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PING AN

Expertise Creates Value

中国平安保险(集团)股份有限公司

Ping An Insurance (Group) Company of China, Ltd.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

Stock Code: 2318 (HKD counter) and 82318 (RMB counter)

ANNOUNCEMENT OF UNAUDITED RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2024

The board of directors (the “**Board**”) of Ping An Insurance (Group) Company of China, Ltd. (“**Ping An**” or the “**Company**”) hereby announces the unaudited results (the “**First Quarter Results**”) of the Company and its subsidiaries (the “**Group**”) for the three months ended March 31, 2024 (the “**Reporting Period**”). The Board and its Audit and Risk Management Committee have reviewed the First Quarter Results.

1. KEY BUSINESS PERFORMANCE

1.1 Business Highlights

China’s economy is recovering, but the foundation for sustainable recovery needs to be further consolidated, and there are still challenges to enterprises seeking steady development. Ping An maintained strong resilience of overall operations in the first three months of 2024 by focusing on core financial businesses and pursuing high-quality development.

- Ping An maintained steady development, and its core businesses resumed growth. Operating profit attributable to shareholders of the parent company reached RMB38,709 million in the first three months of 2024. Three core businesses, namely life and health insurance (“**Life & Health**”), property and casualty insurance, and banking, resumed growth, with operating profit attributable to shareholders of the parent company up 0.3% year on year.
- Life & Health achieved steady business development and enhanced comprehensive strength in channels. New business value (“**NBV**”) amounted to RMB12,890 million in the first three months of 2024, up 20.7% year on year on a like-for-like basis. NBV per agent increased 56.4% year on year. NBV margin was 22.8%, up 6.5 pps year on year on a like-for-like basis.

- Ping An Property and Casualty (“**Ping An P&C**”) maintained healthy business quality with steady business growth. Insurance revenue rose by 5.7% year on year to RMB80,627 million in the first three months of 2024. Overall combined ratio (“**COR**”) excluding guarantee insurance was 98.4%, up year on year mainly due to snowstorms on early days of the Chinese New Year and increased customer travels.
- Ping An Bank maintained steady business performance and stable asset quality. Net profit grew 2.3% year on year to RMB14,932 million in the first three months of 2024. Core tier 1 capital adequacy ratio rose to 9.59% and provision coverage ratio was 261.66% as of March 31, 2024.
- Ping An continued to develop its integrated finance model. Retail customers increased 1.0% year to date to nearly 234 million and contracts per customer reached 2.94 as of March 31, 2024.
- Ping An continued to implement its health and senior care ecosystem strategy, empowering its core financial businesses with differentiated advantages. By integrating providers, Ping An partnered with all top 100 hospitals and 3A hospitals in China, and accumulated about 50,000 in-house doctors and contracted external doctors in China as of March 31, 2024. Ping An partnered with approximately 231,000 pharmacies as of March 31, 2024, up by nearly 1,000 year to date. Ping An’s home-based senior care services have covered 54 cities across China, offering nearly 600 service items in total. Customers entitled to service benefits in the health and senior care ecosystem contributed about 70% of Ping An Life’s NBV in the first three months of 2024, up 6 pps year on year.
- Ping An actively fulfilled its social responsibilities and supported green development and rural vitalization. Ping An achieved RMB10,682 million in green insurance premium income and provided RMB2,677 million for rural industrial vitalization through “Ping An Rural Communities Support” in the first three months of 2024. Ping An received a “Low Risk” ESG risk rating from Morningstar Sustainalytics with a score of 17.0 in 2024, ranked first in the Chinese mainland’s insurance sector.

1.2 Key Figures

For the three months ended March 31	2024	2023	Change (%)
Net profit attributable to shareholders of the parent company (in RMB million)	36,709	38,352	(4.3)
Basic earnings per share (in RMB)	2.07	2.17	(4.6)
Operating profit attributable to shareholders of the parent company ⁽¹⁾ (in RMB million)	38,709	39,920	(3.0)
Basic operating earnings per share ⁽¹⁾ (in RMB)	2.18	2.26	(3.5)
Life & Health NBV ⁽²⁾ (in RMB million)	12,890	10,682	20.7
Ping An P&C's COR ⁽³⁾ (%)	99.6	98.7	0.9 pps
	March 31, 2024	December 31, 2023	Change (%)
Number of retail customers (in million)	233.78	231.57	1.0
Contracts per retail customer (contract)	2.94	2.95	(0.3)

Notes: (1) The computation of operating profit is based on a 4.5% long-run investment return assumption. Operating profit for the same period last year computed based on a 4.5% long-run investment return assumption was disclosed in the chapter "Analysis of Embedded Value" of the Company's 2023 Annual Report.

(2) The computation of Life & Health NBV is based on a 4.5% long-run investment return assumption and a 9.5% risk discount rate. Quarterly NBV computed based on the end-2023 assumptions and model was disclosed in the chapter "Analysis of Embedded Value" of the Company's 2023 Annual Report.

(3) COR under IFRS 17 = (insurance service expenses + (allocation of reinsurance premiums paid – amount recovered from reinsurer) + (net insurance finance expenses for insurance contracts issued – net reinsurance finance income for reinsurance contracts held) + changes in insurance premium reserves)/insurance revenue.

2. PERFORMANCE REVIEW FOR KEY BUSINESSES

2.1 Overview

China's economy gradually recovered in the first three months of 2024, with capital markets picking up compared with the last three months of 2023. However, China still faced growth challenges including insufficient effective demand, overcapacity in some industries, and weak economic expectations. The foundation for economic recovery needed to be further consolidated. Facing opportunities and challenges, Ping An focused on core financial businesses and strengthened the insurance protection function to serve the real economy. Ping An continued to implement its business policy of "focusing on core businesses, boosting revenue and cutting costs, optimizing structure, and enhancing quality and efficiency." Following the technology-driven "integrated finance + health and senior care" strategy, Ping An continuously consolidated its integrated finance advantages, remained customer needs-oriented, and pursued high-quality development.

The Group's operating profit attributable to shareholders of the parent company declined 3.0% year on year to RMB38,709 million and net profit attributable to shareholders of the parent company declined 4.3% year on year to RMB36,709 million in the first three months of 2024. Three core businesses, namely Life & Health, property and casualty insurance, and banking, resumed growth and delivered RMB39,816 million in operating profit attributable to shareholders of the parent company, up 0.3% year on year.

Operating profit

Operating profit is a meaningful business performance evaluation and comparison metric given the long-term nature of the Company's major L&H business. Ping An defines operating profit after tax as reported net profit excluding the following items which are of a short-term, volatile or one-off nature and others:

- Short-term investment variance applies to Life & Health business excluding the part subject to the variable fee approach (the "VFA")⁽¹⁾. This short-term investment variance is the variance between the actual investment return on the aforesaid business and the embedded value long-run investment return assumption. Net of the short-term investment variance, the investment return on the aforesaid Life & Health business is locked at 4.5%. Debt investments at fair value through other comprehensive income backing such business are measured at cost.
- The impact of one-off material non-operating items and others is the impact of material items that management considered to be non-operating incomes and expenses. Such impact in the first three months of 2024 and the first three months of 2023 comprised the revaluation gain or loss on the convertible bonds issued by Lufax Holding to the Company.

Note: (1) Insurance finance income or expenses of liabilities subject to the VFA match the changes in the fair value of the underlying items backing such business. Therefore, no adjustment is made when operating metrics are measured.

2024

For the three months ended March 31 (in RMB million)	Life and health insurance business	Property and casualty insurance business	Banking business	Asset management business	Technology business	Other businesses and elimination	The Group
Operating profit attributable to shareholders of the parent company	27,288	3,874	8,654	910	(202)	(1,816)	38,709
Operating profit attributable to non-controlling interests	1,002	18	6,278	238	199	624	8,359
Operating profit (A)	28,291	3,892	14,932	1,148	(3)	(1,192)	47,068
Plus:							
Short-term investment variance (B)	(2,161)	-	-	-	-	-	(2,161)
Impact of one-off material non-operating items and others (C)	-	-	-	-	143	-	143
Net profit (D=A+B+C)	26,130	3,892	14,932	1,148	140	(1,192)	45,050
Net profit attributable to shareholders of the parent company	25,146	3,874	8,654	910	(59)	(1,816)	36,709
Net profit attributable to non-controlling interests	984	18	6,278	238	199	624	8,341

For the three months ended March 31 (in RMB million)	Life and health insurance business	Property and casualty insurance business	Banking business	Asset management business	Technology business	Other businesses and elimination	The Group
Operating profit attributable to shareholders of the parent company	26,696	4,523	8,462	1,305	693	(1,759)	39,920
Operating profit attributable to non-controlling interests	511	21	6,140	301	240	606	7,819
Operating profit (A)	<u>27,207</u>	<u>4,544</u>	<u>14,602</u>	<u>1,606</u>	<u>933</u>	<u>(1,153)</u>	<u>47,739</u>
Plus:							
Short-term investment variance (B)	(1,732)	-	-	-	-	-	(1,732)
Impact of one-off material non-operating items and others (C)	-	-	-	-	157	-	157
Net profit (D=A+B+C)	<u>25,476</u>	<u>4,544</u>	<u>14,602</u>	<u>1,606</u>	<u>1,090</u>	<u>(1,153)</u>	<u>46,165</u>
Net profit attributable to shareholders of the parent company	24,971	4,523	8,462	1,305	850	(1,759)	38,352
Net profit attributable to non-controlling interests	505	21	6,140	301	240	606	7,813

Notes: (1) The life and health insurance business represents the results of three subsidiaries, namely Ping An Life, Ping An Annuity, and Ping An Health Insurance. The property and casualty insurance business represents the results of Ping An P&C. The banking business represents the results of Ping An Bank. 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. The technology business represents the results of member companies that engage in technology business including Lufax Holding, OneConnect, Ping An Health, and Autohome. Eliminations include offsets against shareholding among business lines.

(2) Operating profit is computed based on a 4.5% long-run investment return assumption. Quarterly operating profits in 2023 computed based on a 4.5% long-run investment return assumption were disclosed in the chapter "Analysis of Embedded Value" of the Company's 2023 Annual Report.

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

2.2 Life and Health Insurance Business

Ping An Life furthered the “4 channels + 3 products” strategy, and achieved steady business development thanks to comprehensive advancement in channels, improved business quality, and diverse products and services launched. Life & Health NBV amounted to RMB12,890 million in the first three months of 2024, up 20.7% year on year on a like-for-like basis. NBV margin was 22.8%, up 6.5 pps year on year on a like-for-like basis. The number of individual life insurance sales agents decreased 4.0% year to date to approximately 333,000 as of March 31, 2024.

In respect of channels, under the value proposition of high-quality development, Ping An Life continued to deepen the transformation and build multi-channel professional sales capabilities, significantly improving the development quality. Ping An Life improved the business quality of the agent channel, and continuously increased team productivity by recruiting high-quality agents through high-quality existing ones. NBV per agent rose by 56.4% year on year in the first three months of 2024, and the proportion of “Talent +” new agents increased by 11.0 pps year on year. Ping An Life furthered the exclusive agency model with Ping An Bank, and continuously expanded partnership with high-quality external banks. In addition, Ping An Life standardized outlet operations, and continuously boosted operational efficiency. Ping An Life continued to roll out Community Grid, focusing on retained customers. Guided by the principle of “Services First, Sales Later,” Ping An Life implemented the “Pre-sell, Soft-sell, Cross-sell and Up-sell” model and pursued digital management, which has achieved remarkable results. Overall policy persistency ratio of all retained customers in the cities with Community Grid outlets improved by 2.5 pps year on year as of March 31, 2024.

In respect of products, Ping An Life continues to focus on three areas, namely wealth management, pension insurance, and protection insurance. In respect of wealth management and pension insurance, Ping An Life continued to improve its product portfolio by optimizing product features and diversifying premium payment periods. In respect of protection insurance, Ping An Life launched new products which combine wealth management features and critical illness benefits. These new products, along with the existing Shouhu critical illness products, meet customers’ demands for diverse insurance products. By leveraging the Group’s health and senior care ecosystem, Ping An Life builds differentiated advantages by enhancing its three core services, namely health care, home-based senior care and high-end senior care. In respect of health care, Ping An Life provided health management services to over 10 million customers in the first three months of 2024. Ping An’s home-based senior care services covered 54 cities across China, and nearly 100,000 customers qualified for the home-based senior care services as of March 31, 2024. Ping An established the “Ping An Concierge Senior Care Service Alliance” jointly with partners and launched the “5-7-3 Home Safety Renovation Service” in March 2024 to help elderly people improve their quality of life. In respect of high-end senior care, Ping An has unveiled high-end senior care projects in Shenzhen, Shanghai, Hangzhou and Foshan.

Key indicators of Life & Health

For the three months ended March 31

(in RMB million)	2024	2023	Change (%)
Operating profit ⁽¹⁾	<u>27,288</u>	<u>26,696</u>	<u>2.2</u>
First year premium (“FYP”) used to calculate NBV	56,628	65,514	(13.6)
NBV ⁽²⁾	12,890	10,682	20.7
NBV margin ⁽²⁾ (By FYP, %)	22.8	16.3	6.5 pps
NBV margin ⁽²⁾ (By ANP ⁽³⁾ , %)	<u>29.0</u>	<u>22.8</u>	<u>6.2 pps</u>

Notes: (1) Operating profit attributable to shareholders of the parent company. The computation of operating profit is based on a 4.5% long-run investment return assumption. Operating profit for the same period last year computed based on a 4.5% long-run investment return assumption was disclosed in the chapter “Analysis of Embedded Value” of the Company’s 2023 Annual Report.

(2) The computation of Life & Health NBV is based on a 4.5% long-run investment return assumption and a 9.5% risk discount rate. Quarterly NBV computed based on the end-2023 assumptions and model was disclosed in the chapter “Analysis of Embedded Value” of the Company’s 2023 Annual Report.

(3) ANP (annualized new premium) is calculated as the sum of 100 percent of annualized FYP and 10 percent of single premiums.

2.3 Property and Casualty Insurance Business

Ping An P&C maintained stable business growth as insurance revenue rose by 5.7% year on year to RMB80,627 million in the first three months of 2024. Overall COR rose by 0.9 pps year on year to 99.6%; COR excluding guarantee insurance was 98.4%, up year on year mainly due to snowstorms on early days of the Chinese New Year and increased customer travels. The snowstorms adversely impacted COR by 2.0 pps in the first three months of 2024.

For the three months ended March 31

(in RMB million)	2024	2023	Change (%)
Operating profit	<u>3,892</u>	<u>4,544</u>	<u>(14.3)</u>
Insurance revenue	<u>80,627</u>	<u>76,312</u>	<u>5.7</u>
COR ⁽¹⁾ (%)	<u><u>99.6</u></u>	<u><u>98.7</u></u>	<u><u>0.9 pps</u></u>

Note: (1) COR under IFRS 17 = (insurance service expenses + (allocation of reinsurance premiums paid – amount recovered from reinsurers) + (net insurance finance expenses for insurance contracts issued – net reinsurance finance income for reinsurance contracts held) + changes in insurance premium reserves) / insurance revenue.

2.4 Insurance Funds Investment Portfolio

China's macroeconomy gradually recovered in the first three months of 2024, but there were still challenges – effective domestic demands remained insufficient, and the foundation for economic recovery needed to be further consolidated. In response to volatile capital markets and declining treasury yields, Ping An continued to pursue long-term returns through cycles via value investing. The Company's insurance funds investment portfolio achieved an annualized comprehensive investment yield of 3.1% and an annualized net investment yield of 3.0% in the first three months of 2024.

The Company's insurance funds investment portfolio grew 4.4% year to date to over RMB4.93 trillion as of March 31, 2024. The Company is committed to creating stable investment incomes through macroeconomic cycles and meeting liability needs under a liability-driven approach, taking solvency as a core metric. At the asset allocation level, the Company keeps a prudent risk appetite and continuously optimizes its 10-year strategic asset allocation through cycles. The Company strikes a balance between low-risk long-term bonds and risk assets, and between value stocks and growth stocks. Moreover, the Company carries out disciplined tactical asset allocation, diversifies investment risks, and selects excellent managers and high-quality assets to cope with various market environments.

Debt schemes and debt wealth management products in the Company's insurance funds investment portfolio totaled RMB404,767 million as of March 31, 2024, accounting for 8.2% of the portfolio, down by 0.6 pps year to date.

The balance of real estate investments in the Company's insurance funds investment portfolio was RMB206,435 million as of March 31, 2024, accounting for 4.2% of the portfolio. The real estate investments were mainly in real properties (including developer-owned real properties invested in directly or in the form of equity stakes in project companies) measured at cost, which represented 79.8% of real estate investments. Such investments were primarily rent-collecting properties including commercial and office properties, logistics real estate, industrial parks, and long-term rental apartments, to match the duration of liabilities, with solid track records. Besides, debt investments and other equity investments accounted for 16.2% and 4.0% of real estate investments respectively.

Notes: (1) In the computation of annualized investment yields, only interest revenue from deposits and debt financial assets as well as operating lease income from investment properties are annualized, while interest revenue from financial assets purchased under reverse repurchase agreements, interest expenses on assets sold under agreements to repurchase and placements from banks and other financial institutions, dividend income, capital gains from investments, and fair value gains or losses are not annualized.

(2) Computation of investment yields excludes changes in fair values of debt investments measured at fair value through other comprehensive income backing Life & Health business.

2.5 Banking Business

Under the strategy of “strong retail banking, selective corporate banking, and specialized interbank business,” Ping An Bank enhances its ability to serve the real economy, strengthens risk management, advances digital transformation, and maintains steady business performance.

Overall performance: Revenue and net interest margin declined in the first three months of 2024 due to ongoing support for the real economy, the adjusted asset portfolio, and other factors. Ping An Bank improved operational cost-effectiveness via digital transformation, strengthened asset quality control and management, and enhanced non-performing asset recovery and disposal. Net profit grew by 2.3% year on year to RMB14,932 million.

Retail banking: Retail assets under management (“AUM”) rose by 1.3% year to date to RMB4,082,712 million as of March 31, 2024. Ping An Bank had approximately 125,843,900 retail customers as of March 31, 2024, including approximately 1,406,600 wealth management customers, up 2.1% year to date. The balance of retail deposits grew 3.9% year to date to RMB1,255,081 million as of March 31, 2024.

Corporate banking: Corporate customers increased by approximately 22,600 or 3.0% year to date to approximately 776,600 as of March 31, 2024. The balance of corporate deposits remained stable year to date at RMB2,197,224 million as of March 31, 2024. The balance of corporate loans grew 12.2% year to date to RMB1,603,958 million as of March 31, 2024.

Interbank business: Market share measured by bond trading volume increased 0.2 pps year on year to 3.1% in the first three months of 2024. Spot bonds sold by domestic and overseas institutions amounted to RMB847,574 million, up 33.8% year on year. The balance of third-party funds distributed under the “ET-Bank” increased 37.7% year to date to RMB255,556 million as of March 31, 2024.

Asset quality: Non-performing loan ratio rose by 0.01 pps year to date to 1.07% and provision coverage ratio was 261.66% as of March 31, 2024, with the deviation of loans more than 60 days overdue being 0.77.

Capital adequacy: Ping An Bank’s capital adequacy ratios at all levels met regulatory requirements, and its core tier 1 capital adequacy ratio rose to 9.59% as of March 31, 2024.

For the three months ended March 31

(in RMB million)	2024	2023	Change (%)
Net profit	14,932	14,602	2.3
Revenue	38,770	45,098	(14.0)
Net interest margin (annualized, %)	2.01	2.63	-0.62 pps

(in RMB million)	March 31, 2024	December 31, 2023	Change (%)
Deposits ⁽¹⁾	3,452,305	3,407,295	1.3
Total loans and advances ⁽¹⁾	3,482,088	3,407,509	2.2
Non-performing loan ratio (%)	1.07	1.06	0.01 pps
Provision coverage ratio (%)	261.66	277.63	-15.97 pps
Core tier 1 capital adequacy ratio ⁽²⁾ (%)	9.59	9.22	N/A ⁽³⁾

Notes: (1) Deposits as well as total loans and advances are exclusive of interest receivable and payable.

(2) Ping An Bank and its wholly-owned subsidiary Ping An Wealth Management Co., Ltd. are included in the computation of the above capital adequacy ratios. According to the *Additional Regulations for Systematically Important Banks (Trial)* and the 2023 List of Systematically Important Banks in China, Ping An Bank is included in the first group on the list, and shall meet conditions including a 0.25% supplementary capital ratio, namely, the minimum regulatory requirement for the core tier 1 capital adequacy ratio is 7.75%.

(3) For the measurement of capital adequacy ratios, the method specified in the *Administrative Measures for Capital of Commercial Banks* is adopted from 2024 onward. End-2023 capital adequacy ratios were measured by the method specified in the *Administrative Measures for Capital of Commercial Banks (Trial)*.

2.6 Asset Management Business

The Company primarily conducts its asset management business through companies including Ping An Securities, Ping An Trust, Ping An Financial Leasing, and Ping An Asset Management.

The Company continuously enhances its capabilities of making asset allocation, achieving stable long-term returns, and managing multi-asset portfolios to provide retail and institutional customers with comprehensive investment management services. Ping An's AUM⁽¹⁾ exceeded RMB7 trillion as of March 31, 2024.

Note: (1) The AUM is the sum of AUMs of Ping An Securities, Ping An Trust, Ping An Financial Leasing, Ping An Asset Management and so on.

2.7 Technology Business

The Company engages in technology business mainly through member companies including Lufax Holding, OneConnect, Ping An Health, and Autohome, providing diverse products and services for ecosystem users and forming significant synergies.

Ping An continuously invests in research and development to build leading technological capabilities, which have been widely utilized to empower its core financial businesses and accelerate the development of its ecosystems. Ping An promotes technological empowerment in diverse business scenarios. Moreover, Ping An improves the industry ecosystem and technology by sharing leading innovative products and services with external entities.

Ping An remains focused on developing core technologies and securing proprietary intellectual property rights. The Group's patent applications led most international financial institutions, totaling 51,700 as of March 31, 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 artificial intelligence ("AI") service representatives reached about 420 million times, accounting for 80% of Ping An's total service volume in the first three months of 2024. AI-driven product sales accounted for 58% of total product sales achieved by service representatives. Claims loss reduction via smart risk identification reached RMB3 billion.

2.8 Integrated Finance

Ping An's integrated finance strategy is focused on the development of retail customers⁽¹⁾ under a customer-centric philosophy to strengthen cross-selling among customer segments. In retail business, Ping An leverages its ecosystems to build a brand of heartwarming financial services by providing "worry-free, time-saving, and money-saving" one-stop integrated finance solutions. Retail customers increased 1.0% year to date to nearly 234 million and contracts per retail customer reached 2.94 as of March 31, 2024. Retail customers and contracts per retail customer have increased 17.9% and 10.1% respectively since December 31, 2019.

	March 31, 2024	December 31, 2023	Change (%)
Number of retail customers (in million)	233.78	231.57	1.0
Contracts per retail customer (contract)	2.94	2.95	(0.3)

Note: (1) Retail customers refer to retail customers holding valid financial products with the Group's core financial companies.

2.9 Senior care as a New Driver of Value Growth

Ping An's health and senior care ecosystem creates both standalone direct value and huge indirect value by empowering our core financial businesses through differentiated "Product + Service" offerings. Over 63% of Ping An's nearly 234 million retail customers used services from the health and senior care ecosystem as of March 31, 2024. They held approximately 3.37 contracts and RMB57,600 in AUM per capita, 1.6 times and 3.6 times those held by non-users of these services respectively.

Payers: Ping An made significant progress in both corporate and retail customer development by effectively integrating insurance with health and senior care services. The Group's health and senior care ecosystem had over 45,000 paying corporate clients in the first three months of 2024. Ping An Health had nearly 40 million paying users over the past 12 months. Ping An achieved nearly RMB40 billion in health insurance premium income in the first three months of 2024. Customers entitled to service benefits in the health and senior care ecosystem contributed approximately 70% of Ping An Life's NBV in the first three months of 2024, up 6 pps year on year.

Membership manager: Ping An maintains exclusive health records for customers, and provides membership-based health and senior care services via family doctors and senior care concierges. Ping An guides members through an end-to-end "online, in-store and home-delivered" service network covering the full process of consultation, diagnosis, treatment and services under AI-enabled 24/7 real-time management.

Providers:

In respect of proprietary flagships: Ping An invests in service capabilities via business sectors including general hospitals, checkup centers, medical testing centers, and imaging centers. Hospital beds owned or managed by Ping An can meet customer demands and help optimize the allocation of scarce medical resources, bringing differentiated advantages. PKU Healthcare Group's revenue has grown continuously, driven by its robust operations and faster development since its takeover by Ping An in 2021, exceeding RMB1.1 billion in the first three months of 2024. Peking University International Hospital continuously strengthened discipline development, streamlined operations management, and comprehensively improved patient services. Outpatient visits exceeded 290,000 and the number of available beds exceeded 1,200 in the first three months of 2024. Ping An had five general hospitals, one rehabilitation hospital, one cardiovascular and cerebrovascular hospital, 17 health management centers and 10 children's rehabilitation centers as of March 31, 2024.

In respect of partner networks: Ping An provides services via an “online, in-store, and home-delivered” service network by integrating domestic and overseas premium resources including medical services, health goods and services, and medicines. Ping An had about 50,000 in-house doctors and contracted external doctors in China as of March 31, 2024. Ping An partnered with over 36,000 hospitals (including all top 100 hospitals and 3A hospitals), over 100,000 healthcare management institutions and approximately 231,000 pharmacies (over 37% of all pharmacies, up by nearly 1,000 year to date) in China as of March 31, 2024. Moreover, Ping An launched nearly 600 home-based senior care service items in 54 cities across China and contracted nearly 120 home-based senior care service providers as of March 31, 2024. Our “10-dimensional” blockbuster home-based senior care services, covering service commodity management, order fulfillment management, standard process management, result management and risk management, had a coverage rate of more than 90% and a customer net promoter score of 83%. Overseas, Ping An partnered with over 1,300 healthcare institutions in 35 countries across the world as of March 31, 2024, including eight of global top 10 and 54 of global top 100.

Positive results from a proprietary “health and senior care ecosystem”

The health and senior care ecosystem provides customers with excellent and efficient service experience. Ping An builds its good reputation by providing excellent, efficient and convenient services through the health and senior care ecosystem, enhancing its brand image by word of mouth. For instance, Ping An Health has established an online consultation and treatment platform which covers nine medical specialties including dermatology, pediatrics and traditional Chinese medicine. Patients can see a doctor remotely on a 24/7 basis and get responses within 60 seconds by means of images, texts, speeches, videos and so on, without a need to queue offline. For difficult and complicated diseases, remote consultations can be conducted. Moreover, Ping An Health helps users prevent diseases by maintaining health records for them and carrying out regular clinical follow-ups. There has been no major healthcare incident since the online specialty consultation and treatment platform was established, with five-star monthly reviews from 98% of users.

Ping An integrates proprietary medical resources with commercial insurance to unlock potential value. Ping An provides “heartwarming services” by focusing on “insurance + health” products and exploring “insurance + health care” products. Since its launch in 2021, Ping An Zhen Xiang RUN Health Services Plan has been upgraded on the basis of interactive health management via the introduction of 18 service items including five highlights, namely unique checkups, blood sugar control, online consultation, outpatient appointment assistance and accompanying consultation, and critical illness management. Over 10 million customers of Ping An Life used services from the health and senior care ecosystem in the first three months of 2024. Notably, over 60% of Ping An Life’s newly enrolled customers used health management services in the first three months of 2024. Ping An’s health and senior care ecosystem empowers its core financial businesses through customer acquisition and retention. Synergies between integrated finance and the health care ecosystem give Ping An Health and PKU Healthcare Group access to corporate and retail customers of Ping An’s financial businesses. Meanwhile, they also give companies including Ping An Life access to service benefits in the Group’s health care ecosystem. Over 63% of Ping An’s nearly 234 million retail customers used services from the health and senior care ecosystem as of March 31, 2024. They held approximately 3.37 contracts and RMB57,600 in AUM per capita, 1.6 times and 3.6 times those held by non-users of these services respectively.

2.10 Prospects of Future Development

Looking ahead, despite complex and severe challenges to economic development, China's economic fundamentals are improving, favorable conditions are increasing, and the trend of economic recovery will continue. Facing the challenges, Ping An will maintain its strategic focus on core financial businesses, continue advancing its technology-driven "integrated finance + health and senior care" strategy, and keep making improvements. We believe that the positive long-term fundamentals of the industries remain intact. The Company will keep its business resilience, build its strengths, and continuously improve operations and management to promote business recovery and growth.

3. TOTAL NUMBER OF SHAREHOLDERS AND SHAREHOLDINGS OF TOP TEN SHAREHOLDERS AS OF THE END OF THE REPORTING PERIOD

As of March 31, 2024, the total share capital of the Company was 18,210,234,607 shares, of which 10,762,657,695 were A shares and 7,447,576,912 were H shares.

Total number of shareholders as of the end of the Reporting Period	Total number of shareholders was 961,520, of which 957,269 were holders of A shares and 4,251 were holders of H shares					
Shareholdings of top ten shareholders						
Name of shareholder	Nature of shareholder ⁽¹⁾	Shareholding percentage (%)	Total number of shares held (shares)	Type of shares	Number of shares subject to selling restrictions (shares)	Number of pledged, marked or frozen shares (shares)
Hong Kong Securities Clearing Company Nominees Limited ⁽²⁾	Overseas legal person	38.26	6,966,552,371 ⁽³⁾	H share	–	Unknown
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	5.29	962,719,102	A share	–	67,550,000 pledged shares
Hong Kong Securities Clearing Company Limited ⁽⁴⁾	Others	3.03	551,696,561	A share	–	–
China Securities Finance Corporation Limited	Others	3.01	547,459,258	A share	–	–
Central Huijin Asset Management Ltd.	State-owned legal person	2.58	470,302,252	A share	–	–
Business Fortune Holdings Limited ⁽³⁾	Overseas legal person	2.53	459,935,080	H share	–	375,136,584 pledged shares
Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd. ⁽⁵⁾	Others	1.93	350,906,763	A share	–	–
Shum Yip Group Limited	State-owned legal person	1.42	257,728,008	A share	–	–
Dacheng Fund – Agricultural Bank of China – Dacheng Zhongzheng Financial Asset Management Plan	Others	1.11	201,948,582	A share	–	–
Huaxia Fund – Agricultural Bank of China – Huaxia Zhongzheng Financial Asset Management Plan	Others	1.10	199,511,462	A share	–	–

- Notes:* (1) Nature of the holders of A shares represents the nature of accounts held by the holders of A shares registered on the Shanghai Branch of China Securities Depository and Clearing Corporation Limited.
- (2) Hong Kong Securities Clearing Company Nominees Limited (“**HKSCC Nominees Limited**”) is the nominee holder of the shares held by non-registered H shareholders of the Company.
- (3) Business Fortune Holdings Limited is an indirect wholly-owned subsidiary of Charoen Pokphand Group Co., Ltd. (“**CP Group Ltd.**”), and the shares owned by Business Fortune Holdings Limited have been registered under the name of HKSCC Nominees Limited. In order to avoid double counting, the shares owned by Business Fortune Holdings Limited have been deducted from the shares held by HKSCC Nominees Limited.
- (4) The shares held by Hong Kong Securities Clearing Company Limited refer to the shares held by non-registered shareholders of the Northbound Trading of the Shanghai-Hong Kong Stock Connect Program.
- (5) Participants in the Long-term Service Plan of the Company are the employees of the Company and its subsidiaries. Over 140,000 employees have participated in the Long-term Service Plan cumulatively throughout the years. The source of funding is the remunerations payable to employees.
- (6) The above A shareholders do not participate in securities margin trading or securities lending.

Explanation of the connected relationship or acting-in-concert relationship among the above shareholders

Business Fortune Holdings Limited is an indirect wholly-owned subsidiary of CP Group Ltd. CP Group Ltd. indirectly held 1,040,539,341 H shares of the Company, representing approximately 5.71% of the Company’s total share capital as of March 31, 2024, through Business Fortune Holdings Limited and other subsidiaries.

Save as disclosed above, the Company is not aware of any connected relationship or acting-in-concert relationship among the above-mentioned shareholders.

4. SIGNIFICANT EVENTS

Implementation of Share Purchase Plans of the Company

To align the interests of shareholders, the Company and employees, improve corporate governance, and establish and improve long-term incentive and restraint mechanisms, the Company has adopted the Key Employee Share Purchase Plan and the Long-term Service Plan. Total shares cumulatively held by the Key Employee Share Purchase Plan and the Long-term Service Plan do not exceed 10% of the Company's total share capital. Total shares corresponding to the equity interest cumulatively vested in a single employee of the Company through the Key Employee Share Purchase Plan and the Long-term Service Plan do not exceed 1% of the Company's total share capital.

Key Employee Share Purchase Plan

The Company has implemented the Key Employee Share Purchase Plan, which has a duration of six years, since 2015 as deliberated at the 16th meeting of the ninth Board held on October 28, 2014 and approved at the first extraordinary general meeting for 2015 held on February 5, 2015. The duration of the Key Employee Share Purchase Plan has been extended by six years to February 4, 2027 as deliberated at the 13th meeting of the 11th Board held on April 23, 2020. Participants in the Key Employee Share Purchase Plan are key employees of the Company and its subsidiaries, including directors, employee representative supervisors and senior management. The sources of funding are the employees' legitimate incomes and performance bonuses. The amount that must be paid for each share by participants in the Key Employee Share Purchase Plan is the market price of such share at the time of purchase by the Company.

Nine phases of the Key Employee Share Purchase Plan were implemented as of the end of the Reporting Period. Shares under each phase are subject to a one-year lock-up period after the purchase. After the lock-up period expires, one third of the shares for each phase are unlocked each year and vested in phases in accordance with the Key Employee Share Purchase Plan. All the shares under the six phases for 2015-2020 were unlocked, and the three phases for 2021-2023 were implemented as follows:

There were 1,754 participants in the Key Employee Share Purchase Plan for 2021. A total of 9,162,837 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB670,258,495.86 (expenses inclusive), accounting for approximately 0.050% of the Company's total share capital at that time.

There were 1,703 participants in the Key Employee Share Purchase Plan for 2022. A total of 12,518,547 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB595,602,067.09 (expenses inclusive), accounting for approximately 0.068% of the Company's total share capital at that time.

There were 3,095 participants in the Key Employee Share Purchase Plan for 2023. A total of 15,030,180 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB693,562,104.08 (expenses inclusive), accounting for approximately 0.082% of the Company's total share capital at that time.

During the Reporting Period, no change in the equity interest under the three phases of the Key Employee Share Purchase Plan for 2021-2023 was implemented, and the manager of the Key Employee Share Purchase Plan remained unchanged.

The Key Employee Share Purchase Plan held a total of 25,391,496 A shares of the Company as at the end of the Reporting Period, accounting for approximately 0.139% of the Company's total share capital.

Long-term Service Plan

The Company has implemented the Long-term Service Plan, which has a duration of ten years, since 2019 as deliberated at the third meeting of the 11th Board held on October 29, 2018 and approved at the second extraordinary general meeting for 2018 held on December 14, 2018. Participants in the Long-term Service Plan are the employees of the Company and its subsidiaries, including directors, employee representative supervisors and senior management. The source of funding is the remunerations payable to employees. The amount that must be paid for each share by participants in the Long-term Service Plan is the market price of such share at the time of purchase by the Company. Participants in the Long-term Service Plan may apply for vesting only when they are retiring from the Company, and will be awarded the shares after their applications have been approved and relevant taxes have been paid.

Five phases of the Long-term Service Plan were implemented as of the end of the Reporting Period:

There were 31,026 participants in the Long-term Service Plan for 2019. A total of 54,294,720 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB4,296,112,202.60 (expenses inclusive), accounting for approximately 0.297% of the Company's total share capital at that time. During the Reporting Period, in accordance with the Long-term Service Plan and applicable agreed rules, 203 employees were disqualified due to reasons including their resignation; and 376,512 shares were forfeited due to reasons including employees' resignation or failure to meet performance targets.

There were 32,022 participants in the Long-term Service Plan for 2020. A total of 49,759,305 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB3,988,648,517.41 (expenses inclusive), accounting for approximately 0.272% of the Company's total share capital at that time. During the Reporting Period, in accordance with the Long-term Service Plan and applicable agreed rules, 224 employees were disqualified due to reasons including their resignation; and 357,563 shares were forfeited due to reasons including employees' resignation or failure to meet performance targets.

There were 90,960 participants in the Long-term Service Plan for 2021. A total of 57,368,981 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB4,184,093,674.69 (expenses inclusive), accounting for approximately 0.314% of the Company's total share capital at that time. During the Reporting Period, in accordance with the Long-term Service Plan and applicable agreed rules, 938 employees were disqualified due to reasons including their resignation; and 588,270 shares were forfeited due to reasons including employees' resignation or failure to meet performance targets.

There were 90,960 participants in the Long-term Service Plan for 2022. A total of 93,314,482 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB4,438,825,366.37 (expenses inclusive), accounting for approximately 0.510% of the Company's total share capital at that time. During the Reporting Period, in accordance with the Long-term Service Plan and applicable agreed rules, 1,322 employees were disqualified due to reasons including their resignation; 1,157,021 shares were forfeited due to reasons including employees' resignation or failure to meet performance targets.

There were 83,651 participants in the Long-term Service Plan for 2023. A total of 96,608,364 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB4,450,946,615.20 (expenses inclusive), accounting for approximately 0.528% of the Company's total share capital at that time. During the Reporting Period, in accordance with the Long-term Service Plan and applicable agreed rules, 1,492 employees were disqualified due to reasons including their resignation; 1,585,056 shares were forfeited due to reasons including employees' resignation or failure to meet performance targets.

The manager of the Long-term Service Plan remained unchanged during the Reporting Period.

The Long-term Service Plan held a total of 350,906,763 A shares of the Company as at the end of the Reporting Period, accounting for approximately 1.927% of the Company's total share capital.

The Company has operated stably and healthily since the implementation of the Key Employee Share Purchase Plan and the Long-term Service Plan. The shareholders, the Company and the employees have shared benefits and risks, providing a strong foundation for further improving the Company's governance structure, establishing and strengthening long-term incentive and restraint mechanisms, and facilitating the Company's sustainable and healthy long-term development.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the three months from January 1, 2024 to March 31, 2024.

5. SUPPLEMENTARY INFORMATION ON PREMIUMS

Life & Health Insurance Business

For the three months ended March 31

(in RMB million)	2024	2023	Change (%)
Written premium ⁽¹⁾	238,146	234,333	1.6
Premium income ⁽²⁾	<u>185,346</u>	<u>183,201</u>	<u>1.2</u>

Property and Casualty Insurance Business

For the three months ended March 31

(in RMB million)	2024	2023	Change (%)
Premium income ⁽²⁾	79,076	76,958	2.8
Including: Auto insurance	51,798	50,025	3.5
Non-auto insurance	18,188	20,152	(9.7)
Accident and health insurance	<u>9,090</u>	<u>6,781</u>	<u>34.1</u>

Notes: (1) Written premium refers to all premiums received from the policies underwritten by the Company.

(2) Premium income refers to premiums computed based on written premium after the significant insurance risk testing and separation of hybrid contracts in accordance with the *Circular on the Insurance Industry's Implementation of the No.2 Interpretation of Accounting Standards for Business Enterprises* (Bao Jian Fa [2009] No.1) and the *Circular on Issuing the Regulations regarding the Accounting Treatment of Insurance Contracts* (Cai Kuai [2009] No.15).

6. SOLVENCY MARGIN OF SUBSIDIARIES

Below are the solvency data of the Company's insurance subsidiaries prepared and reported in accordance with the National Financial Regulatory Administration's *Regulatory Rules on Solvency of Insurance Companies (II)* and *Circular on Improving Regulatory Standards for Solvency of Insurance Companies*:

As of March 31, 2024	Ping An Life	Ping An P&C	Ping An Annuity	Ping An Health Insurance
Core capital (in RMB million)	462,586	107,397	10,429	8,688
Actual capital (in RMB million)	802,108	123,053	14,959	10,365
Minimum capital (in RMB million)	389,357	61,797	5,054	3,252
Core solvency margin ratio (%)	118.8	173.8	206.4	267.2
Comprehensive solvency margin ratio (%)	206.0	199.1	296.0	318.7

Notes: (1) Core solvency margin ratio = core capital / minimum capital. Comprehensive solvency margin ratio = actual capital / minimum capital.

(2) The minimum regulatory requirements for the core solvency margin ratio and comprehensive solvency margin ratio in the table above are 50% and 100% respectively.

(3) For details of subsidiaries' solvency margin, please visit the Company's website (www.pingan.cn).

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

7. GUARANTEE

(in RMB million)

External guarantee of the Company and its subsidiaries (excluding the guarantee in favor of its controlled subsidiaries)	
Total external guarantee incurred during the Reporting Period	–
Total external guarantee balance as at the end of the Reporting Period	–
Guarantee of the Company and its subsidiaries in favor of its subsidiaries	
Total guarantee in favor of its subsidiaries incurred during the Reporting Period ⁽²⁾	(69)
Total guarantee balance in favor of its subsidiaries as at the end of the Reporting Period	8,693
Total guarantee of the Company (including the guarantee in favor of its subsidiaries)	
Total guarantee	8,693
Total guarantee as a percentage of the Company's net assets (%)	1.0
Including: Direct or indirect guarantee for the companies with a total liabilities to total assets ratio over 70% (as of March 31, 2024)	8,205
The amount by which the total guarantee balance of the Company and its subsidiaries exceeded 50% of the Company's net assets	–

Notes: (1) The data set out in the table above does not include those arising from financial guarantee businesses conducted by the Company's controlled subsidiaries including Ping An Bank in strict compliance with the scope of business approved by regulatory authorities.

(2) The total guarantee incurred during the Reporting Period was the guarantee withdrawal of RMB235 million less the guarantee repayment of RMB304 million.

8. FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

8.1 Consolidated Income Statement

For the three-month period ended 31 March 2024

For the three-month period ended 31 March (in RMB million)	2024 (Unaudited)	2023 (Unaudited)
Insurance revenue	136,852	133,106
Interest revenue from banking operations	53,299	58,670
Interest revenue from non-banking operations	29,196	29,781
Fees and commission revenue from non-insurance operations	11,197	11,919
Investment income	29,862	29,715
Share of profits and losses of associates and joint ventures	(531)	748
Other revenues and other gains	16,018	17,661
	<hr/>	<hr/>
Total revenue	275,893	281,600
	<hr/>	<hr/>
Insurance service expenses	(109,996)	(105,955)
Allocation of reinsurance premiums paid	(3,788)	(3,458)
Less: Amount recovered from reinsurer	2,775	2,395
Net insurance finance expenses for insurance contracts issued	(39,244)	(40,271)
Less: Net reinsurance finance income for reinsurance contracts held	265	99
Interest expenses on banking operations	(27,994)	(26,347)
Fees and commission expenses on non-insurance operations	(1,839)	(1,894)
Net impairment losses on financial assets	(10,351)	(15,526)
Net impairment losses on other assets	(6)	(14)
Foreign exchange gains/(losses)	(302)	494
General and administrative expenses	(18,833)	(19,886)
Changes in insurance premium reserves	(62)	(46)
Interest expenses on non-banking operations	(4,911)	(5,838)
Other expenses	(8,990)	(10,091)
	<hr/>	<hr/>
Total expenses	(223,276)	(226,338)

For the three-month period ended 31 March (in RMB million)	2024 (Unaudited)	2023 (Unaudited)
Profit before tax	52,617	55,262
Income tax	<u>(7,567)</u>	<u>(9,097)</u>
Profit for the period	<u>45,050</u>	<u>46,165</u>
Attributable to:		
– Owners of the parent	36,709	38,352
– Non-controlling interests	<u>8,341</u>	<u>7,813</u>
	<u>45,050</u>	<u>46,165</u>
	RMB	RMB
Earnings per share attributable to ordinary equity holders of the parent:		
– Basic	2.07	2.17
– Diluted	<u>2.03</u>	<u>2.13</u>

8.2 Consolidated Statement of Comprehensive Income

For the three-month period ended 31 March 2024

For the three-month period ended 31 March (in RMB million)	2024 (Unaudited)	2023 (Unaudited)
Profit for the period	45,050	46,165
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Changes in the fair value of debt instruments at fair value through other comprehensive income	68,412	7,809
Credit risks provision of debt instruments at fair value through other comprehensive income	136	21
Insurance finance expenses for insurance contracts issued	(100,248)	(7,796)
Reinsurance finance income for reinsurance contracts held	277	1
Reserve from cash flow hedging instruments	327	118
Exchange differences on translation of foreign operations	(70)	(965)
Share of other comprehensive income of associates and joint ventures	94	109
Items that will not be reclassified to profit or loss:		
Changes in the fair value of equity instruments at fair value through other comprehensive income	(67)	5,960
Insurance finance income/(expenses) for insurance contracts issued	131	(3,826)
Share of other comprehensive income of associates and joint ventures	156	400
Other comprehensive income for the period, net of tax	(30,852)	1,831
Total comprehensive income for the period	14,198	47,996
Attributable to:		
– Owners of the parent	5,713	40,443
– Non-controlling interests	8,485	7,553
	14,198	47,996

8.3 Consolidated Statement of Financial Position

As at 31 March 2024

(in RMB million)	31 March, 2024 (Unaudited)	31 December, 2023 (Audited)
ASSETS		
Cash and amounts due from banks and other financial institutions	786,452	804,077
Balances with the Central Bank	318,059	270,976
Financial assets purchased under reverse repurchase agreements	132,914	167,660
Accounts receivable	37,514	35,636
Derivative financial assets	47,800	44,978
Insurance contract assets	–	3
Reinsurance contract assets	22,340	22,215
Finance lease receivable	193,392	180,674
Loans and advances to customers	3,384,720	3,318,122
Financial assets at fair value through profit or loss	1,962,415	1,803,047
Financial assets at amortized cost	1,252,468	1,243,353
Debt financial assets at fair value through other comprehensive income	2,750,608	2,637,008
Equity financial assets at fair value through other comprehensive income	263,139	264,877
Investments in associates and joint ventures	253,714	258,877
Statutory deposits for insurance operations	14,853	14,903
Investment properties	125,978	121,406
Property and equipment	48,759	50,401
Intangible assets	98,100	99,078
Right-of-use assets	9,002	9,794
Deferred tax assets	108,188	101,337
Other assets	171,881	134,995
Total assets	11,982,296	11,583,417

(in RMB million)	31 March, 2024 (Unaudited)	31 December, 2023 (Audited)
EQUITY AND LIABILITIES		
Equity		
Share capital	18,210	18,210
Reserves	233,095	263,752
Treasury shares	(5,001)	(5,001)
Retained profits	<u>658,666</u>	<u>622,050</u>
Equity attributable to owners of the parent	904,970	899,011
Non-controlling interests	<u>337,170</u>	<u>329,953</u>
Total equity	<u>1,242,140</u>	<u>1,228,964</u>
Liabilities		
Due to banks and other financial institutions	967,279	963,718
Financial liabilities at fair value through profit or loss	72,247	48,619
Derivative financial liabilities	47,597	44,531
Assets sold under agreements to repurchase	243,373	241,803
Accounts payable	7,658	8,858
Income tax payable	9,293	7,117
Insurance contract liabilities	4,429,595	4,159,801
Reinsurance contract liabilities	73	53
Customer deposits and payables to brokerage customers	3,589,254	3,534,539
Bonds payable	998,246	964,007
Lease liabilities	9,531	10,234
Deferred tax liabilities	14,323	14,148
Other liabilities	<u>351,687</u>	<u>357,025</u>
Total liabilities	<u>10,740,156</u>	<u>10,354,453</u>
Total equity and liabilities	<u>11,982,296</u>	<u>11,583,417</u>

8.4 Consolidated Statement of Cash Flows

For the three-month period ended 31 March 2024

For the three-month period ended 31 March (in RMB million)	2024 (Unaudited)	2023 (Unaudited)
Net cash flows from operating activities	74,958	209,986
Cash flows from investing activities		
Purchases of property and equipment, intangibles and other long-term assets	(1,063)	(1,414)
Proceeds from disposal of property and equipment, intangibles and other long-term assets, net	32	140
Proceeds from disposal of investments	484,516	505,461
Purchases of investments	(528,533)	(576,028)
Acquisition of subsidiaries, net	–	(16)
Disposal of subsidiaries, net	(50)	5
Interest received	39,689	37,261
Dividends received	5,232	7,016
Net cash flows used in investing activities	(177)	(27,575)

For the three-month period ended 31 March (in RMB million)	2024 (Unaudited)	2023 (Unaudited)
Cash flows from financing activities		
Capital injected into subsidiaries by non-controlling interests	183	16
Proceeds from bonds issued	324,625	189,144
Decrease in assets sold under agreements to repurchase of insurance operations, net	(19,708)	(19,983)
Proceeds from borrowings	31,277	36,799
Repayment of borrowings	(338,315)	(272,266)
Interest paid	(3,958)	(6,173)
Dividends paid	(1,863)	(2,010)
Decrease in insurance placements from banks and other financial institutions, net	–	(6,984)
Payment of shares purchased for Long-term Service Plan	–	(4,451)
Repayment of lease liabilities	(1,130)	(1,399)
Payment of redemption for other equity instruments by subsidiaries	–	(3,650)
Others	(3,133)	(8,133)
Net cash flows used in financing activities	(12,022)	(99,090)
Net increase in cash and cash equivalents	62,759	83,321
Net foreign exchange differences	871	(940)
Cash and cash equivalents at the beginning of the period	480,472	444,202
Cash and cash equivalents at the end of the period	544,102	526,583

9. RELEASE OF RESULTS ANNOUNCEMENT

This results announcement is simultaneously available on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.pingan.cn). This results announcement is prepared in accordance with IFRSs. The report of the First Quarter Results for 2024 prepared in accordance with the *Accounting Standards for Business Enterprises* issued by the Ministry of Finance of the People's Republic of China and other relevant regulations will be published on the Company's website (www.pingan.cn) at the same time as it is published on the website of Shanghai Stock Exchange (www.sse.com.cn).

By order of the Board
Ma Mingzhe
Chairman

Shenzhen, the PRC, April 23, 2024

As at the date of this announcement, the executive directors of the Company are Ma Mingzhe, Xie Yonglin and Cai Fangfang; the non-executive directors of the Company are Soopakij Chearavanont, Yang Xiaoping, He Jianfeng, Cai Xun, Yao Jason Bo and Tan Sin Yin; the independent non-executive directors of the Company are Ng Sing Yip, Chu Yiyun, Liu Hong, Ng Kong Ping Albert, Jin Li and Wang Guangqian.