

## **Ping An Reports Stable Operating Profit Attributable to Shareholders of the Parent Company and Interim Dividends, with a 6.8% YoY Increase in Net Profit**

**Life & Health NBV jumps 11.0% YoY, demonstrating significant positive results in high-quality business development**

**(Hong Kong, Shanghai, 22 August 2024)** Ping An Insurance (Group) Company of China, Ltd. (hereafter “Ping An” or the “Group”, HKEX: 2318; SSE: 601318) today announced its 2024 interim results for the six month period ended 30 June 2024.

In the first half of 2024, China’s economy was generally stable despite a complex external environment. Facing opportunities and challenges, Ping An focused on its core financial businesses, strengthened its “integrated finance + health and senior care” strategy, and improved the business quality and efficiency by providing customers with “worry-free, time-saving, and money-saving” service experience. **The overall operating results remained solid, demonstrating resilience.** In the first half of 2024, Ping An delivered a 16.4% annualized operating ROE, with operating profit attributable to shareholders of the parent company reaching RMB78,482 million. Net profit attributable to shareholders of the parent company rose 6.8% year on year to RMB74,619 million. The Group’s total assets grew to nearly RMB12.23 trillion as of June 30, 2024. Attaching importance to shareholder returns, Ping An will pay an interim dividend of RMB0.93 per share in cash, maintaining stable cash dividends.

### **Ping An delivered significant positive results in high-quality business development.**

Three core businesses, namely life and health insurance (“Life & Health”), property and casualty insurance (“Ping An P&C”), and banking, achieved growth and delivered RMB79,565 million in operating profit attributable to shareholders of the parent company, up 1.7% year on year. Life & Health’s new business value (“NBV”) grew 11.0% year on year to RMB22,320 million. Agent productivity continued to increase with NBV of the agent channel up 10.8% and NBV per agent up 36.0% year on year. Business quality improved steadily as Ping An Life recorded a material improvement in its persistency ratios with the 13-month persistency ratio rising 2.8 pps year on year. Ping An delivered excellent results in insurance funds investment, with the portfolio achieving an annualized comprehensive investment yield of 4.2% in the first half of 2024. **Ping An continued to develop its “integrated finance + health and senior care” strategy.** Retail customers increased to 236 million as of June 30, 2024; 24.9% of them held four or more contracts within the Group, with a retention rate of 97.8%. Over 87.92 million retail customers held multiple contracts with different subsidiaries. Customers entitled to service benefits in the health and senior care ecosystem accounted for over 68% of Ping An Life’s NBV in the first half of 2024.

### **Top nine business highlights in 1H2024**

1. **Stable cash dividends amid steady business results.** The Group delivered a 16.4% annualized operating ROE, with operating profit attributable to shareholders of the parent company reaching RMB78,482 million in the first half of 2024. Three core businesses, namely Life & Health, Ping An P&C, and banking, achieved growth and delivered RMB79,565 million in operating profit attributable to shareholders of the

parent company, up 1.7% year on year. Attaching importance to shareholder returns, Ping An will pay an interim dividend of RMB0.93 per share in cash.

2. **Life & Health grew continuously and achieved high-quality development in its agent channel.** NBV amounted to RMB22,320 million in the first half of 2024, up 11.0% year on year. Agent productivity continued to increase with NBV of the agent channel up 10.8% and NBV per agent up 36.0% year on year. The number of Ping An Life's individual life insurance sales agents reached about 340,000 as of June 30, 2024.
3. **Ping An P&C maintained good business quality with steady revenue growth.** Ping An P&C's insurance revenue rose 3.9% year on year to RMB161,910 million in the first half of 2024. The company maintained a healthy overall combined ratio at 97.8% through enhanced business management and risk screening.
4. **Ping An Bank maintained steady business performance as well as adequate capital and risk provisions.** Net profit grew 1.9% year on year to RMB25,879 million in the first half of 2024. Core tier 1 capital adequacy ratio rose to 9.33% and provision coverage ratio was 264.26% as of June 30, 2024.
5. **Ping An delivered excellent results in insurance funds investment.** In a complex and volatile market environment, Ping An's insurance funds investment portfolio achieved an annualized comprehensive investment yield of 4.2% in the first half of 2024, up 0.1 pps year on year. The portfolio achieved a 5.4% average comprehensive investment yield over the past decade.
6. **Ping An continued to develop integrated finance.** Retail customers increased to 236 million as of June 30, 2024; 24.9% of them held four or more contracts within the Group, with a retention rate of 97.8%.
7. **Ping An continued to implement its health and senior care ecosystem strategy, achieving significant positive results with differential advantages.** By integrating providers, Ping An partnered with all top 100 hospitals and 3A hospitals, and accumulated about 50,000 in-house doctors and contracted external doctors in China as of June 30, 2024. Ping An partnered with approximately 233,000 pharmacies as of June 30, 2024, up by over 2,500 from the beginning of the year. Customers entitled to service benefits in the health and senior care ecosystem accounted for over 68% of Ping An Life's NBV in the first half of 2024.
8. **Ping An actively fulfilled its social responsibilities and supported the real economy.** Ping An cumulatively invested nearly RMB9.46 trillion as of June 30, 2024 to bolster the real economy. Green investment of insurance funds and green loan balance reached RMB124,877 million and RMB164,634 million respectively as of June 30, 2024. Ping An's green insurance premium income amounted to RMB23,605 million, and funds provided for rural industrial vitalization via "Ping An Rural Communities Support" totaled RMB17,024 million in the first half of 2024. Ping An made its debut in the *Fortune* China ESG Impact List in 2024.
9. **Ping An further increased its brand value.** In 2024, Ping An ranked 53rd on the *Fortune* Global 500 list and remained first in the global "Insurance: life and health"

industry; 29th on the *Forbes* Global 2000 list and remained 1st among Chinese insurers; 1st on the Brand Finance Insurance 100 list for the 8th consecutive year.

**Deepened integrated finance model drove the stable growth in three core businesses.**

**Life insurance operating results grew continuously, and the business quality continued to improve.** Ping An Life continued to enhance its channels and improve business quality under the “4 channels + 3 products” strategy in the first half of 2024. By upgrading “insurance + service” solutions, Ping An Life continuously strengthened its presence in health and senior care sectors to empower high-quality business development. Life & Health NBV grew 11.0% year on year to RMB22,320 million in the first half of 2024. Ping An Life recorded a material improvement in its persistency ratios with the 13-month persistency ratio rising 2.8 pps year on year and 25-month persistency ratio rising 3.3 pps year on year in the first half of 2024.

Ping An Life continued to enhance channel development. In the agent channel, the company continued to deepen the transformation and improve the team structure, focusing on recruiting high-quality new agents with the support of existing high-quality agents. Agent channel NBV grew 10.8% year on year in the first half of 2024. NBV per agent grew 36.0% year on year. The proportion of “Talent+” new agents increased by 10.2 pps year on year. The number of Ping An Life’s individual life insurance sales agents reached about 340,000 as of June 30, 2024. In the bancassurance channel, Ping An Life adhered to its value-oriented transformation strategy. Bancassurance channel NBV rose 17.3% year on year in the first half of 2024. In Community Grid and other channels, Ping An Life focused on retained customers and set up 126 Community Grid outlets in 90 cities as of June 30, 2024, an increase of 39 cities from the beginning of the year. Ping An Life built a team of approximately 15,000 highly competent specialists who perform effective service operations. Community Grid’s 13-month policy persistency ratio of retained customers improved by 5.8 pps year on year in the first half of 2024, and FYP was 2.6 times that for the same period last year. In the lower-tier channel, Ping An Life continuously promoted sales in 7 provinces, gradually building robust sales channels in the first half of 2024.

“Insurance + service” offerings have gained traction. Ping An Life provided health management services to nearly 16 million customers in the first half of 2024. More than 120,000 customers qualified for home-based senior care services, which covered 64 cities across China as of June 30, 2024. Ping An has unveiled premium health and senior care communities in 5 cities.

**Ping An P&C maintained stable business growth and good business quality.** The company grew its insurance revenue by 3.9% year on year and improved its overall combined ratio (“COR”) by 0.2 pps to 97.8% in the first half of 2024. In auto insurance, overall operations are steady and in good order. Auto insurance premium income rose 3.4% year on year to RMB104,824 million, and vehicles insured increased 5.9% year on year in the first half of 2024. As a one-stop service platform for auto owners, the “Ping An Auto Owner” app had more than 218 million registered users as of June 30, 2024, with over 142 million vehicles linked to it. Ping An P&C offers leading online claims services and scored 90.87 in the Auto Insurance Service Quality Index evaluation by CBIT (China

Banking and Insurance Information Technology Management Co., Ltd.), positioning the company among the leading players in the property and casualty insurance industry.

**Ping An Bank maintained steady business performance and adequate risk provisions.** The bank adheres to its strategy of “strong retail banking, selective corporate banking, and specialized interbank business.” Net profit grew 1.9% year on year to RMB25,879 million in the first half of 2024. Core tier 1 capital adequacy ratio increased to 9.33% as of June 30, 2024. Ping An Bank continuously strengthened risk management and maintained adequate risk provisions. Non-performing loan ratio and provision coverage ratio were 1.07% and 264.26% respectively as of June 30, 2024. The bank promoted the high-quality sustainable development of its retail business. Retail assets under management (“AUM”) rose 2.2% from the beginning of the year to RMB4,120,630 million, and retail deposit balance grew 6.9% from the beginning of the year to RMB1,290,345 million as of June 30, 2024. In corporate business, Ping An Bank closely follows national strategies to serve the real economy. Corporate loan balance grew 11.4% from the beginning of the year to RMB1,592,139 million as of June 30, 2024. Corporate deposit balance grew 3.7% from the beginning of the year to RMB2,280,467 million.

**Ping An delivered excellent results in insurance funds investment.** The Group’s insurance funds investment portfolio grew 10.2% from the beginning of the year to more than RMB5.20 trillion as of June 30, 2024. The Group upheld a balanced and prudent approach to its insurance funds investment portfolio under the guidance of long-term strategic asset allocation in the first half of 2024. The portfolio achieved an annualized comprehensive investment yield of 4.2% in the first half of 2024, up by 0.1 pps year on year. The portfolio achieved a 5.4% average comprehensive investment yield over the past decade.

**Ping An advanced its integrated finance strategy under a customer-centric philosophy.** The Group focused on the development of retail customers, building a brand of heartwarming financial services by providing “worry-free, time-saving, and money-saving” one-stop integrated financial solutions. Integrated finance brought Ping An higher operational efficiency, lower operating and risk costs, and higher customer retention rates. The Group’s retail customers increased 1.9% from the beginning of the year to 236 million as of June 30, 2024; 24.9% of retail customers held four or more contracts within the Group, with a retention rate of 97.8%. Contracts per retail customer reached 2.93. Over 87.92 million retail customers held multiple contracts with different subsidiaries. Thanks to Ping An’s diverse integrated finance products and channels, as well as the enhanced “worry-free, time-saving, and money-saving” services, new customers acquired in the first half of 2024 totaled 13.92 million. Retail cross-selling deepens as Ping An adheres to long-term customer development and continuously gains customer insights. Middle-class and above customers accounted for approximately 77.7% of the Group’s total retail customers, and high net-worth individuals (“HNWIs”) held about 20.13 contracts per customer as of June 30, 2024.

**Ping An launched a Chinese “managed care model” as a new driver of value growth.** Ping An actively promoted the Chinese “managed care model” by seamlessly combining its online/offline health and senior care ecosystem with financial businesses in which Ping An acted as a payer. The Group built a health and senior care ecosystem in China with differential advantages, including “online, in-store and home-delivered” service

capabilities, extensive coverage of health and senior care service resources, and access to high-quality proprietary resources.

**Ping An empowered core financial businesses through differentiated “Product + Service” offerings.** 28.6% of the Group’s new retail customers were acquired from its health and senior care ecosystem in the first half of 2024. Customers entitled to service benefits in the Group’s health and senior care ecosystem accounted for over 68% of Ping An Life’s NBV in the first half of 2024. More than 63% of Ping An’s 236 million retail customers used services from the health and senior care ecosystem as of June 30, 2024. They held approximately 3.36 contracts and RMB57,500 in AUM per capita, 1.6 times and 3.8 times those held by non-users of these services respectively. Nearly 16 million customers of Ping An Life used services from the health and senior care ecosystem in the first half of 2024. Notably, nearly 70% of Ping An Life’s newly-enrolled customers used health management services in the first half of 2024.

**Ping An made significant progress in retail and corporate customer development by effectively integrating insurance with health and senior care services.** The Group’s health and senior care ecosystem had more than 67,000 paying corporate clients and their nearly 27 million employees were served in the first half of 2024. Ping An Health had approximately 40 million paying users over the 12 months ended June 30, 2024. PKU Healthcare Group’s revenue continued to grow to approximately RMB2.52 billion in the first half of 2024, driven by its robust operations and faster development since its takeover by Ping An in 2021. Ping An had about 50,000 in-house doctors and contracted external doctors as well as 34 general hospitals, health management centers, and children’s rehabilitation centers in China as of June 30, 2024. The Group also partnered with more than 36,000 hospitals, over 104,000 health care management institutions, and approximately 233,000 pharmacies in China as of June 30, 2024. Overseas, Ping An partnered with more than 1,300 health care institutions in 35 countries as of June 30, 2024, including 8 of the global top10 on the *Newsweek’s* World’s Best Hospitals List.

**Ping An continued to build world-leading AI capabilities.** The Group focused on developing core technologies and securing proprietary intellectual property rights. According to the latest ranking released by the World Intellectual Property Organization (WIPO) in 2024, Ping An ranked second globally with 1,564 generative AI patent applications. The Group’s patent applications led most international financial institutions, totaling 52,185 as of June 30, 2024. Ping An had a first-class technology team of more than 20,000 technology developers and over 3,000 scientists as of June 30, 2024. From the perspective of transforming and upgrading Ping An’s core businesses, technology benefits are reflected in higher sales, better business efficiency, and stronger risk management. The volume of services provided by Ping An’s AI service representatives reached about 870 million times, accounting for 80% of Ping An’s total customer service volume in the first half of 2024. It took an average of 7.4 minutes to close a claim with Smart Quick Claim. Moreover, claims savings via smart fraud risk identification grew 4.3% year on year to RMB6.1 billion in the first half of 2024 as Ping An continuously strengthened risk management.

In the second half of 2024, China’s economic recovery will be further bolstered as the government deepens reform comprehensively and household consumption and public expectations continuously improve. Ping An will thoroughly study and implement the spirit

of the Third Plenary Session of the 20th Central Committee of the Communist Party of China (the “CPC”), uphold the CPC Central Committee’s centralized, unified leadership over financial work, adhere to a people-centered value orientation, relentlessly pursue high-quality development, and strive for sustainable, well-structured and high-quality resilient growth. Ping An will continue to implement its business policy of “focusing on core businesses, boosting revenue and cutting costs, optimizing structure, and enhancing quality and efficiency,” and advance its technology-driven “integrated finance + health and senior care” strategy. Taking the “worry-free, time-saving, and money-saving” value proposition as its business guidance, service standard, and long-term commitment, the Group strives to create long-term, stable and sustainable value for customers, employees, shareholders and society.

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