

中国平安 PINGAN

专业 · 价值

2022 Interim Results

August 2022



Cautionary Statements Regarding Forward-Looking Statements

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.

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Jason Yao
Co-CEO and CFO

Integrated Finance

Xie Yonglin
President and Co-CEO

Life Reform & Technology

Jessica Tan
Co-CEO

Performance Overview

Jason Yao
Co-CEO and CFO

1H 2022 Business Highlights

(RMB)

Operating profit⁽¹⁾

85,340 million

+4.3%

Interim dividend

0.92/share

+4.5%

**Operating ROE
(annualized)**

20.4%

Net profit⁽¹⁾

60,273 million

+3.9%

L&H EV

906,619 million

+3.4%

**L&H operating
profit⁽¹⁾**

58,398 million

+18.0%

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

Group operating profit rose 4.3% YoY

(in RMB million)

	1H 2022	Proportion (%)	YoY Change (%)
Life and health	58,398	68.4	18.0
Property and casualty	8,343	9.8	(22.3)
Banking	12,802	15.0	25.6
Asset management ⁽²⁾	4,400	5.2	(45.1)
Technology ⁽³⁾	4,909	5.8	(21.3)
Others & elimination	(3,512)	(4.1)	23.9
The Group	85,340	100.0	4.3

Operating profit growth drivers

1H 2021 OPAT

Life and health

Property and casualty

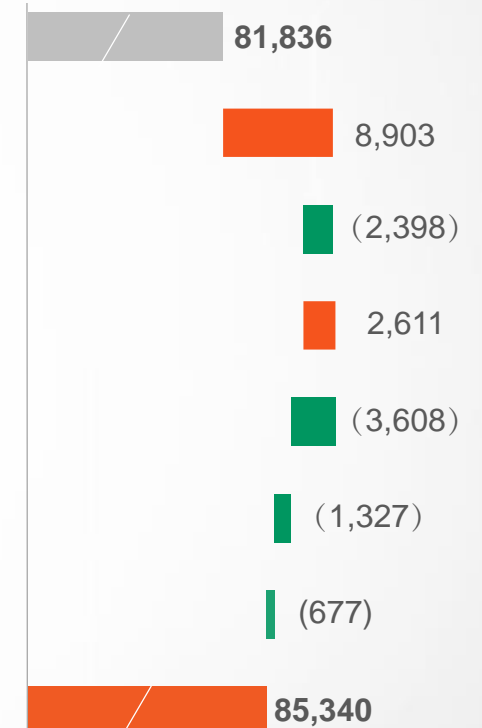
Banking

Asset management

Technology

Others & elimination

1H 2022 OPAT



Notes: (1) Operating profit refers to the operating profit attributable to shareholders of the parent company. Operating profit is based on net profit from financial statements, excluding items that are of short-term, volatile or one-off nature and others. For details of computation, please refer to the Company's Interim Report 2022 disclosed on the website of the SSE and the announcement of results for the six months ended June 30, 2022 disclosed on the website of the HKEX.

(2) The asset management business represents the results of subsidiaries that engage in asset management business including Ping An Securities, Ping An Trust, Ping An Asset Management, Ping An Financial Leasing, and Ping An Overseas Holdings.

(3) The technology business represents the results of subsidiaries, associates and joint ventures that engage in technology business including Autohome, Lufax Holding, OneConnect, and Ping An Health.

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

L&H NBV dropped 28.5% YoY as COVID-19 tempered consumer spending on long-term protection products and hindered offline sales promotion activities in multiple regions

(in RMB million)

	NBV	Change (%)	NBV Margin (%)	Change (pps)
Retail business	19,356	(28.5)	32.6	(8.4)
Agent channel	16,434	(30.6)	36.7	(8.1)
Protection & Saving hybrid (short-PPP)	5,928	(6.7)	20.8	(0.3)
Protection & Saving hybrid (long-PPP) ⁽¹⁾	4,530	(24.1)	47.4	(8.4)
Long-term protection ⁽²⁾	3,880	(58.4)	93.6	(7.2)
Short-term insurance	2,096	2.9	83.5	5.4
Telemarketing, internet and others	1,861	(24.8)	23.1	(5.3)
Bancassurance	1,060	14.9	16.3	(4.3)
Group business	217	(28.9)	1.3	(0.1)
Total NBV	19,573	(28.5)	25.7	(5.5)

High-protection
business

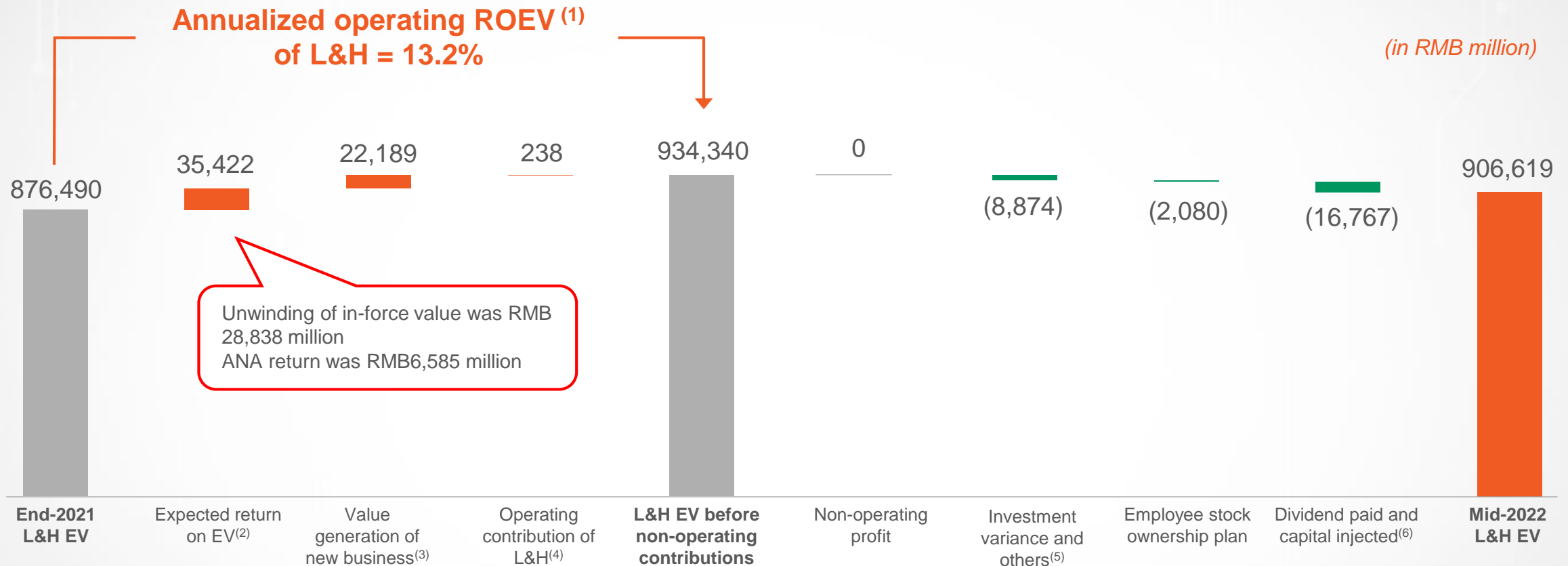
Notes: (1) PPP stands for Premium Payment Period. Protection & Saving hybrid (Long-PPP) products cover endowment and annuity products with PPP of 10 years and above. For the critical illness plus savings combination, its main products are classified as Long-PPP Protection & Saving hybrid.

(2) Long-term protection products cover whole-life, term life, critical illness and long-term accident insurance.

(3) In the table above, the assumptions and method used to calculate NBV for 1H 2021 are the same as those used for 2021 interim valuation. Under the end-2021 valuation assumptions and method, NBV for 1H 2022 decreased 20.3% YoY.

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

L&H delivered an annualized operating ROEV of 13.2%



Notes: (1) Annualized Operating ROEV = Operating ROEV for the first half of the year x 2.

(2) Expected return on EV consists of the expected return from opening adjusted net assets, the opening value of in-force and the NBV during the Reporting Period.

(3) Value generation of new business includes NBV (RMB19,573 million) and risk diversification effects (RMB2,616 million).

(4) Operating contribution of L&H includes operating assumptions and model changes (RMB-890 million) and L&H operating variance and others (RMB1,129 million).

(5) Investment variance and others include the investment variance, market value adjustments, and other impacts.

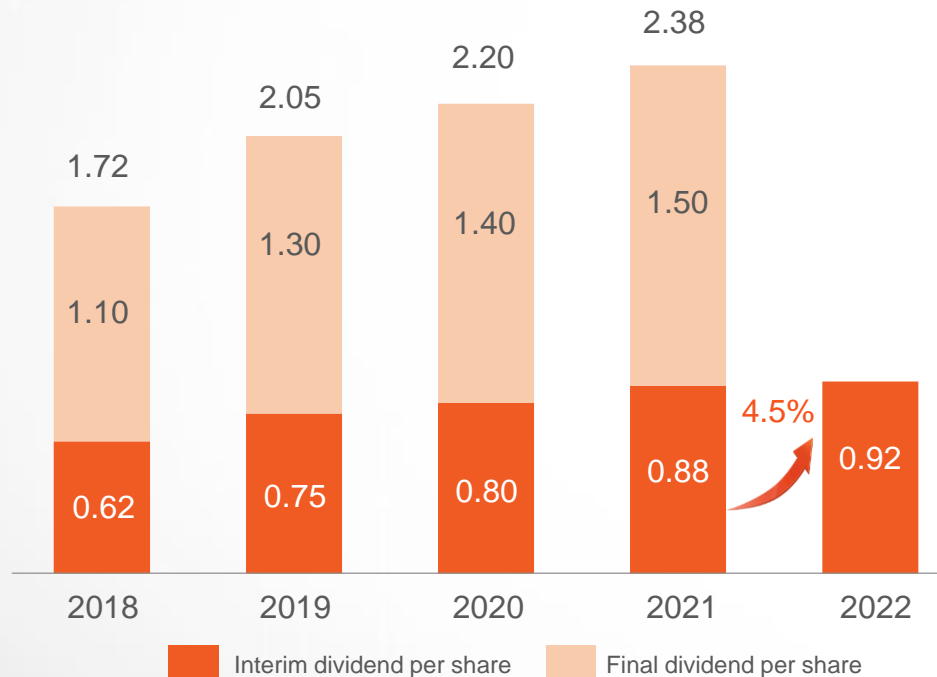
(6) Dividends paid by Ping An Life to the Group amounted to RMB33,837 million. The Group injected RMB17,070 million of capital into Ping An Annuity and Ping An Health Insurance.

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

Ping An attaches importance to shareholder returns, paying an interim cash dividend of RMB0.92 per share, with free cash of the parent company remaining reasonable

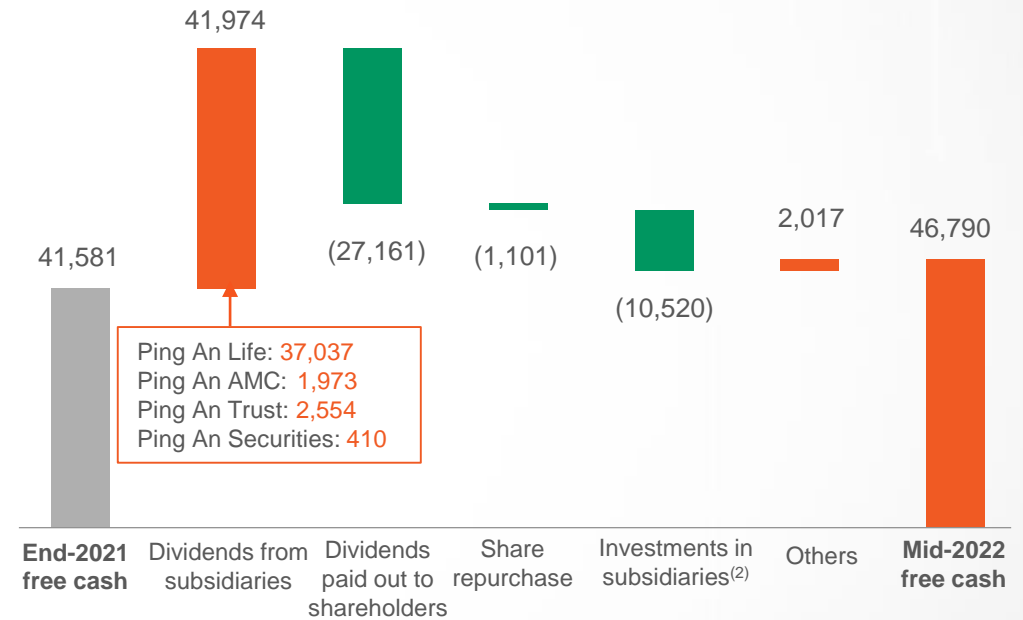
Interim dividend

(in RMB per share)



Free cash position of the parent company

(in RMB million)

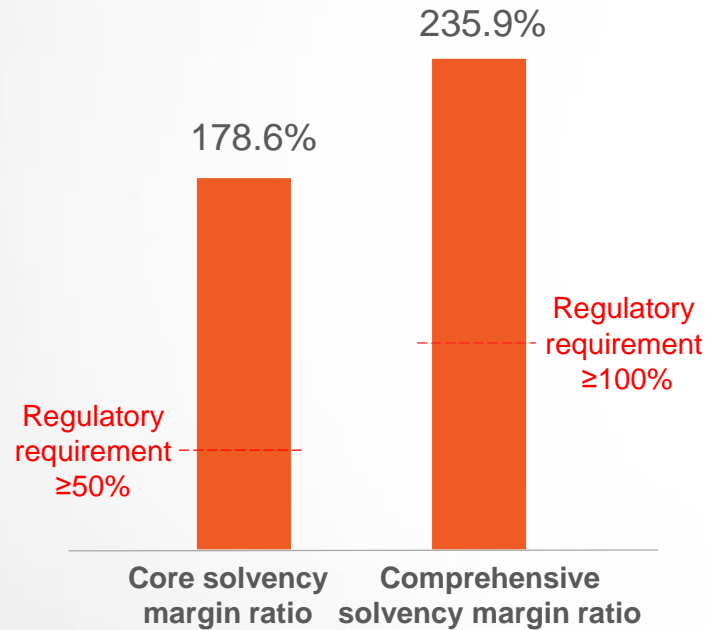


Notes: (1) Free cash of the parent company includes bonds, equity securities, bank deposits and cash equivalents that the parent company holds. Free cash of the parent company is mainly invested in subsidiaries or used in daily operations or for dividend distribution.
 (2) The Company's investments in subsidiaries mainly include the parent company's capital injection into Ping An Annuity.

Solvency margin ratios comfortably above regulatory requirements under C-ROSS Phase II Rules

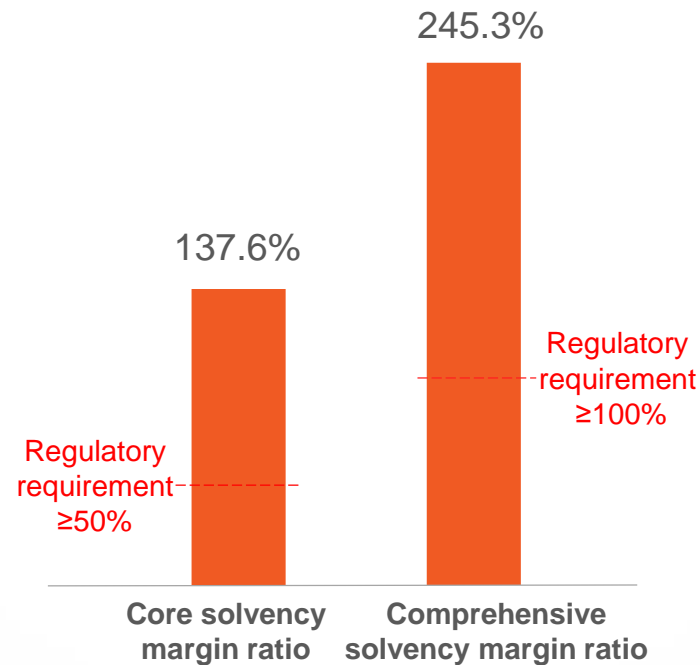
Ping An Group

Jun 30, 2022



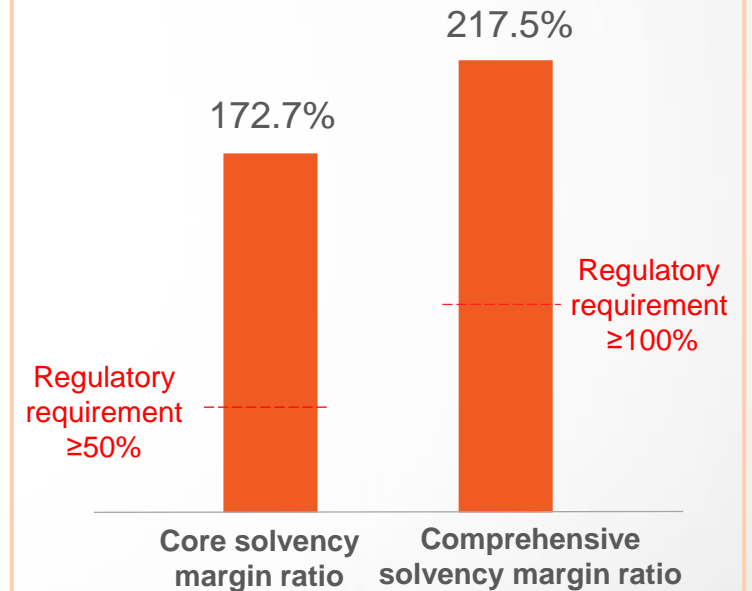
Ping An Life

Jun 30, 2022



Ping An P&C

Jun 30, 2022



Note: The above solvency margin ratios as of June 30, 2022 are computed in accordance with the C-ROSS Phase II Rules and the transition period policy. If the transition period policy is not considered, the companies' core solvency margin ratios will still be above 100%.

Investment portfolio of insurance funds

Proportion

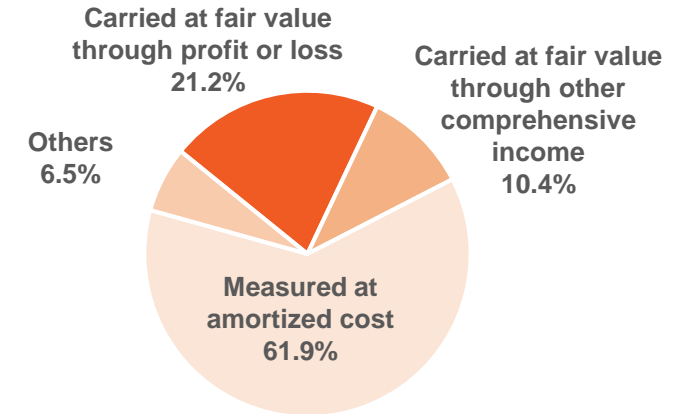
Jun 30, 2022

Dec 31, 2021

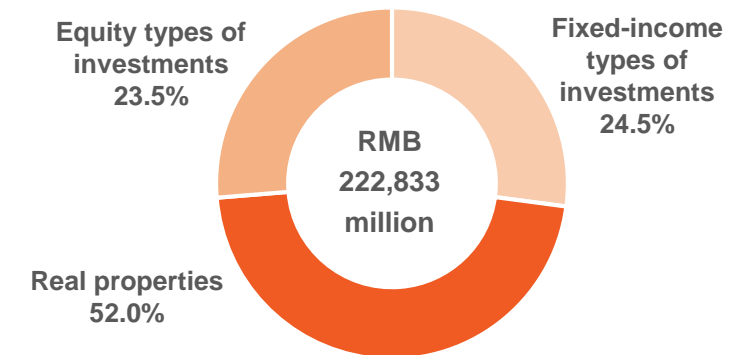
Change (pps)

Cash and cash equivalents	2.8%	2.8%	-
Term deposits	5.9%	5.3%	0.6
Debt financial assets			
Bond investments	49.8%	48.6%	1.2
Bond funds	2.8%	2.3%	0.5
Preferred stocks	2.7%	3.0%	(0.3)
Perpetual bonds	1.5%	1.5%	-
Policy loans	4.3%	4.6%	(0.3)
Debt schemes	4.6%	5.0%	(0.4)
Wealth management products ⁽¹⁾	6.2%	6.7%	(0.5)
Equity financial assets			
Stocks	6.1%	7.0%	(0.9)
Equity funds	2.9%	2.3%	0.6
Wealth management products ⁽¹⁾	0.9%	0.8%	0.1
Unlisted equities	2.6%	2.8%	(0.2)
Long-term equity stakes	3.8%	4.1%	(0.3)
Investment properties	2.7%	2.6%	0.1
Other investments ⁽²⁾	0.4%	0.6%	(0.2)
Total investments (in RMB million)	4,270,779	3,916,412	

➤ Investment portfolio (by accounting measurement)



➤ Real estate investments: 5.2% of total investments, down 0.3pps YTD

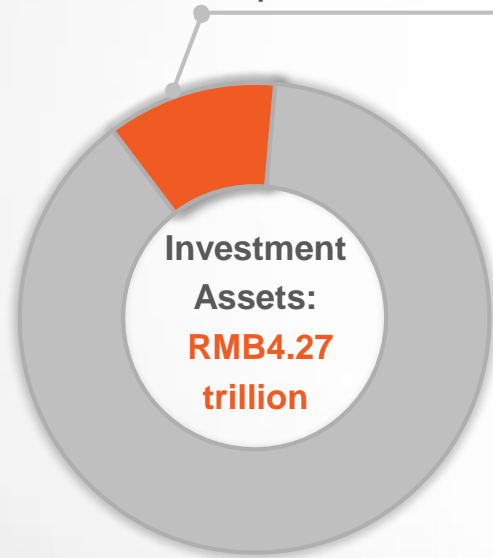


Notes: (1) Wealth management products include trust plans from trust companies, products from insurance asset management companies, and wealth management products from commercial banks.

(2) Other investments mainly include statutory deposits for insurance operations, three-month or longer-term financial assets purchased under reverse repurchase agreements, and derivative financial assets.

Non-standard debt assets generated 5.19% average nominal yield

Debt schemes and debt wealth
management products
Carrying value: **RMB459.5 billion**
Proportion: **10.8%**

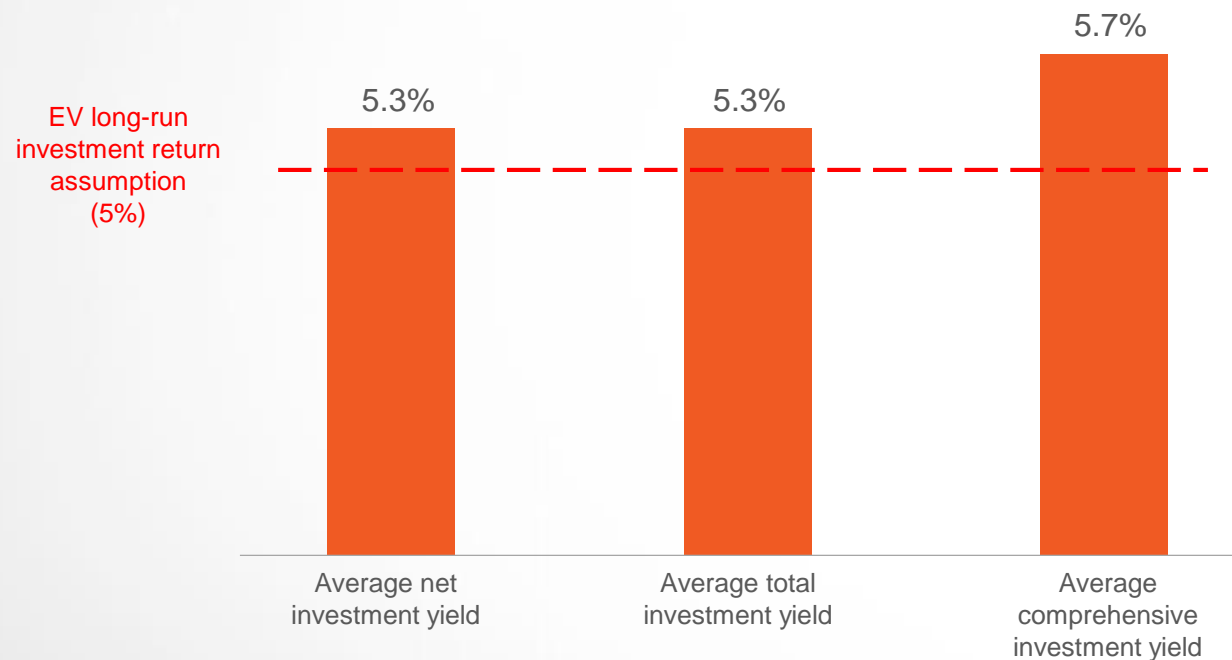


	% of total investments	Nominal yield (%)	Remaining maturity (year)
Infrastructure	4.6	5.08	4.92
Expressway	1.3	5.26	3.61
Electric power	0.7	4.68	6.14
Infrastructure and development zones	0.9	5.57	5.31
Others (water supply, environmental protection, railway...)	1.7	4.85	5.22
Non-banking financial services	2.2	5.53	2.47
Real estate industry	2.0	5.22	2.60
Coal mining	0.1	5.85	1.76
Others	1.9	4.96	4.12
Total	10.8	5.19	3.83

Notes: (1) Non-banking financial services refer to financial institutions other than banks, including insurers, asset management companies, and financial leasing companies.
 (2) The real estate industry is broadly defined as comprising: real estate debt schemes with funds directly invested in real estate projects; and trust schemes, infrastructure investment schemes, project asset-backed schemes, and so on with funds used indirectly in connection with real estate enterprises.
 (3) Figures may not match the calculation due to rounding.

10-year average investment return > EV long-run investment return assumption (5%)

10-year average investment return (2012-2021)



Investment performance

	1H 2022	1H 2021
Annualized net investment yield	3.9%	3.8%
Annualized total investment yield	3.1%	3.5%

Sustainability: responsible, lower-carbon, and embracing the future

Green Development

Green investment & financing reached **RMB249.4 bn**

Green banking business reached **RMB161.7 bn**

Environmentally sustainable insurance premium income totaled **RMB77.0 bn**

Green operations

Ping An launched Green Operations Innovation Competition, trying to **achieve operational carbon neutrality by 2030**

Responsible Investment & Financing

Responsible investment & financing over **RMB1.62 trillion**

Social Responsibility

Ping An Rural Communities Support
Ping An provided **nearly RMB 50 billion** for poverty alleviation and industrial revitalization

Bring insurance, finance and healthcare to rural areas
Ping An launched a pilot project in Shaoguan, Guangdong Province to support rural revitalization

Index & Rating

1H 2022

Description



MSCI ESG rating

BBB

Leading position in the domestic insurance industry



FTSE4Good Index Series

Included



CDP rating

A-

The best rating among financial companies in the Chinese mainland



Sustainalytics' ESG Risk Ratings

Low Risk

Leading position in China



Hang Seng Corporate Sustainability Index

A

Included in the Hang Seng China Enterprises Index ESG Index and the Hang Seng ESG 50 Index

Global Partnerships



FINANCE INITIATIVE



Principles for Responsible Investment



Principles for Sustainable Insurance



Green Investment Principles



碳中和行动联盟

Honors and Awards



Fortune

Fortune
Global 500

No. 25

Global financial
services
companies

No. 4



Forbes

Global 2000 list

No. 17

Global insurance
conglomerates

No. 1



Brand Finance,
the world’s largest brand
consulting company

The world’s most
valuable insurance
brands – Top 100

No. 1

Among global
insurance
brands
for the sixth
consecutive year



Fortune

Fortune
China 500

No. 4

Integrated Finance

Xie Yonglin
President and Co-CEO

Retail integrated finance: building a brand of heartwarming financial services by providing one-stop integrated finance solutions

“1+N” retail financial business model

**Business
Model**

One customer, multiple products, and one-stop services

Strategies

Precise insights into customer demands

- **Be customer-centric**
- Formulate multi-dimensional customer tags, accurately identify customer demands, and promote customer acquisition, customer retention and asset retention
- **“Who are our customers? What do customers want?”**

Heartwarming financial services

- Adhere to the **“worry-free, time-saving, and money-saving”** value proposition
- Develop product suites for different customer segments, and provide scenario-based one-stop integrated finance solutions
- **“What do we have? How do we deliver?”**

“Four Connects and One Platform”

- Enhance basic capabilities in **accounts, data, products, benefits, and an intelligent marketing services platform**
- Create excellent customer experience and empower business growth
- **“What infrastructure should we build? What collaborations should we develop?”**

Highlights

Balance of AUM in financial master accounts **RMB374.5 bn**
+16.4% YTD

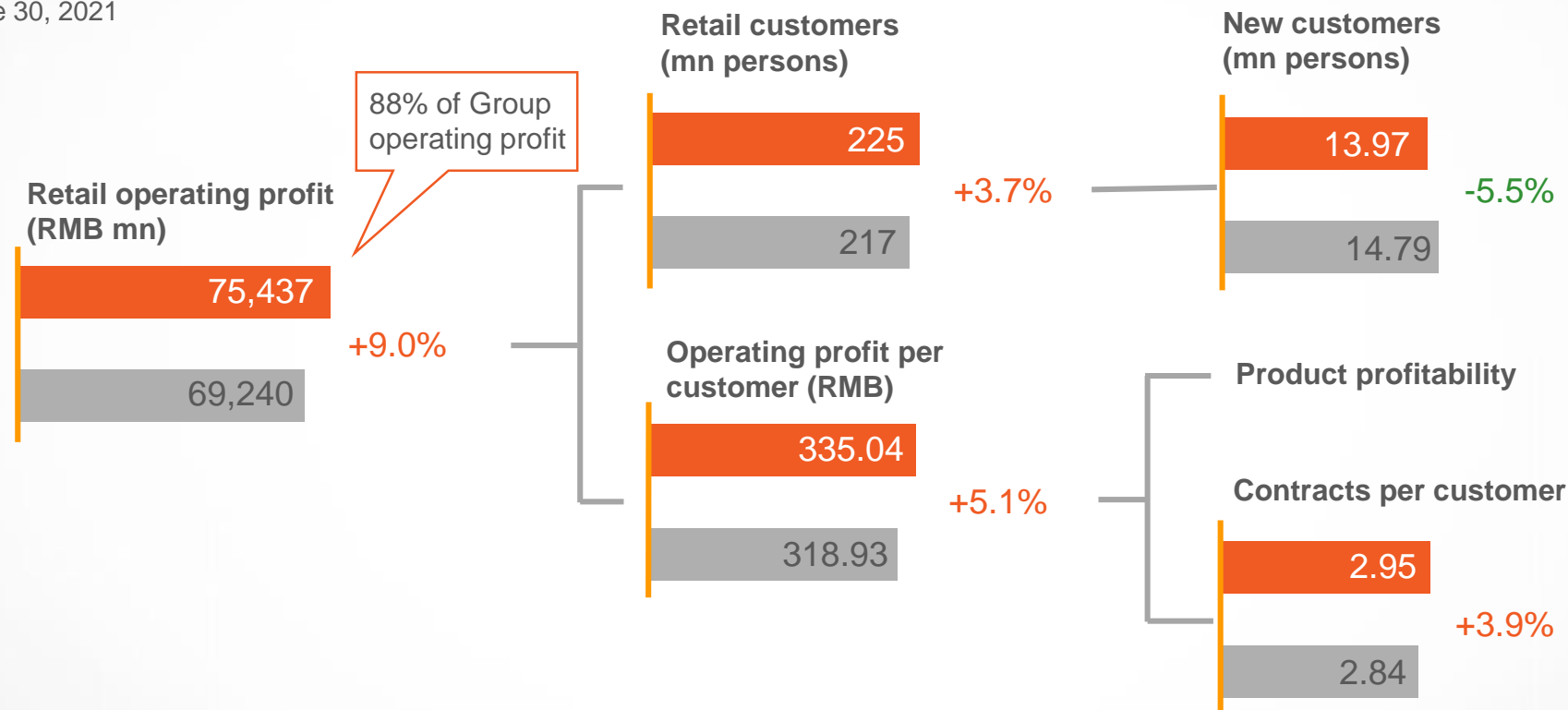
New sales of insurance trust products **RMB29.4 bn**
+73.7% YoY

Use of the car refueling benefit **Over 5.73 mn times**
+113.0% YoY

Retail integrated finance: strong results boosted by a larger customer base

■ 1H 2022/June 30, 2022

■ 1H 2021/June 30, 2021



Notes: (1) The operating profits are the operating profits attributable to the shareholders of the parent company.

(2) The Company improved the definitions of retail customers and contracts per customer in 2022 by removing unreachable customers but including distributed contracts. Comparable data of 2021 was restated accordingly.

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

Corporate integrated finance: deepening the “1+N” corporate business model by focusing on three customer segments and three models

“1+N” corporate financial business model

Large and medium-sized enterprises and governments

- A key to serving the real economy with financial services
- **Sophisticated, non-standard business demands:** equities and debts, M&As, mixed-ownership reform, asset revitalization, and so on



Large and medium-sized business services driven by investment banking

- Leverage the **Group's ecosystems and advantages in investment of insurance funds** to boost customer development
- Offer tailor-made integrated financial service solutions covering “**commercial banking + investment banking + investment**”

Small and micro- enterprises, and upstream and downstream of supply chains

- A key process of serving small and micro-enterprises and people's livelihoods via financial services
- **Diverse demands and huge potential:** differentiated demands covering insurance, loans, wealth management, financial and non-financial technologies



Small enterprise and supply chain services driven by technology

- Provide customers with **standardized products and services** at low costs by removing the middle layer through digitization, making financial services less costly for small and micro-enterprises

Financial institutions

- Financial institutions play an important role in **promoting economic growth and preventing financial risks**
- Small and medium-sized financial institutions urgently need professional financial support in terms of **fintech empowerment, risk management, and investment**



Financial institution services driven by sales and trading

- Share technology, strategy, and risk management capabilities with financial institutions based on **expertise and technologies**, and develop ecosystems with financial institutions



System support



R&D



Data capabilities



Organization building

Corporate integrated finance: the three models made steady increases in performance contribution

Large and medium-sized business services driven by investment banking

Leveraged the advantages in fund and bond business ecosystems as well as insurance fund investment to provide tailor-made integrated financial services for large and medium-sized enterprises and governments

- **The benchmark model began to yield results:** benchmark models have been effectively implemented in 6 fields including infrastructure, new energy and deleveraging, with infrastructure projects totaling **RMB241.2** billion
- **Leveraging advantages to boost comprehensive income:** We promoted the cross-selling of financial products. For example, corporate investment and financing business brought **RMB258** billion of bank deposits in 1H 2022

Small enterprise and supply chain services driven by technology

Connecting corporate customer demands to financial services with technology to solve financing and operational difficulties and reduce financing and operational costs for small enterprises

- **Developing comprehensive solutions through an open ecosystem:** we aggregated internal products including investment and financing, insurance, payment and settlement, treasury management, Internet of Things and digital asset management, and cooperated with external software providers and supply chain scenario partners to jointly exploit the scenarios and build an open ecosystem
- **In-depth customer/user services through a unified platform:** We build the two differentiation advantages of “+ accounts” and “+ data” focused on numerous users on the industrial platform, to accurately and efficiently acquire, reach and migrate customers using technology. Registered users of the “Ping An Bank Digital Pocket” platform increased **33%** YTD to **10.85 million**

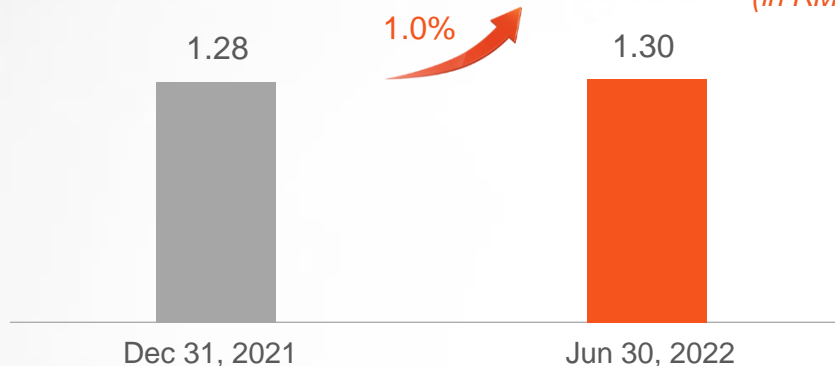
Financial institution services driven by sales and trading

- **Empowering internal investments:** The investment strategy committee, the credit rating and risk warning system and the digital platform work effectively, helping the Group’s subsidiaries maintain market **leadership** in respective investment businesses

Corporate integrated finance: steady improvement in synergies

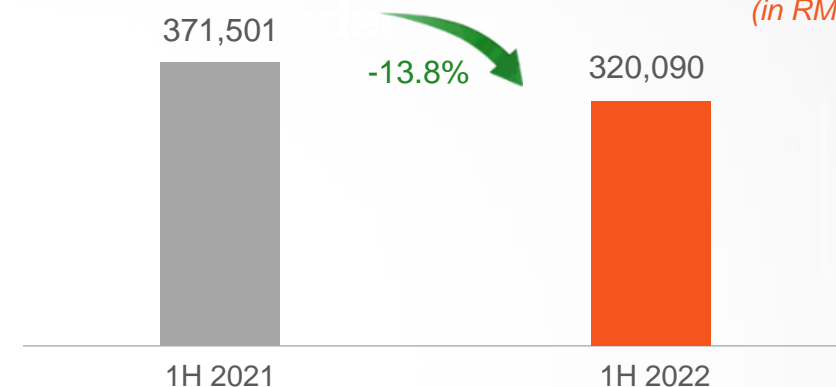
Outstanding balance of retail assets
referred by corporate business

(in RMB trillion)



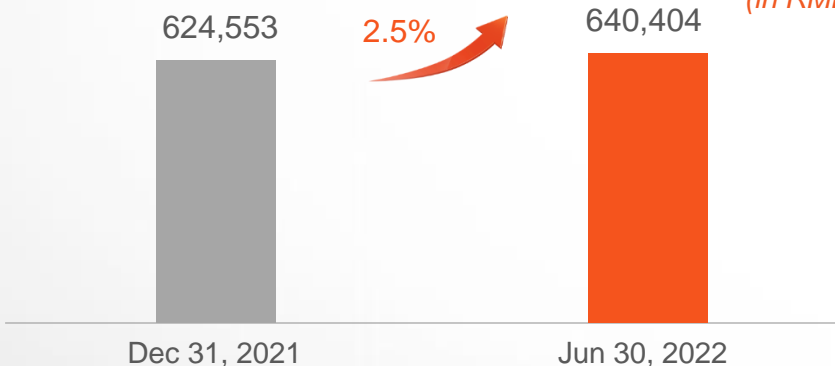
New financing scale achieved through
corporate business cross-selling⁽¹⁾

(in RMB million)



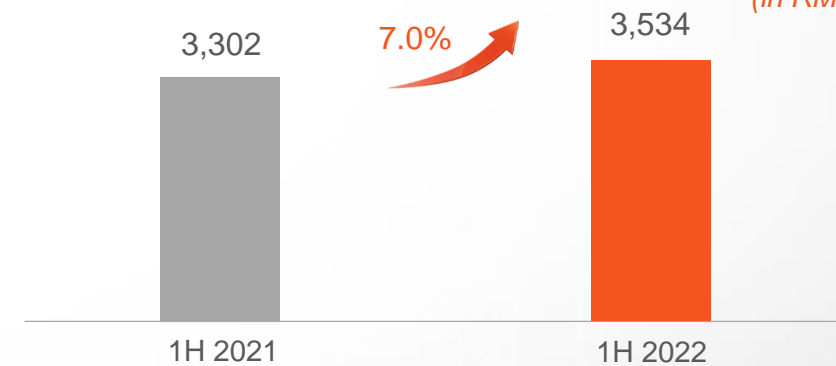
Outstanding balance of underlying assets invested by
insurance funds sourced from corporate business⁽²⁾

(in RMB million)



Written premium of the corporate channel⁽³⁾

(in RMB million)



Notes: (1) The new financing scale achieved through corporate business cross-selling refers to the scale of new financing projects achieved by the Group's member companies through cross-selling. New financing scale achieved through corporate business cross-selling declined year on year in the first half of 2022 because non-standard asset investments decreased due to market situations and investment strategies.

(2) The underlying assets invested by insurance funds sourced from corporate business refer to the assets sourced by the Group's core financial companies, including Ping An Asset Management, Ping An Securities, and Ping An Trust, for the allocation of the Group's insurance funds.

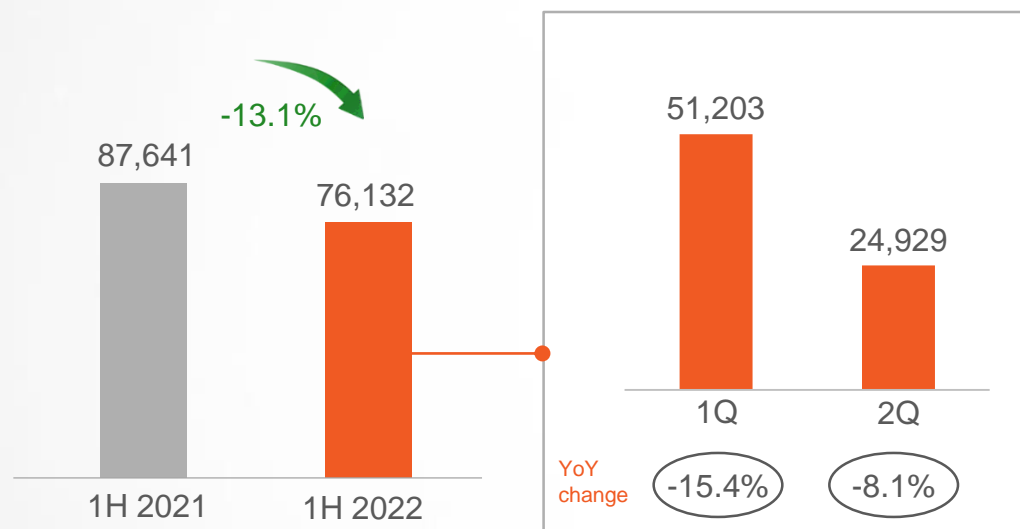
(3) The written premium of the corporate channel refers to the corporate premiums achieved through cross-selling less that achieved by Ping An Life.

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

L&H: slower decline in new business due to continued reform

FYP

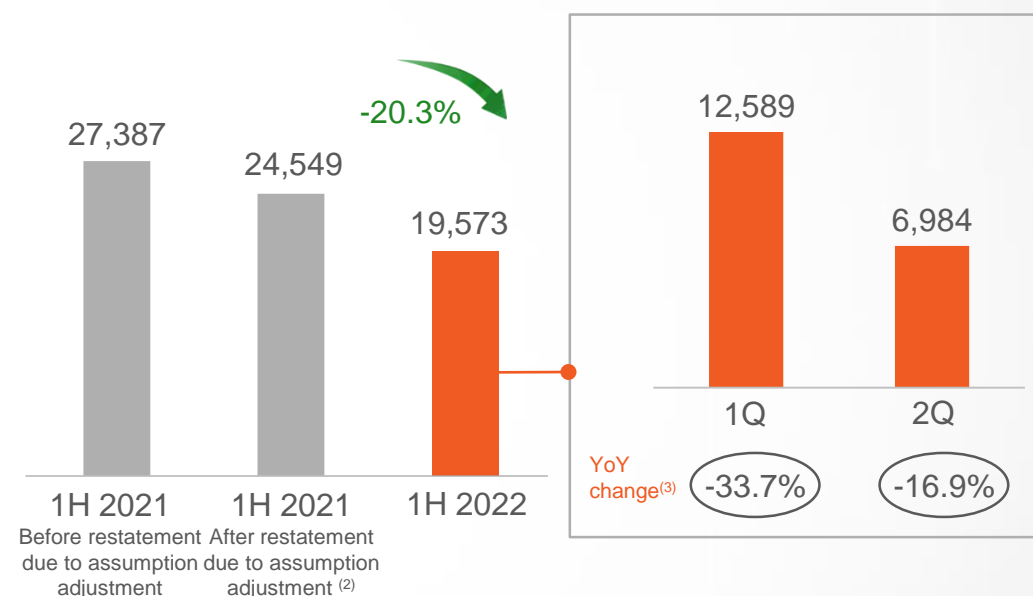
(in RMB million)



- **Slower business decline:** FYP declined **8.1%** YoY in 2Q, more slowly than in 1Q
- **Driven by saving products:** FYP of saving products⁽¹⁾ accounted for **50.0%**, up **3.3** pps YoY

NBV

(in RMB million)



- **Slower business decline:** NBV declined **16.9%** YoY in 2Q, more slowly than in 1Q
- **NBV adjustment:** NBV margin fell **5.5** pps YoY in the first half of 2022, in which **3.2** pps was due to end-2021 assumption adjustment

Notes: (1) Saving products refer to Protection & Saving hybrid products, including long PPP and short PPP. Protection & Saving products (long PPP) cover endowment and annuity products with PPP of 10 years and above. Protection & Saving products (short PPP) cover endowment and annuity products with PPP below 10 years.

(2) "After restatement due to assumption adjustment" means NBV for 1H 2021 has been restated by using the end-2021 valuation assumptions and method.

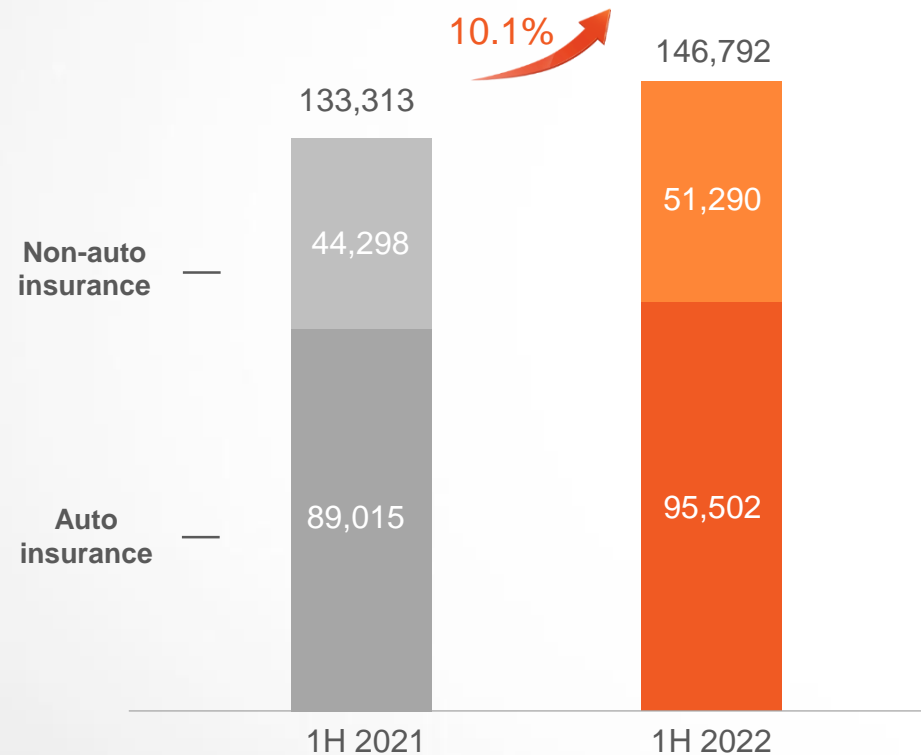
(3) YoY change in NBV is based on figures before restatement due to assumption adjustment.

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

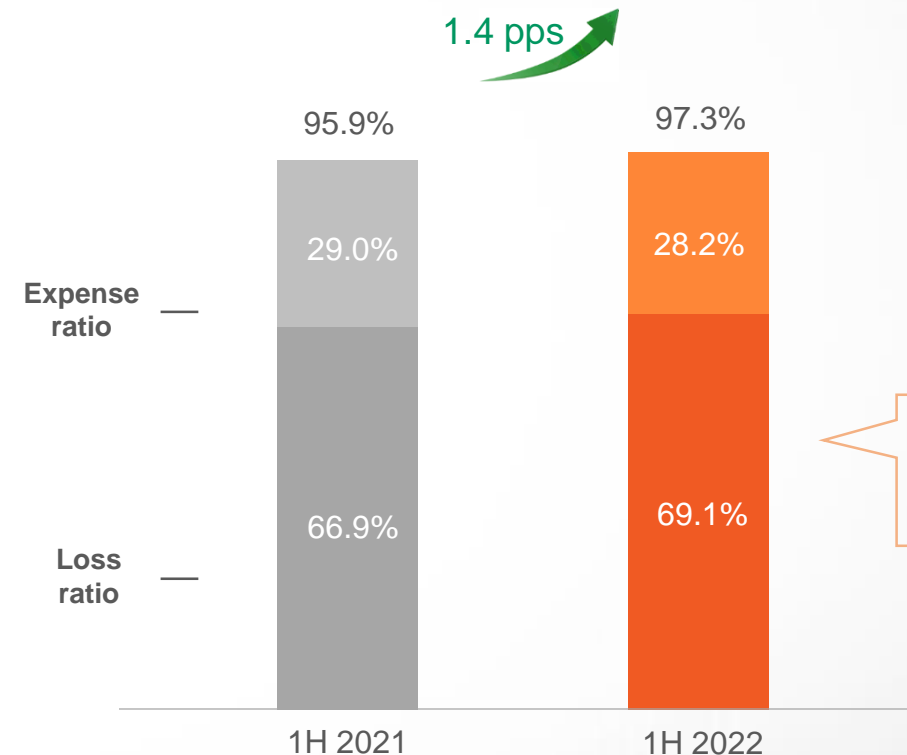
P&C: steady growth in written premium with healthy business quality

Premium income

(in RMB million)



Combined ratio

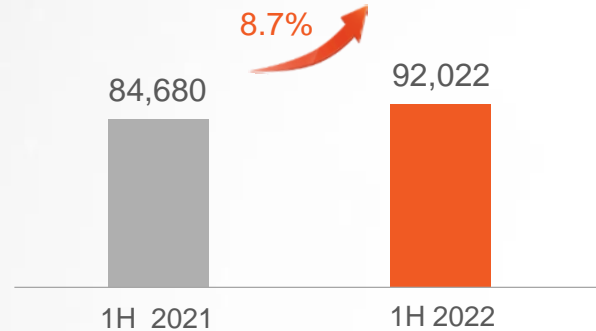


Claim expenses of guarantee insurance business climbed due to COVID-19.

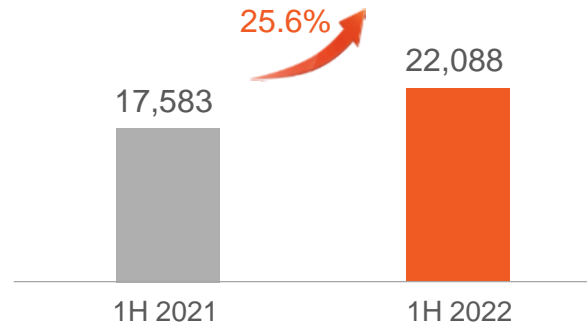
Banking: steady, healthy business growth with stable asset quality

(in RMB million)

Increased revenue

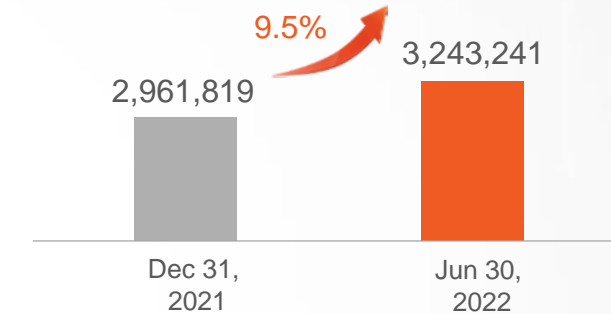


Increased net profit

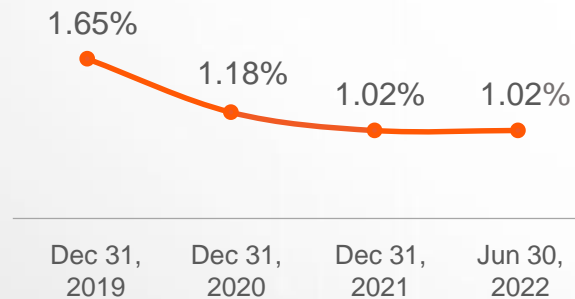


Increased deposits at lower costs

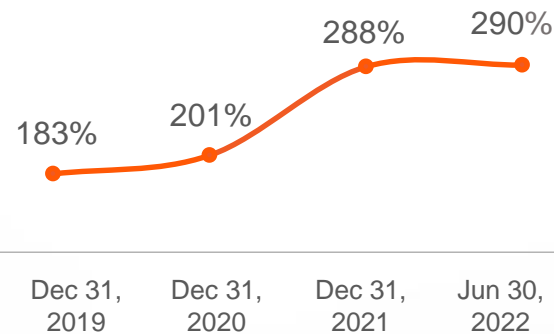
Average cost of liabilities down 6 bps YoY to 2.16%



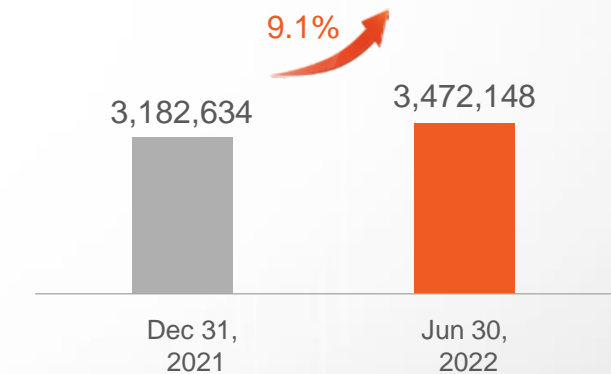
Stable NPL ratio



Provision coverage ratio strengthened further



Retail AUM continued to grow



Life Reform

Jessica Tan
Co-CEO

Advancing the “4 channels + 3 products” reform strategy

A world-leading life insurer

Channel reform: from mono-channel to multi-channel

Balanced development of 4 channels

Agent
channel

Community
Grid

Private
Wealth
Adviser

Lower-tier
channel

+

Product reform: a differentiated “insurance + service” framework

Reform of 3 core products

Insurance +
health
management

Insurance +
home-based
elderlycare

Insurance +
high-end
elderlycare

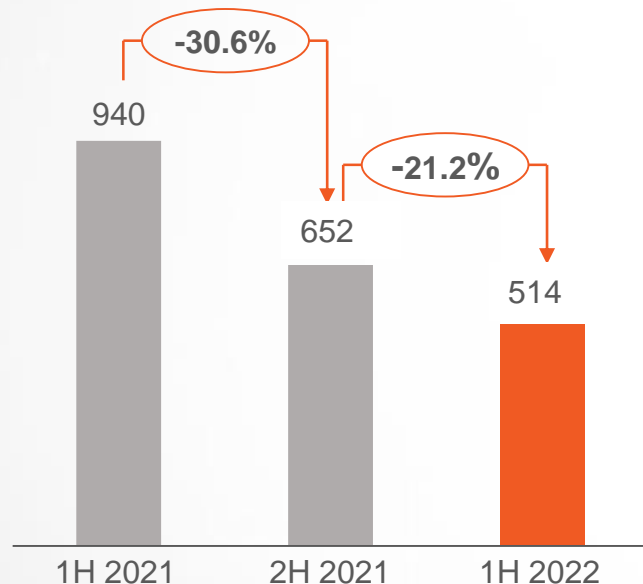
Digital Reform

Note: The Community Grid channel includes the former telemarketing and online marketing channels, and the Private Wealth Adviser channel includes the former bancassurance channel.

Channel reform—the agent channel: increasing agent productivity and income due to quality-oriented transformation

Agent force stabilized

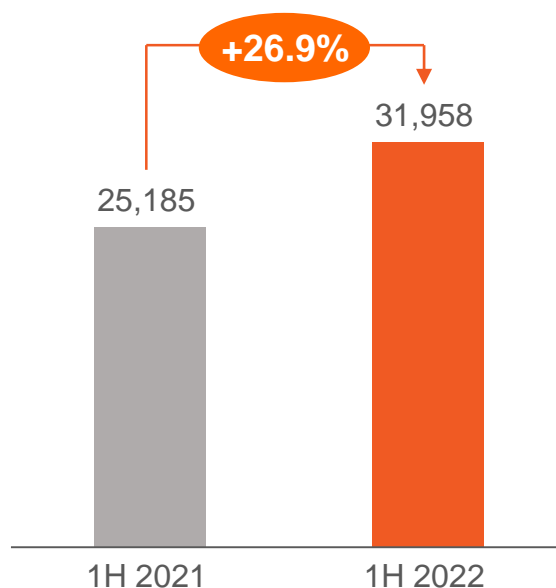
Average number of agents per month
(in thousand)



- **Stable teams:** headcount dropped in line with the market
- **Improved quality:** the proportion of “Talent +” agents rose by **9 pps**

Productivity per agent increased YoY

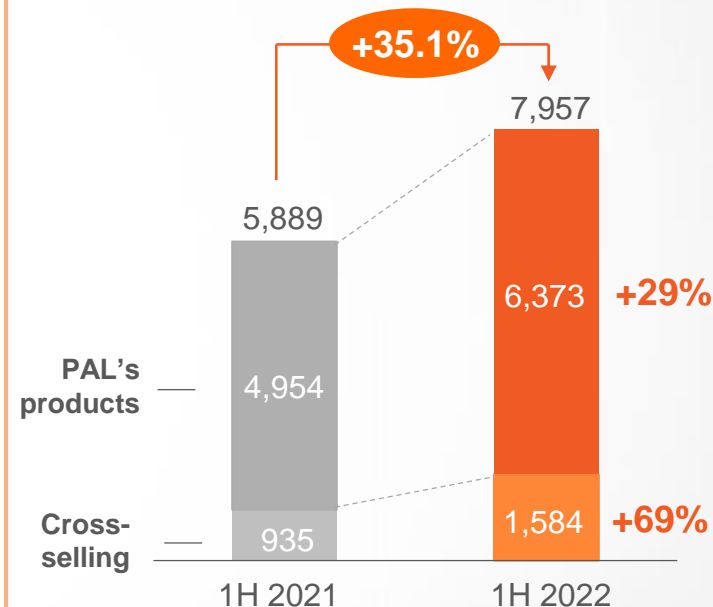
NBV per agent
(RMB per agent per half year)



- **Increased policies:** The number of long-term insurance policies sold per agent increased **16%**
- **Improved value:** NBV per policy increased **9%** due to a higher proportion of high-premium products

Income per agent increased YoY

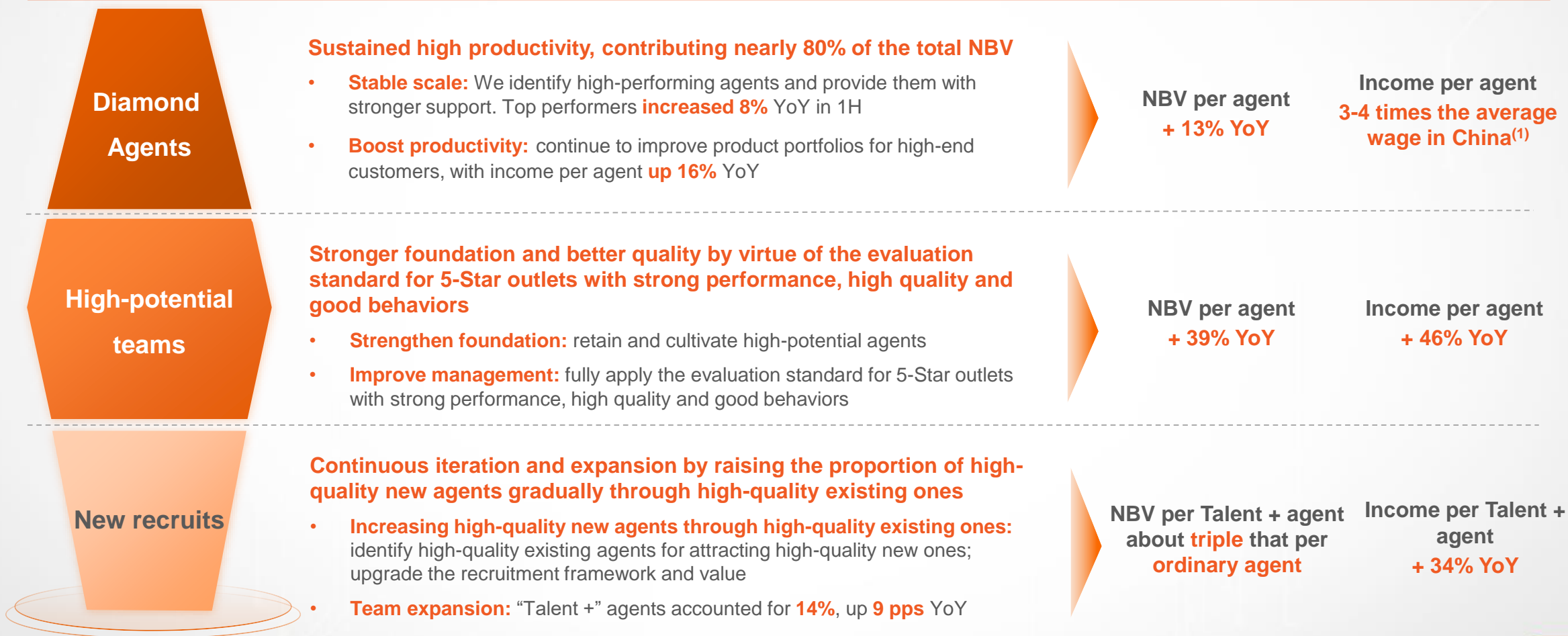
Income per agent
(RMB per agent per month)



- **Increased income from cross-selling:** income from cross-selling rose **69%** YoY

Channel reform—the agent channel: building a team of “high-competence, high-performing, and high-quality” agents

An “olive-shaped” team structure and a three-tier management framework for refined management and quality-oriented transformation

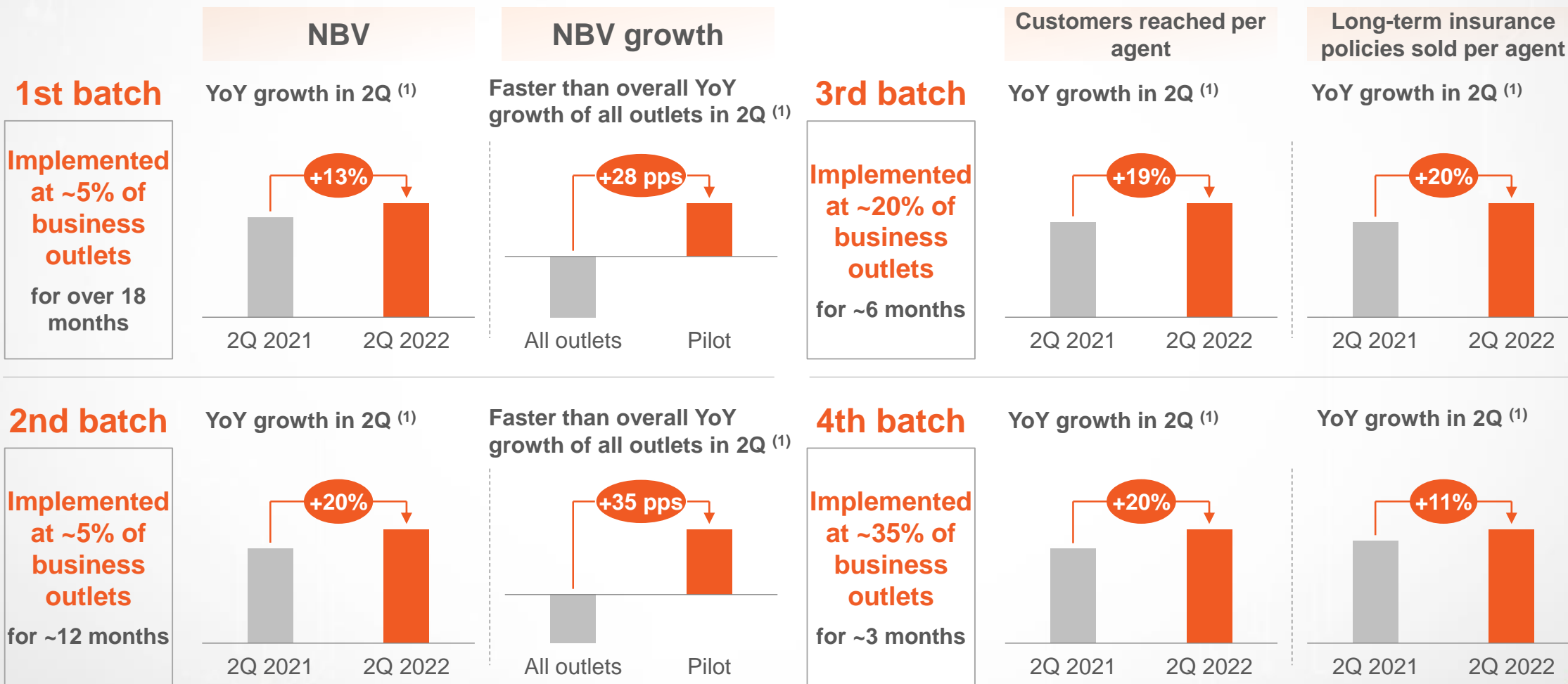


Note: (1) The proportion of Diamond Agents' income to the average wage in China for the first half of 2022 is computed based on the average wage of employees in non-private enterprises. If data for the same period of 2021 is restated under a comparable definition, the proportion of Diamond Agents' income to the average wage in China will increase from 3.2 times for the first half of 2021 to 3.5 times for the first half of 2022.

Channel reform—the agent channel: digital operation pilots yielded results

1st and 2nd batches: piloted for over one year, with significantly improved business results

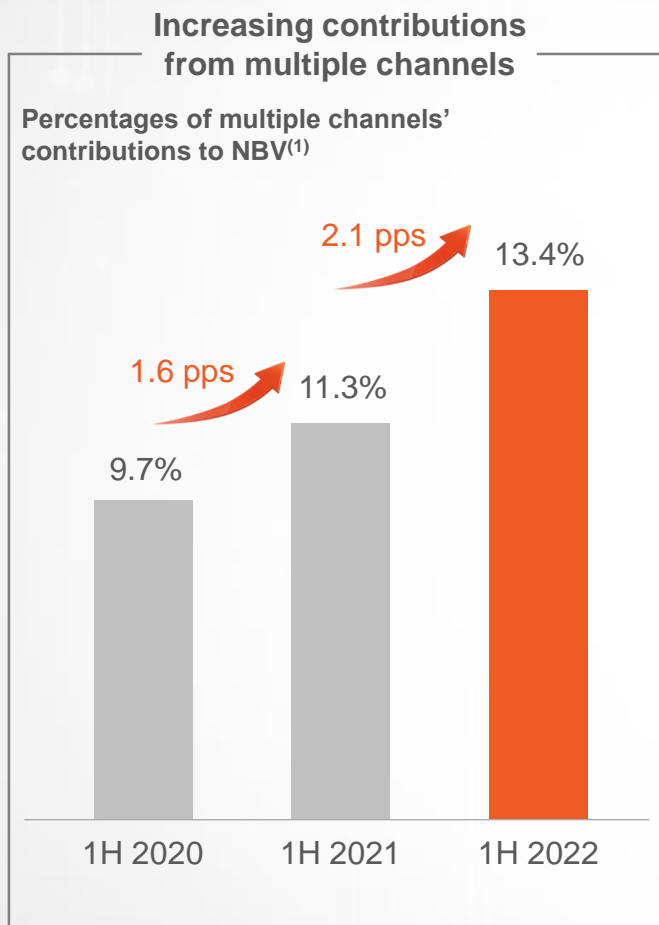
3rd and 4th batches: piloted for more than three months, with improved behavior and quality






Notes: (1) Exclusive of COVID-19's impact in Shanghai (i.e. exclusive of Ping An Life's business outlets in Shanghai).

(2) The 1st, 2nd, 3rd, and 4th pilots were launched in late 2020, mid-2021, late 2021 and March 2022 respectively.

Channel reform—multiple channels: development of three innovative channels, with initial results



 Community Grid	Grid-based management of “orphan policies⁽²⁾” to achieve breakthroughs in value <table><tr><td>Pilots</td><td>Number of cities 3 → 11</td><td>Community Grid specialists 1,000+ → 2,000+</td></tr><tr><td>Effects</td><td>13-month persistency ratio rose by >20 pps</td><td>Income of new agents > 6 months v.s. “Talent +” new agents⁽³⁾ ~1.8X</td></tr></table>	Pilots	Number of cities 3 → 11	Community Grid specialists 1,000+ → 2,000+	Effects	13-month persistency ratio rose by >20 pps	Income of new agents > 6 months v.s. “Talent +” new agents⁽³⁾ ~1.8X
Pilots	Number of cities 3 → 11	Community Grid specialists 1,000+ → 2,000+					
Effects	13-month persistency ratio rose by >20 pps	Income of new agents > 6 months v.s. “Talent +” new agents⁽³⁾ ~1.8X					
 Private Wealth Advisers	A wealth management team who understands insurance well to provide one-stop “insurance + finance” wealth management <table><tr><td>Pilots</td><td>Bank branches 7 → 30+</td><td>Private Wealth Advisers 300+ → 800+</td></tr><tr><td>Effects</td><td>With a bachelor’s degree or above >90%</td><td>Productivity per capita v.s. Diamond Agents ~1.4X</td></tr></table>	Pilots	Bank branches 7 → 30+	Private Wealth Advisers 300+ → 800+	Effects	With a bachelor’s degree or above >90%	Productivity per capita v.s. Diamond Agents ~1.4X
Pilots	Bank branches 7 → 30+	Private Wealth Advisers 300+ → 800+					
Effects	With a bachelor’s degree or above >90%	Productivity per capita v.s. Diamond Agents ~1.4X					
 Lower-tier channel	Exploring lower-tier markets⁽⁴⁾ and scenario-based sales under Ping An’s integrated finance strategy <table><tr><td>Potential customers >600 million</td><td>Developing business at 2 pilot branches Nearly 300 people</td></tr></table>	Potential customers >600 million	Developing business at 2 pilot branches Nearly 300 people				
Potential customers >600 million	Developing business at 2 pilot branches Nearly 300 people						

Notes: (1) Multiple channels' contributions to NBV are the sum of Ping An Life's retail NBV contributed by the Community Grid, Private Wealth Advisers, and the lower-tier channel. Community Grid includes the former telemarketing and internet channels, and Private Wealth Advisers includes the former bancassurance channel.

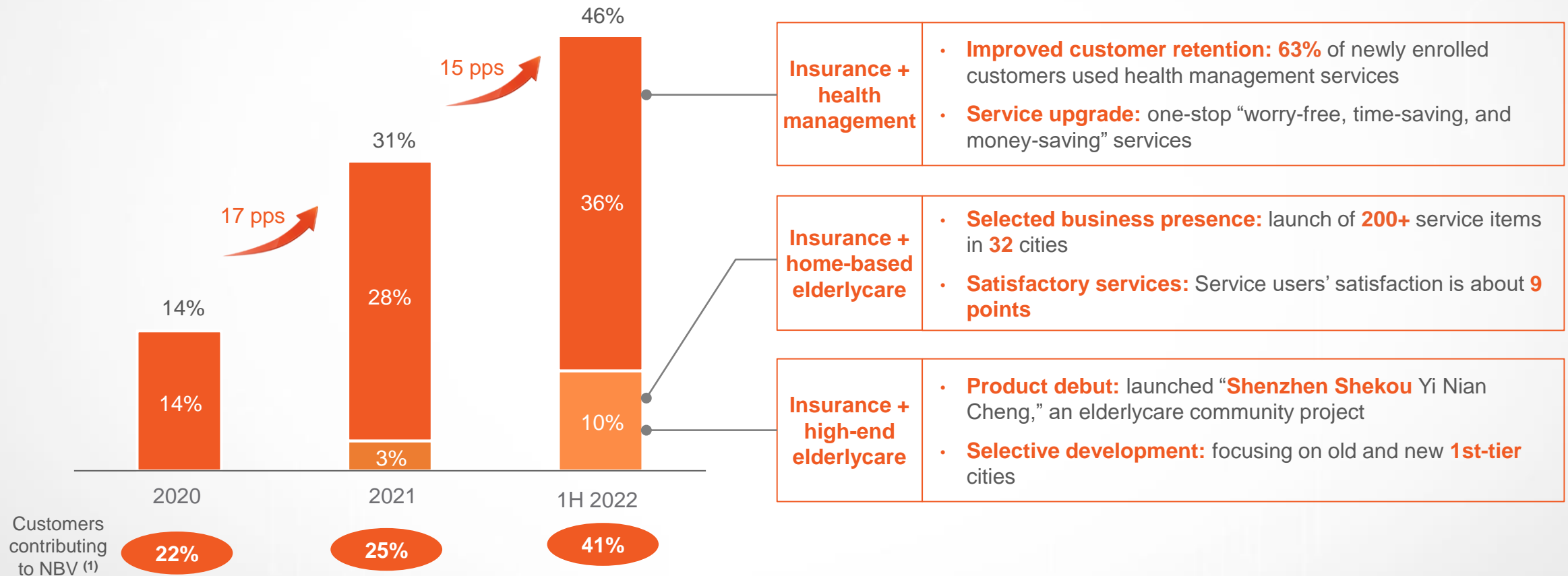
(2) Orphan policies are in-force policies sold by Ping An Life's former agents before their agency relationship terminated.

(3) Grid-based specialists' income is benchmarked against the average income of local “Talent +” new agents in Shenyang, where the program has been piloted for over six months.

(4) Lower-tier markets and the lower-tier channel refer to Ping An Life's innovative channel focused on potential customers in 3rd- and 4th-tier cities as well as villages, townships, and counties.

Product reform—“insurance + services”: service integration boosts performance and yields results

Increasing contributions from customers entitled to service benefits to NBV (%)

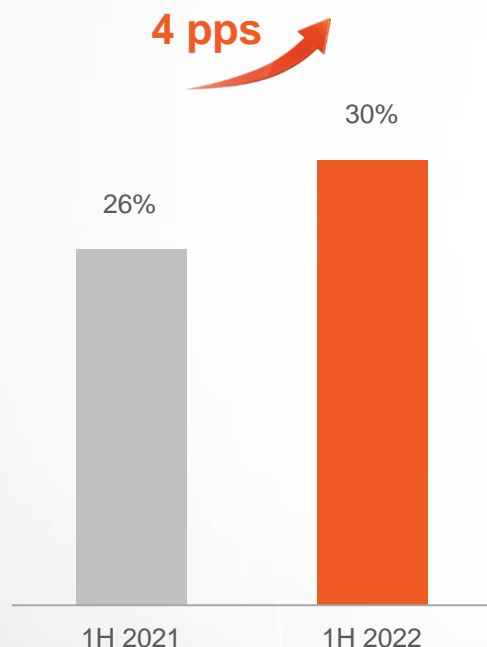


Note: (1) The proportion of existing customers who are entitled to service benefits (including healthcare, home-based elderlycare, and high-end elderlycare) to existing customers of Ping An Life’s long-term insurance products.

Product reform—"insurance + services": healthcare services help Ping An Life acquire and retain customers

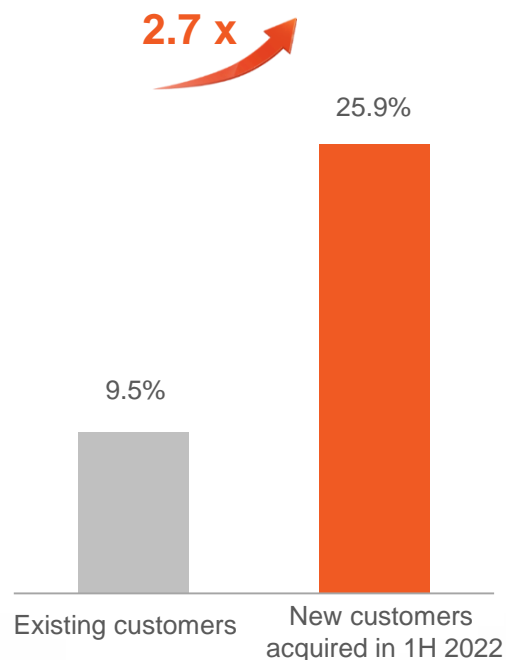
Bring more customers

Proportion of Ping An Life's new customers migrated from healthcare service users



Increase customer retention

Monthly activity rate of healthcare service utilization⁽¹⁾



Boost upselling

Upselling ratio of customers



Note: (1) The average monthly usage of healthcare services. Healthcare services used by customers include health management, chronic disease management, and various service benefits in medical scenarios.

Technology

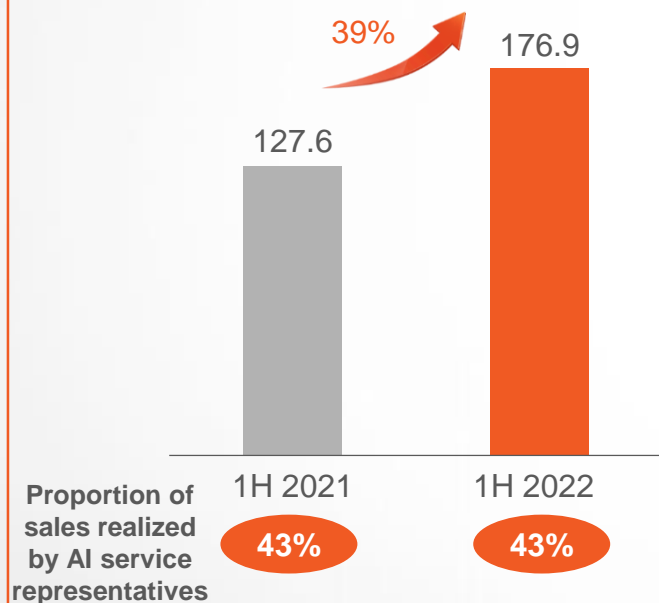
Jessica Tan
Co-CEO

Technology-empowered financial services: promoting sales, improving efficiency, and containing risks

Promoting sales

Sales realized by AI service representatives⁽¹⁾

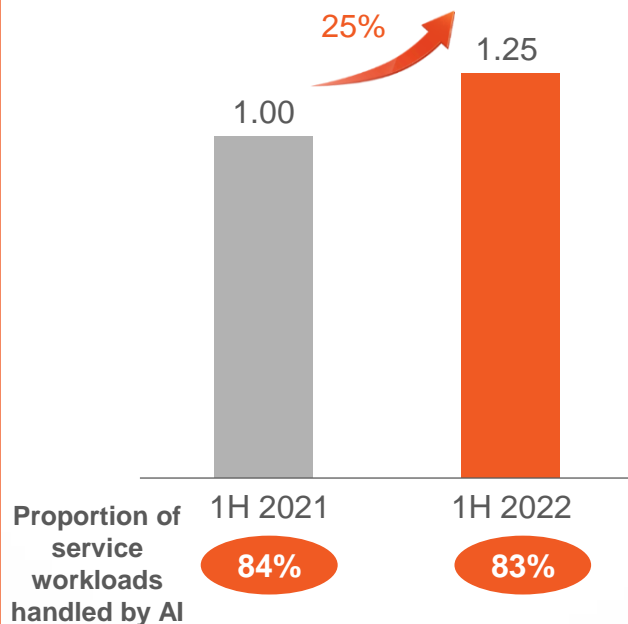
(in RMB billion)



Improving efficiency

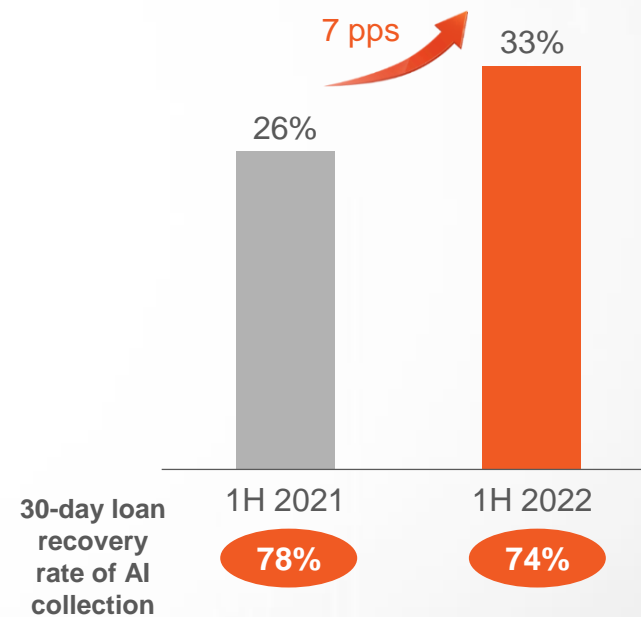
The amount of services provided by AI service representatives⁽²⁾

(billion times)



Containing risks

Percentage of overdue loans cumulatively collected by AI



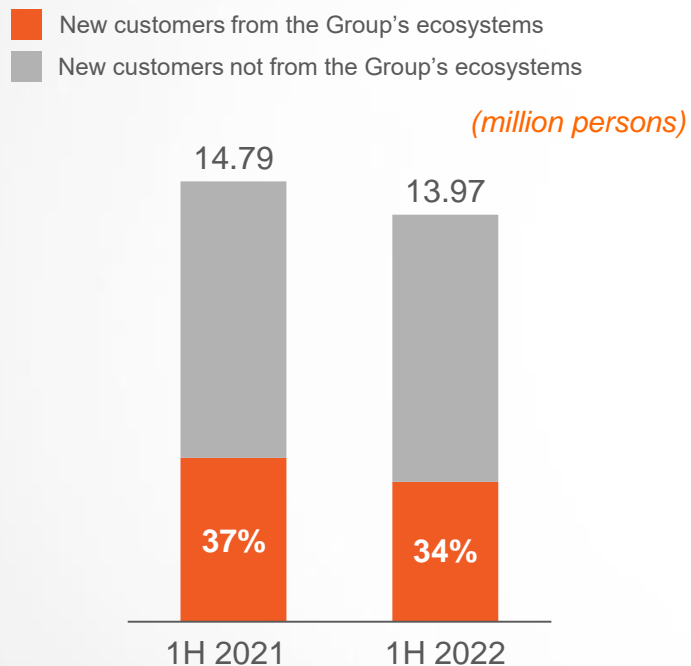
Notes: (1) Sales realized by AI service representatives in the Reporting Period include sales contributed by Ping An Bank and Lufax Holding. Relevant metrics and data for the comparable period have been restated accordingly.

(2) The amount of services provided by AI service representatives refers to the total number of times of inbound and outbound call services provided by speech robots and text robots for lending, credit card, and insurance business lines.

Ecosystem-empowered financial services: acquiring customers and boosting main financial businesses

Using ecosystems to acquire customers

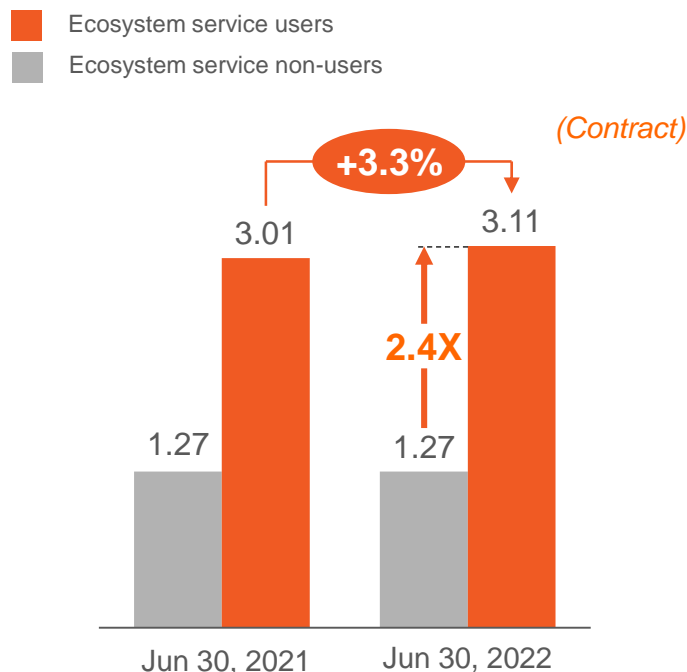
New retail customers



The Group had nearly **670 mn** internet users. Over **34%** of new retail financial customers were acquired from internet users in the Group's ecosystems

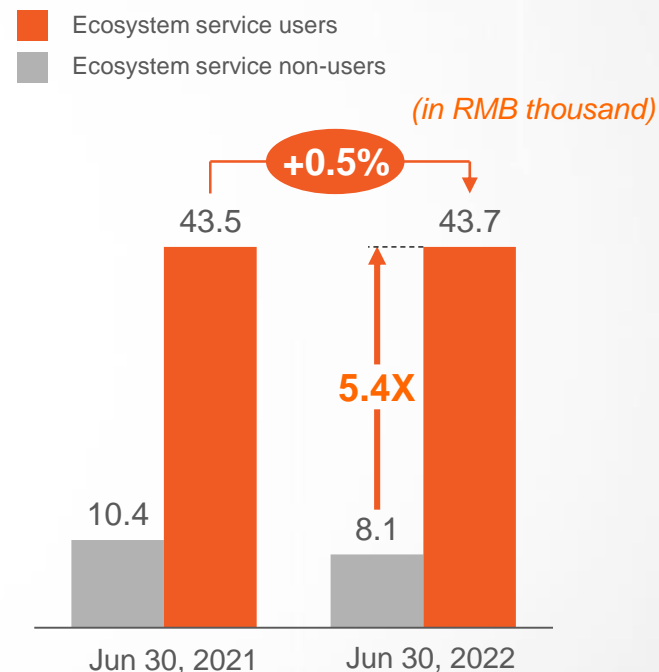
Using ecosystems to retain customers

Contracts per retail customer



Retail customers who used services in the Group's ecosystems held **2.4 times** more contracts than those who did not use such services

AUM per retail customer

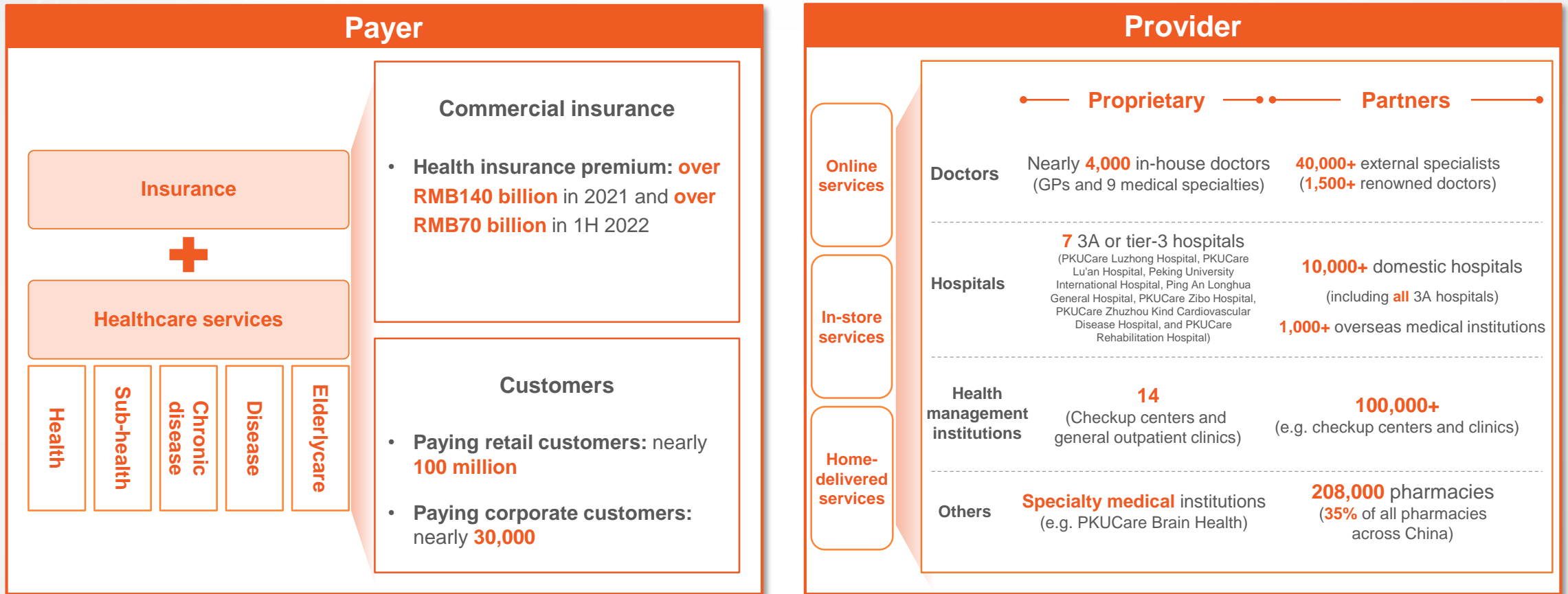


Retail customers who used services in the Group's ecosystems held **5.4 times** more AUM per capita than those who did not use such services

Notes: (1) The Company improved the definitions of retail customers and contracts per customer in 2022 by removing unreachable customers but including distributed contracts. Comparable data of 2021 was restated accordingly.

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

A Chinese version of the “managed care model”: providing customers with differentiated one-stop healthcare services



Healthtech	Ping An Healthtech Research Institute	Ping An Biomedical Research Institute	Ping An Global Voyager Fund / Ping An Overseas Holdings	<ul style="list-style-type: none"> The tech platform serves 55,000+ medical institutions AI AskBob empowers 1.42 million+ doctors 	<ul style="list-style-type: none"> Ranked 1st globally by digital healthcare patent applications Remote diagnosis covers 3,000+ diseases

Technology-powered development: exploring innovative business models and accelerating business development



A leading technology-empowered personal financial services platform in China



Business results: revenue grew **8.4%** YoY to RMB32.6 billion despite the impact of COVID-19; net profit⁽¹⁾ fell 16.2% YoY to **RMB8.19 billion**



Strategic focus: maintaining a competitive edge in credit, with accumulated borrowers increasing **8.2%** YTD to **18.23 million**; the balance of retail credit facilitated amounted to **RMB661.4 billion**



High-quality development: focused on customer needs, Lufax Holding provided **15.19 million** active investors with approximately **14,600** personalized financial products via real-time recommendation based on KYC, KYP and KYI⁽²⁾



No.2 among Chinese listed financial software companies by revenue⁽⁴⁾



Business results: OneConnect registered RMB2.15 billion in revenue (**up 20.4%** YoY), outperforming comparable domestic listed financial software companies in terms of revenue growth rate



Strategic upgrade: focusing on main businesses and product improvement under an upgraded strategy of “One Body and Two Wings,” OneConnect **reduced net loss⁽¹⁾ by RMB90 million** YoY to RMB560 million



High-quality development: OneConnect has accumulated **134** premium plus customers⁽⁵⁾, up **18.6%** YoY, by implementing the model of “one customer and multiple products”



A leading digital health services platform in China



Business results: revenue fell 25.9% YoY to RMB2.83 billion; gross profit margin grew by **7.9 pps** from 2H 2021⁽³⁾; net loss⁽¹⁾ narrowed by **35.6%** from 2H 2021



Strategy implementation: Ping An Health cooperated with internal channels to acquire large and medium-sized business customers, and developed a “**2 + 4**” employee health management product suite



High-quality services: Ping An Health built **7** premium specialty medical centers and contracted over **1,500** renowned doctors to provide timely, high-quality, diverse medical and healthcare services



A leading online auto services platform in China



Business results: Autohome’s revenue amounted to RMB3.2 billion, down 15.2% YoY in 1H 2022, but up **17.8%** QoQ in 2Q 2022 (while China’s sales of passenger vehicles decreased 11.7% QoQ in 2Q 2022)



Strategic upgrade: continuously upgrading the “ecosystem strategy,” attracting **47.63 million** average daily users in the full-scenario auto services ecosystem in June, and empowering automakers and auto dealers with digitization



Innovative development: revenue contributions from new businesses in the online marketplace and others business segment, such as data products, new energy vehicle transactions, and used car transactions, accounted for **29.5%** of Autohome’s revenue in 1H 2022

Notes: (1) Net profit/loss refers to net profit/loss attributable to shareholders of the parent company respectively.

(2) Know Your Customer (KYC), Know Your Product (KYP), and Know Your Intention (KYI).

(3) As Ping An Health has optimized its business portfolio by changing strategies since 2H 2021, we compare gross profit margin and net loss for 1H 2022 with those for 2H 2021.

(4) OneConnect’s ranking by revenue among domestic listed financial software companies is from China Insights Consultancy.

(5) The number of premium plus customers is the number of institutional customers that contribute annual revenue of at least RMB1 million to OneConnect, excluding Ping An Group and its subsidiaries.

Q&A

| Appendices: 1H 2022 Group operating profit (Table A-1)

(in RMB million)	See Table B	See Table C	See Table D				
	Life & Health	P&C	Banking	Asset Management	Technology	Other businesses and elimination	The Group
Net profit attributable to shareholders of the parent company	33,760	8,343	12,802	4,400	4,480	(3,512)	60,273
Net profit attributable to non-controlling interests	328	38	9,286	838	395	518	11,403
Net profit (A)	34,088	8,381	22,088	5,238	4,875	(2,994)	71,676
Excluding:							
Short-term investment variance (B)	(17,932)	-	-	-	-	-	(17,932)
Impact of discount rate change (C)	(6,972)	-	-	-	-	-	(6,972)
Impact of one-off material non-operating items and others (D)	-	-	-	-	(429)	-	(429)
Operating profit (E = A – B – C – D)	58,993	8,381	22,088	5,238	5,304	(2,994)	97,010
Operating profit attributable to shareholders of the parent company	58,398	8,343	12,802	4,400	4,909	(3,512)	85,340
Operating profit attributable to non-controlling interests	595	38	9,286	838	395	518	11,670

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

Appendices: 1H 2021 Group operating profit (Table A-2)

(in RMB million)	See Table B	See Table C	See Table D				
	Life & Health	P&C	Banking	Asset Management	Technology	Other businesses and elimination	The Group
Net profit attributable to shareholders of the parent company	29,256	10,741	10,191	8,008	2,644	(2,835)	58,005
Net profit attributable to non-controlling interests	529	50	7,392	809	726	452	9,958
Net profit (A)	29,785	10,791	17,583	8,817	3,370	(2,383)	67,963
Excluding:							
Short-term investment variance (B)	(15,245)	-	-	-	-	-	(15,245)
Impact of discount rate change (C)	(5,200)	-	-	-	-	-	(5,200)
Impact of one-off material non-operating items and others (D)	-	-	-	-	(3,592)	-	(3,592)
Operating profit (E = A – B – C – D)	50,230	10,791	17,583	8,817	6,962	(2,383)	92,000
Operating profit attributable to shareholders of the parent company	49,495	10,741	10,191	8,008	6,236	(2,835)	81,836
Operating profit attributable to non-controlling interests	735	50	7,392	809	726	452	10,164

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

| Appendices: Life & Health earnings (Table B)

Profit Analysis

<i>(in RMB million)</i>	1H 2022	1H 2021	Notes
Release of residual margin	40,757	41,589	A
Return on net worth	8,121	7,133	
Spread income	2,735	2,125	
Operating variances and others	11,932	7,011	
Operating profit before tax	63,546	57,858	
Income tax	(4,553)	(7,629)	
Operating profit after tax	58,993	50,230	See Table A
Short-term investment variance	(17,932)	(15,245)	
Impact of discount rate change	(6,972)	(5,200)	
Impact of one-off material non-operating items and others	-	-	
Net profit	34,088	29,785	See Table A

Residual Margin

<i>(in RMB million)</i>	1H 2022	1H 2021	Notes
Opening residual margin	940,733	960,183	
Contribution from new business	22,878	41,480	
Expected interest growth	17,989	18,287	
Release of residual margin	(40,757)	(41,589)	A
Lapse variances and others	(16,116)	(10,148)	
Closing residual margin	924,726	968,212	
Residual margin release / opening residual margin	4.3%	4.3%	
Long-term protection % release	69%	71%	

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

Appendices: P&C earnings (Table C)

(in RMB million)

	1H 2022	1H 2021	Notes
Premium income	146,792	133,313	
Net earned premiums	137,776	127,255	B
Claim expenses	(95,216)	(85,182)	
Commission expenses of insurance operations	(16,832)	(15,594)	
Administrative expenses	(24,668)	(23,855)	
Reinsurance commission revenue	2,613	2,586	
Underwriting profit	3,673	5,210	D = B x (1-C)
Combined ratio (%)	97.3	95.9	C
Total investment income	6,040	7,973	E = F x G
Average investment assets	351,041	318,510	F
Total investment yield (unannualized, %)	1.7	2.5	G
Other net revenue and expenses	(353)	(419)	
Profit before tax	9,360	12,764	
Income tax	(979)	(1,973)	
Net profit	8,381	10,791	See Table A
Operating profit	8,381	10,791	See Table A

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

Appendices: Banking earnings (Table D)

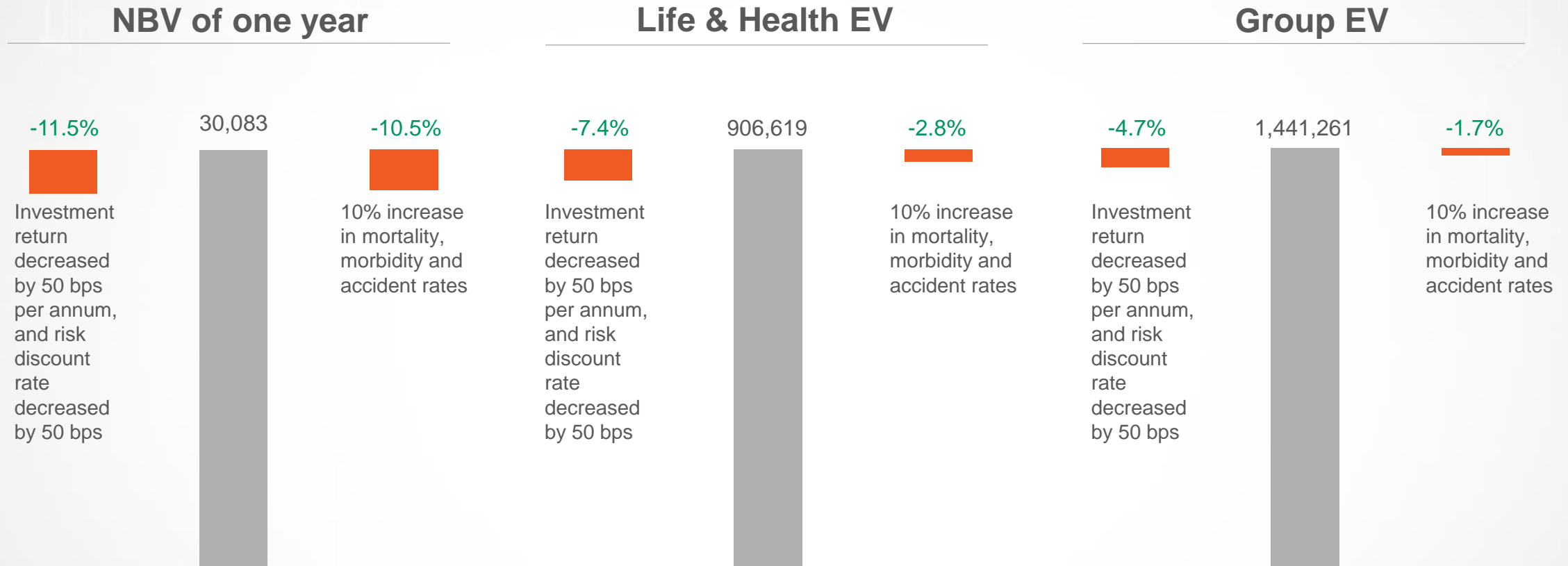
(in RMB million)

	1H 2022	1H 2021	Notes
Net interest revenue	64,059	59,361	H = I x J
Average balance of interest-earning assets	4,680,271	4,224,570	I
Net interest margin (unannualized, %)	1.37	1.41	J
Net non-interest revenue	27,963	25,319	
Revenue	92,022	84,680	K
General and administrative expenses	(24,349)	(23,160)	L = - (K x M)
Cost-to-income ratio (%)	26.46	27.35	M
Taxes and surcharges	(867)	(820)	
Operating profit before impairment losses on assets	66,806	60,700	
Impairment losses on credit and other assets	(38,845)	(38,285)	
Including: Loan impairment loss	(29,831)	(25,121)	N = - (O x P)
Average balance of loans and advances (including discounted bills)	3,123,276	2,759,354	O
Credit cost (unannualized, %)	0.96	0.91	P
Other expenses	(178)	(74)	
Profit before tax	27,783	22,341	
Income tax	(5,695)	(4,758)	
Net profit	22,088	17,583	See Table A

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

Appendices: NBV and EV exhibited low sensitivity to future investment return

(in RMB million)



Notes: (1) Under the current EV valuation framework, the assets backing liability and capital requirements excluding free surplus are measured at carrying value. In the above investment sensitivity scenarios, adjusted net asset value will not change with future investment returns.

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

| Appendices: The sensitivity of core solvency margin ratio

