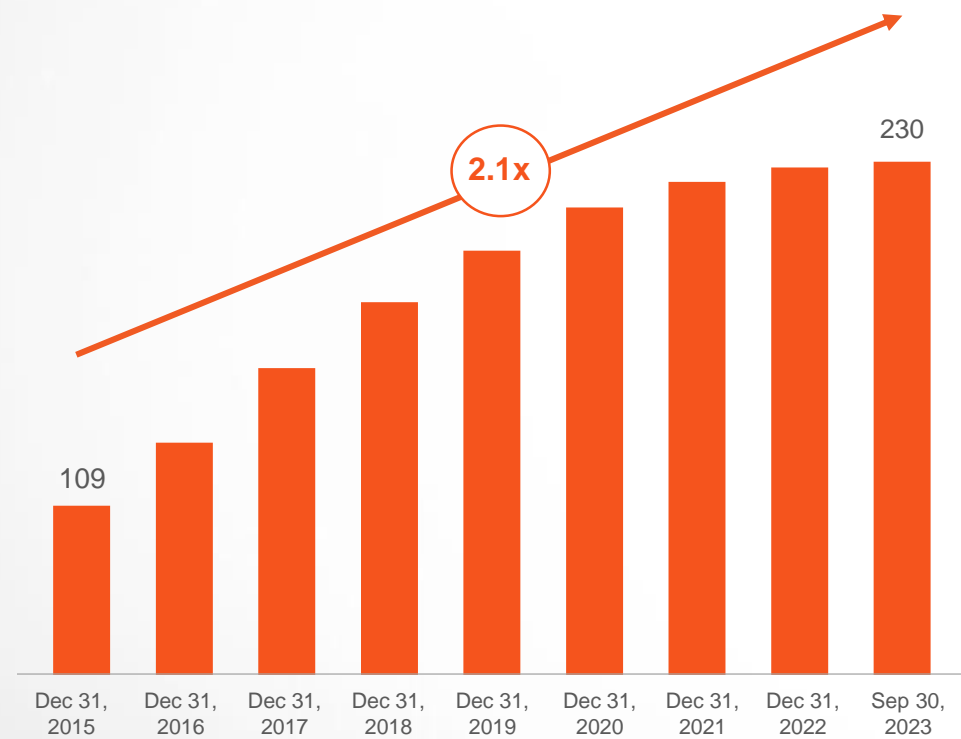
Notes: (1) Operating profit and net profit refer to the operating profit and net profit attributable to shareholders of the parent company respectively.

(2) On a like-for-like basis, which means NBV for 9M 2022 has been restated using the end-2022 valuation assumptions and method.

# Retail integrated finance: c. 230 mn retail customers holding c. 3 contracts each due to continued customer development

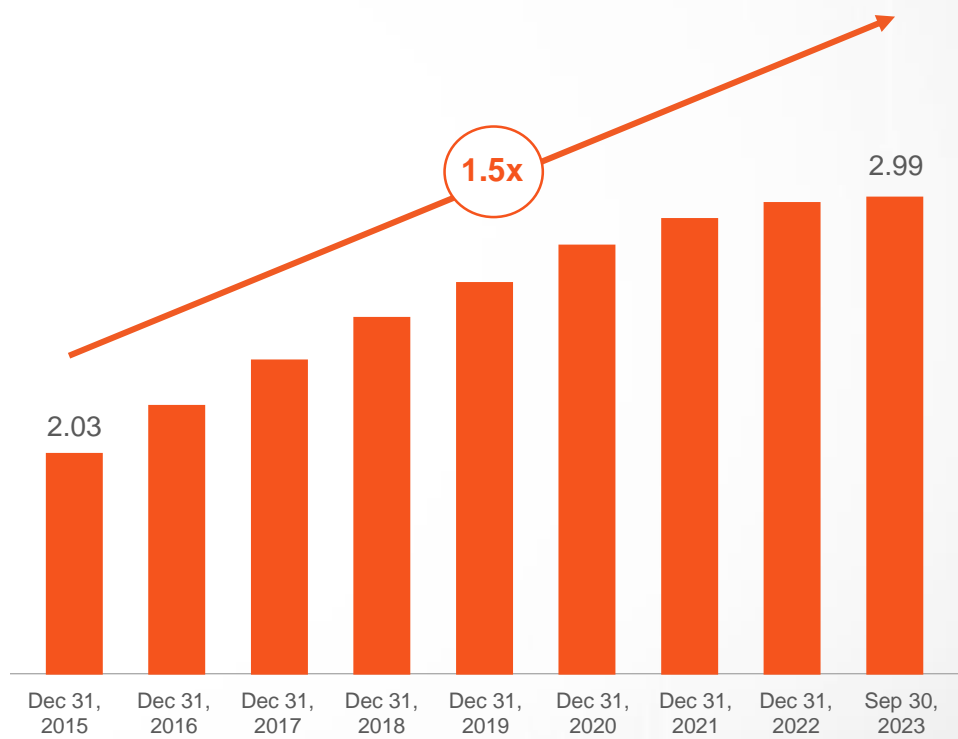
Retail customers have doubled since 2015

(million persons)

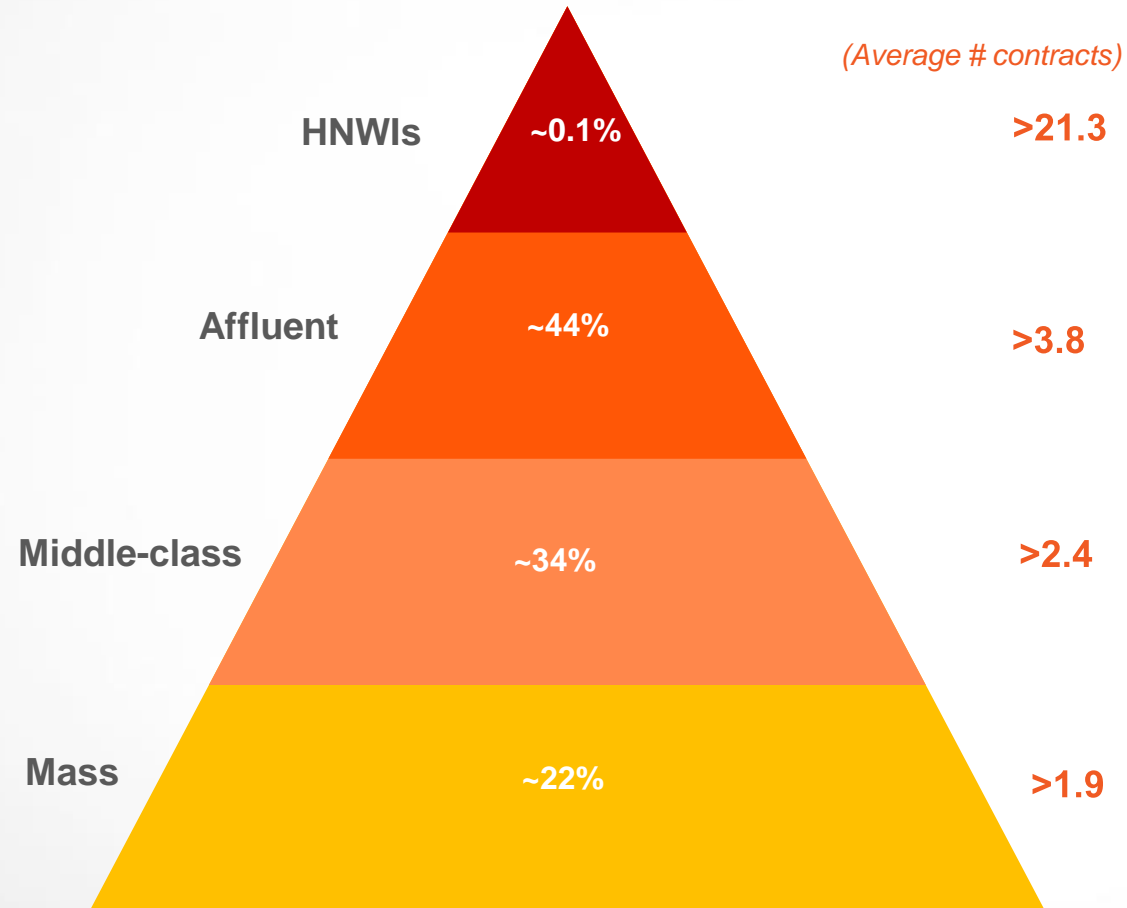


Contracts per customer have risen significantly since 2015

(contract)



# Retail integrated finance: advancing business and boosting value



- **75%+** of our **nearly 230 million** retail customers are middle-class and above customers
- High-net-worth individuals (“HNWIs”) hold **20+** contracts each on average

Notes: (1) Mass customers are those with annual income below RMB100,000, middle-class customers between RMB100,000 and RMB240,000, and affluent customers above RMB240,000. HNWIs have personal assets of RMB10 million or more.

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



# Healthcare and elderlycare empowerment: act as a payer and integrate service providers to provide most cost-effective services

## Payers: finance + healthcare & elderlycare

**Individuals**

- Insurance + healthcare
- Insurance + home-based elderlycare
- Insurance + high-end elderlycare

**Employers**

- Healthcare fund + employee health management
- Supplementary insurance + employee health management
- Corporate employee health management programs

Ping An Life Ping An P&C  
Ping An Annuity Ping An Health Insurance Ping An Bank

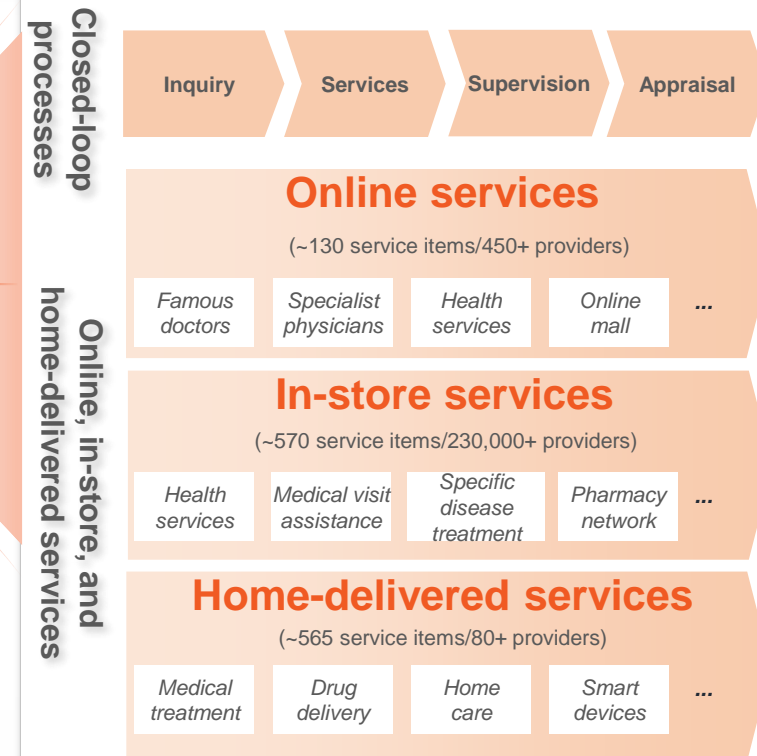
### Family doctors + elderlycare concierges

- 24/7 active management
- Seconds-level response
- Health records + AI

**Membership**  
Elementary | Intermediate | Premium | Super

Healthcare/elderlycare members <b>30 mn+</b>	Providers <b>230,000+</b>
Service volume <b>70 mn+</b> times	Gross merchandise volume <b>RMB4.5 bn+</b>

## Providers: standards, centralized procurement and supervision



Ping An Health





# Steady OPAT from the Group's three core businesses

(in RMB million)

9M 2023

Proportion (%)

YoY Change (%)

	9M 2023	Proportion (%)	YoY Change (%)
<b>Life &amp; Health</b>	84,911	75.5	(1.3)
<b>Property &amp; Casualty</b>	9,965	8.9	(8.0)
<b>Banking</b>	22,972	20.4	8.1
<b>Asset management</b>	(4,344)	(3.9)	N/A
<b>Technology</b>	2,263	2.0	(60.0)
<b>Others &amp; elimination</b>	(3,285)	(2.9)	(29.3)
<b>Total Operating Profit</b>	<b>112,482</b>	<b>100.0</b>	<b>(9.8)</b>

The Group's three core financial businesses remained stable, with RMB117.8 bn in OPAT, down 0.2% YoY

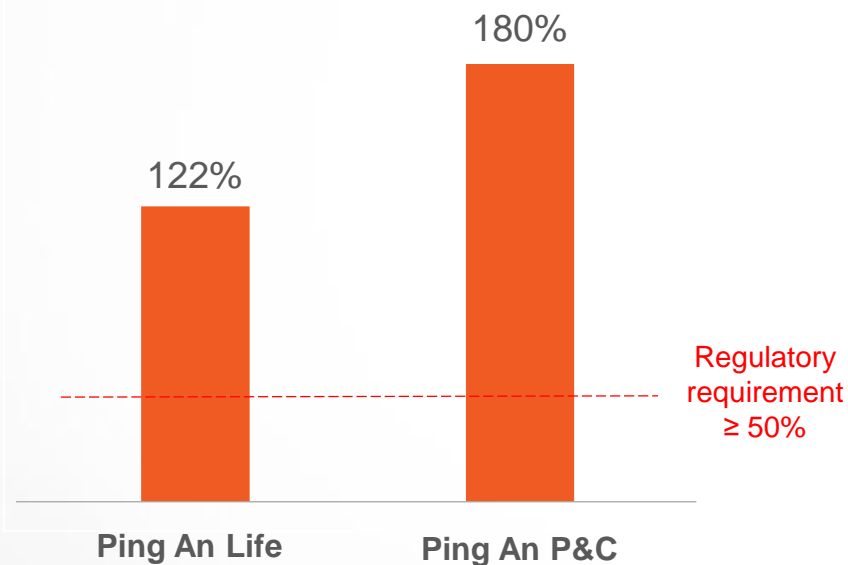
Notes: (1) Life & Health net profit attributable to shareholders of the parent company grew 6.9% YoY to RMB59,953 million. Technology business net profit attributable to shareholders of the parent company declined 37.2% YoY to RMB2,314 million. For property and casualty insurance, banking, and asset management businesses, net profits attributable to shareholders of the parent company equal operating profits attributable to shareholders of the parent company.

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

# Solvency margin ratios significantly higher than regulatory requirements

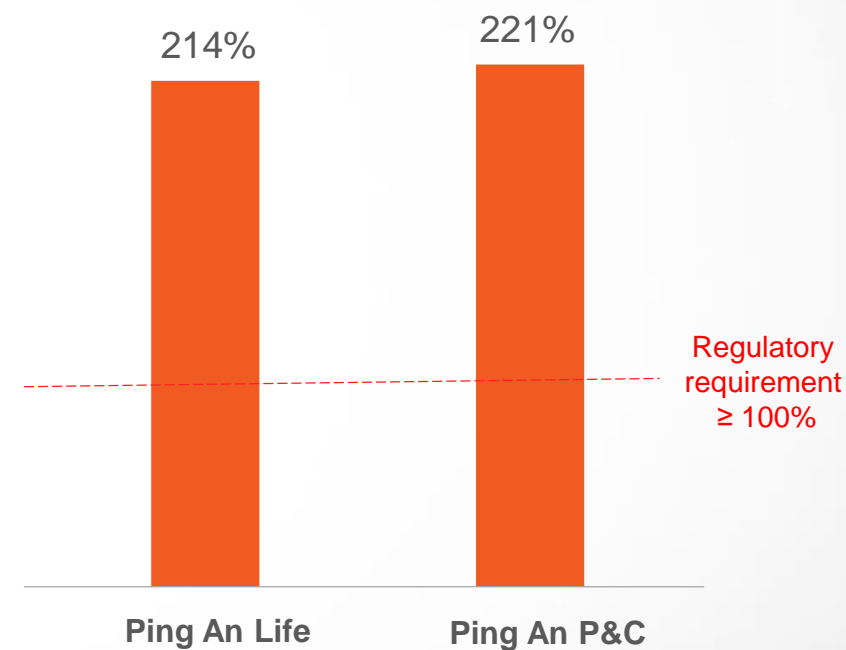
## Core solvency margin ratio

■ Sep 30, 2023



## Comprehensive solvency margin ratio

■ Sep 30, 2023

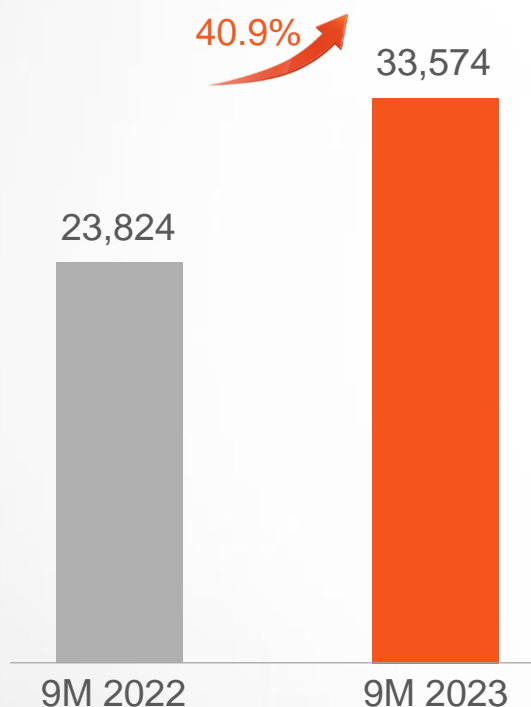


Note: Solvency margin ratios of Ping An Life and Ping An P&C are computed in accordance with the C-ROSS Phase II and the transition period policy, unaffected by the implementation of IFRS 17. If the transition period policy is not considered, the companies' core solvency margin ratios will still be above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

# Life & Health: resilient OPAT with NBV up 40.9% YoY

## NBV up YoY<sup>(1)</sup>

(in RMB million)



## Resilient business performance

- **Operating profit attributable to shareholders of the parent company:** **-1.3%** YoY to **RMB84.9 billion** in 9M 2023
- **Net profit attributable to shareholders of the parent company:** **+6.9%** YoY to **RMB60 billion** in 9M 2023
- **NBV:** L&H's NBV for 9M 2023 was **RMB33.6 billion**, **+40.9%** YoY like for like<sup>(1)</sup>

## Diversified channel contribution

- **Channel contribution:** Innovative channels including bancassurance and Community Grid accounted for **15.8%** of Ping An Life's NBV in 9M 2023

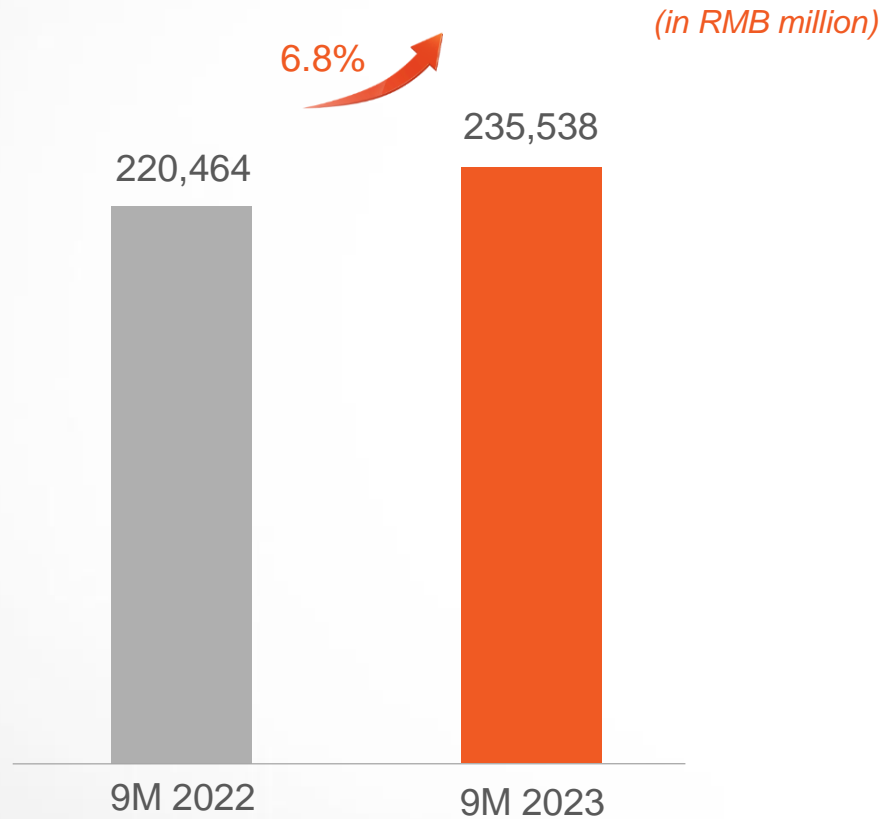
## NBV contribution from "Product + Service" offerings

- Customers entitled to "+ service" benefits accounted for **68%** of Ping An Life's NBV
- **"Insurance + home-based elderlycare":** covering **54** cities across China as of September 30, 2023
- **"Insurance + high-end elderlycare":** Guangzhou Yi Nian Cheng project commenced in August 2023

Note: (1) On a like-for-like basis, which means NBV for 9M 2022 has been restated using the end-2022 valuation assumptions and method.

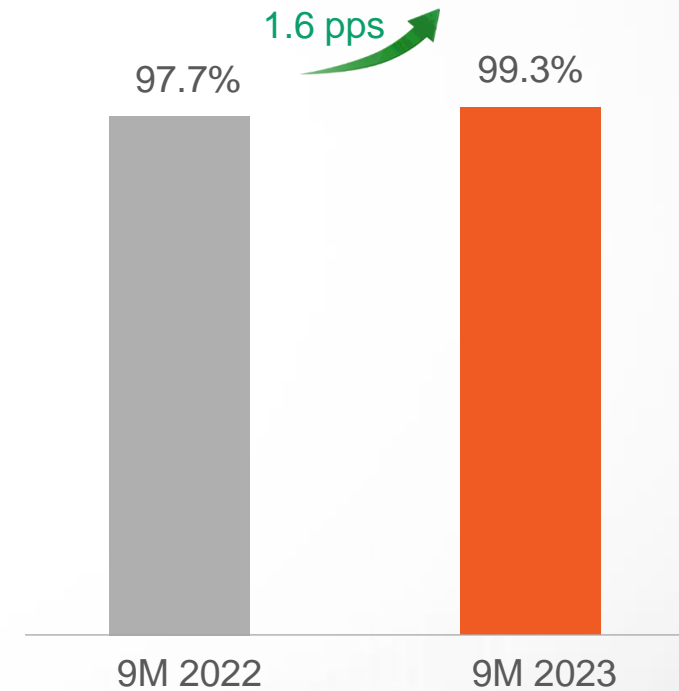
# Property & Casualty: steady growth in insurance revenue

## Steady growth in insurance revenue



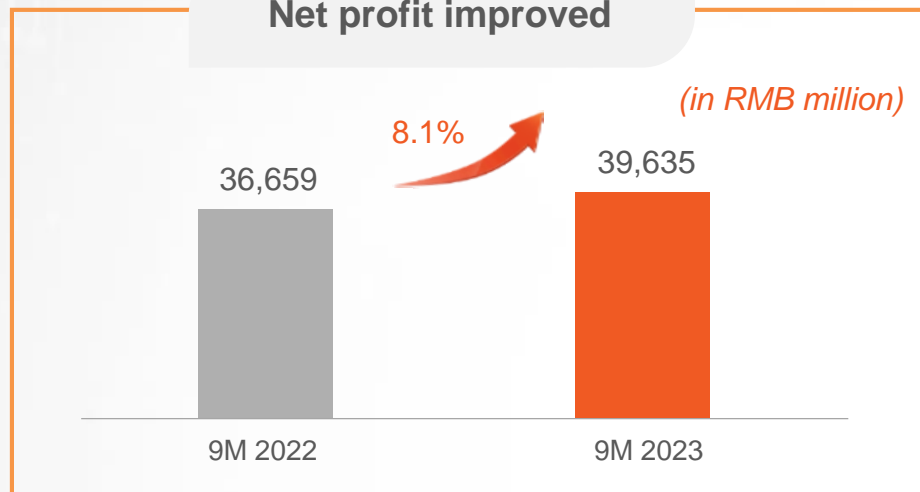
## Underwriting Combined Ratio

- COR up 1.6 pps including 1.1 pps from typhoons/rainstorms
- A 97.4% auto insurance COR shows industry-leading quality

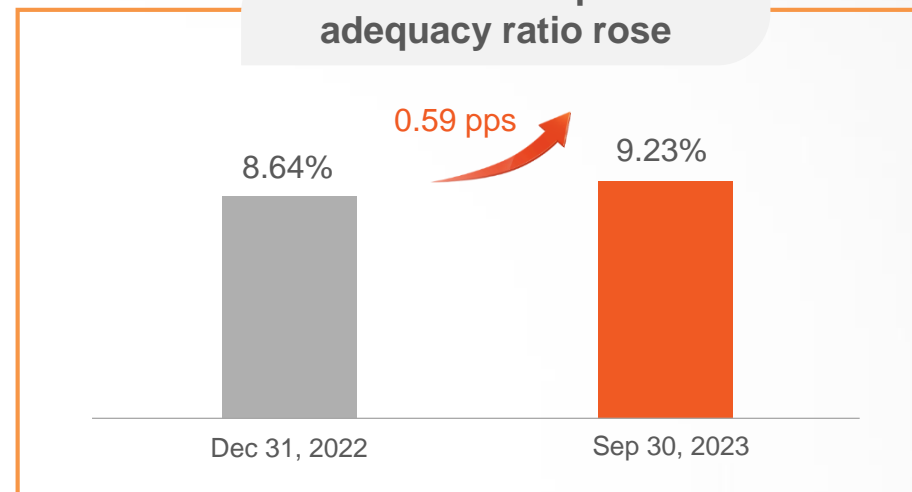


# Banking: stable, healthy business performance and solid asset quality

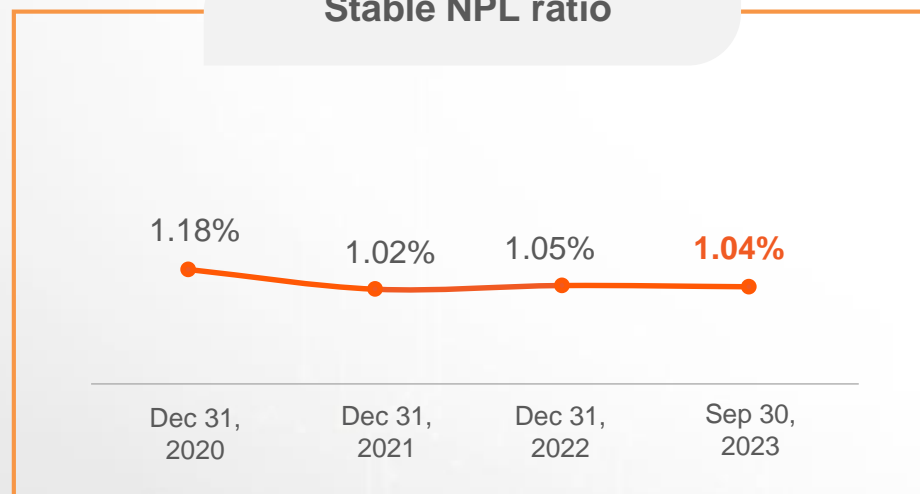
## Net profit improved



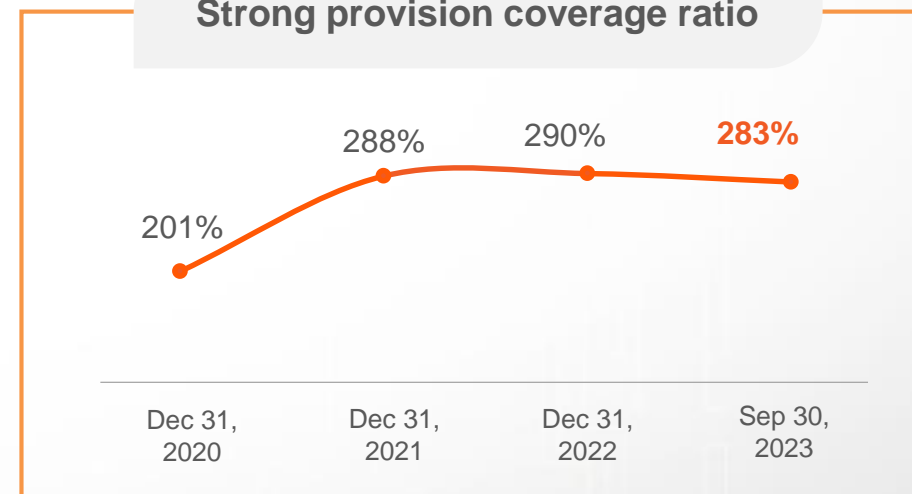
## Core tier 1 capital adequacy ratio rose



## Stable NPL ratio



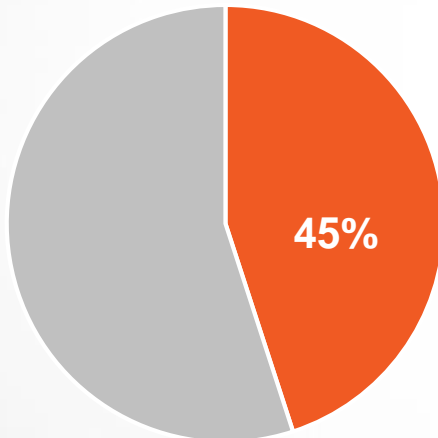
## Strong provision coverage ratio



# Improved end-to-end services and operating efficiency via technological empowerment of core financial businesses

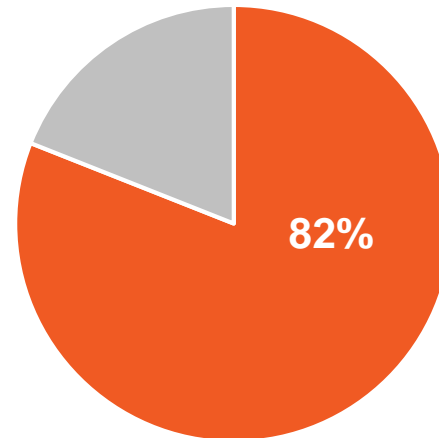
## Promoting sales

Proportion of sales realized by AI service representatives



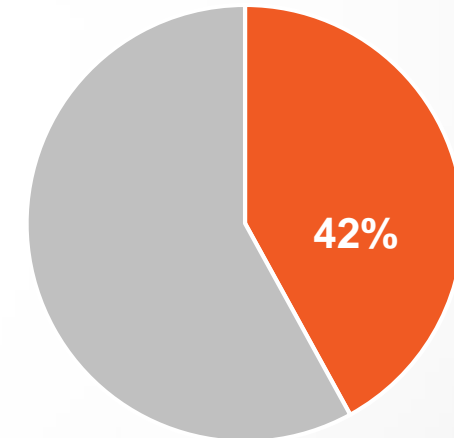
## Improving efficiency

Proportion of service volume handled by AI service representatives



## Containing risks

Percentage of overdue loans collected with AI



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Thank you!

