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- Unless otherwise specified, this document were analyzed in accordence with the Hong Kong financial Reporting standards 17-insurance contracts and the new financial instrument accounting standards.
- To facilitate investors' understanding of the operating results of the segments, the company allocated the insurance service income, insurance service fees, and other profit and loss accounts corresponding to the reinsurance business to each insurance type, and simulated and calculated the net operating performance of each insurance type.

PICC 中国人民财产保险股份有限公司

PICC PROPERTY AND CASUALTY COMPANY LIMITED



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Results Overview



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In the first half of 2025, in an effort to actively implement the decisions and plans of the CPC Central Committee and to focus on the strategic goal of PICC Group to "build a first-class enterprise", the Company spared no efforts to serve the development of the Five Priorities of "technology finance, green finance, inclusive finance, elderly care finance, and digital finance". The Company optimized products and services, deepened reform and innovation, improved operation and management, and strengthened risk prevention and control to actively build a property insurance protection system aligned with the optimization of economic structure and give full play to insurance's functions as the economic shock absorber and social stabilizer, taking a new and greater step in promoting high-quality development of the Company while serving the Chinese modernization.

Original insurance premium income

323,282 RMB million

Market share

33.5%

Underwriting profit

13,015
RMB million

Combined Ratio

94.8%

Total investment income

17,260RMB million

Total investment yield (unannualized)

2.6%

Net profit

24,455 RMB million

ROE (unannualized)

9.0%

Comprehensive solvency margin ratio

235.4%

Core solvency margin ratio

213.2%

Proposed Interim DPS

0.24RMB Up 15.4% YoY

Notes:

- (1) The original insurance premium income was calculated in accordance with the rules prior to the revision of the insurance contract accounting standards.
- (2) Market share calculated based on the data of the PRC insurance industry published on the website of the NFRA. Commencing from June 2021, the aggregate data of property insurance companies published by the NFRA (former CBIRC) was temporarily exclusive of certain institutions undergoing settlement of risks in the insurance industry.
- (3) The solvency results were calculated in accordance with the Rules for the Supervision of Insurance Company Solvency (II) and the relevant notices issued by the National Financial Regulatory Administration (former CBIRC).







ADHERING TO THE CORE FUNCTION OF INSURANCE PROTECTION AND CONTINUOUSLY FULFILLING THE "DUAL ROLE" OF ECONOMIC "SHOCK ABSORBER" AND SOCIAL "STABILIZER"

- Focusing on meeting the risk protection needs of major national strategies, key sectors, and weak areas.
- Risk protection was provided to 129 million individual customers and 4.5535 million corporate customers, with total insured amount of RMB1,649.95 trillion.
- Actively and prudently expanded its overseas business, launching an action plan to support stable foreign trade and investment, and increasing protection for goods trade, shipping, cross-border e-commerce, and multi-modal transport. The export credit insurance and import and export freight insurance businesses provided insurance protection of RMB457.9 billion and RMB3.6 trillion, respectively. With the launch of New Energy Vehicle Insurance Going Overseas Project, the Company and its subsidiaries pioneered overseas new energy vehicle insurance pricing models and business models. The Company and its subsidiaries made every effort to protect key projects along the Belt and Road, safeguarding Chinese companies going global. In the first half of 2025, China-overseas-interests insurance covered 122 countries and regions, providing risk protection of RMB1.28 trillion.

- Launched industrial chain insurance initiatives for key sectors such as integrated circuit or domestically produced large aircrafts.
- Established the nation's first assessment and verification center for scientific and technological achievements and intellectual property rights. Our science and technology insurance sub-centers covered all national science and innovation hub cities.
- In collaboration with banks, pioneered a new "finance + shipping" protection service model.
- Led the establishment of the Domestic Trade Credit Coinsurance Body, contributing to stable economic growth.



ADHERING TO THE CORE FUNCTION OF INSURANCE PROTECTION AND CONTINUOUSLY FULFILLING THE "DUAL ROLE" OF ECONOMIC "SHOCK ABSORBER" AND SOCIAL "STABILIZER"

- Strengthening the professional service teams and upgrading the "Wanxiang Cloud" service platform. In the first half of 2025, 1.9141 million pre-insurance digital risk survey reports were issued, 106,000 standard risk surveys were completed, and 10,200 specialized risk surveys were conducted.
- The forms of risk reduction services were further enriched, with 28.1453 million risk reduction services provided to individual customers and 4.4923 million to corporate customers. We launched 96 risk mitigating agriculture insurance products in 30 provinces, providing risk protection of RMB7.493 billion.
- Continuously improved the emergency response system for major disaster claims and optimized claims processes. In the first half of 2025, we organized responses to 153 major disasters and accidents, including the Shigatze earthquake in Tibet, the landslide in Junlian, Sichuan, the major fire in Liaoyang, Liaoning, boat capsizes in Qianxi, Guizhou, the severe flood in Rongjiang, Qiandongnan Autonomous Prefecture in Guizhou, and Typhoon "Wutip".
- Activated 20 times of emergency responses for major disaster claims, deploying 14,000 claims personnel.

ENRICHING PRODUCTS AND SERVICES SUPPLY, SOLIDLY ADVANCING SERVICES FOR THE FIVE PRIORITIES



PICC PROPERTY AND CASUALTY COMPANY LIMITED

Innovative technology finance services were introduced

Continuously expanding the full-life cycle product portfolio of technology insurance. The Company has launched innovative products such as patent-intensive product liability insurance, led the establishment of the Beijing Commercial Space Coinsurance Body, and introduced "Kehui Bao" for technology-based SMEs. Technology insurance covered 127,100 high-tech enterprises in the first half of 2025.

Inclusive finance products and service supply were also strengthened

The Company and its subsidiaries promoted the implementation of national policy supporting agriculture and rural areas, providing risk protection of RMB1.44 trillion. The full cost insurance and planting income insurance for the three major staple food crops underwritten by the Company and its subsidiaries in particular achieved a coverage of 337 million mu. The Company and its subsidiaries were deeply involved in the construction of a multi-level social security system, with its social medical insurance business covering 279 cities in 29 provinces (autonomous regions, municipalities), serving 794 million people. The multi-disaster causes, multi-years, and multi-levels catastrophe insurance system was continuously improved, with the coverage of regional catastrophe insurance expanded to 127 cities in 23 provinces (autonomous regions, municipalities), providing risk protection for 443 million people. The high-quality development action plan for private enterprises was introduced, serving nearly 10 million new citizens, with the "Zhu Wei Bao" providing RMB79.8 billion of insurance protection for 230,000 MSMEs, and individual businesses.

The Company advanced the Five Priorities of financial work in depth.

The green finance system was improved

With strengthened innovation of green insurance products and services, and exploration of a green insurance premium adjustment mechanism. In the first half of 2025, the number of new energy vehicles insured increased by 36.8% year-on-year, and an insurance protection of RMB683.4 billion was provided for clean energy sources such as wind power, photovoltaic power, and hydropower.

Elderly care finance services were enriched

The long-term care insurance covered 50 cities in 16 provinces (autonomous regions, municipalities), accounting for 65.3% of the pilot cities with 81 million people insured.

The development of digital finance accelerated

With innovative insurance services for the digital economy, including the launch of China's first batch of generative AI content copyright infringement liability insurance and the optimization of cyber security insurance pricing models.





Continued Growth in Insurance Business with Market Position Maintaining Dominant

The Company remained committed to the core function of insurance protection, continued to give full play to its core business role, and shaped development advantages with institutional and operational innovation as important driving forces. Benchmarking against the world's leading enterprises, the Company is actively building core competitiveness, committed to creating sustainable and high-quality business performance, and effectively shaping development advantages.

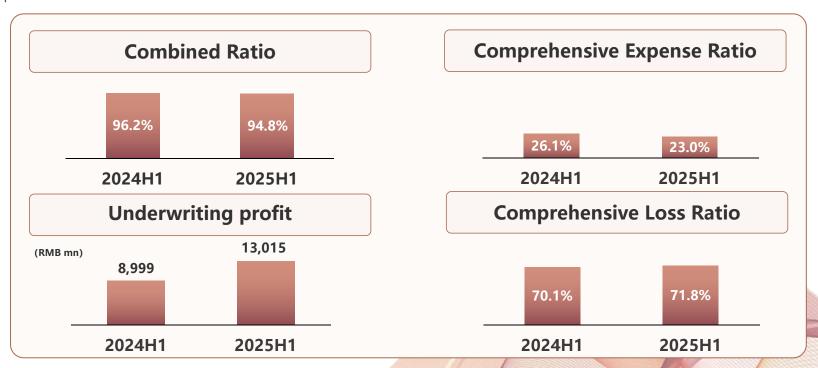


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Combined Ratio Outperformed the Industry

The Company deepened operational management for cost reduction, quality improvement and efficiency enhancement, specifically in aspects of underwriting and claims continuously, established a whole-process risk reduction service value chain, and refined the risk pricing model in key areas, promoting business quality improvements.



Mote

⁽¹⁾ Comprehensive loss ratio = [incurred claims and loss adjustment expenses for the period + changes in fulfillment cash flows related to liability for incurred claims + (recognition and reversal of loss component allocated in liability for remaining coverage) + net expenses from reinsurance contracts sweepersol. Income from reinsurance contracts sweepersol. (Income contracts sweepersol.) (The component allocated in liability for remaining coverage) + net expenses from reinsurance contracts sweepersol. (Income contracts sweepersol.) (The component allocated in liability for remaining coverage) + net expenses from reinsurance contracts sweepersol. (Income contracts sweepersol.) (The component allocated in liability for remaining coverage) + net expenses from reinsurance contracts sweepersol.

⁽²⁾ Comprehensive expense ratio = (amortization of insurance acquisition cash flows + maintenance costs)/insurance revenue

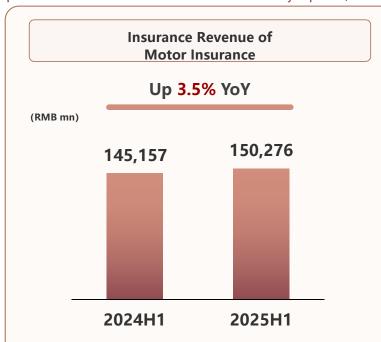
⁽³⁾ Combined ratio = (insurance service expenses + net expenses from reinsurance contracts held + (finance expenses/(income) from insurance contracts issued – finance income/(expenses) from reinsurance contracts held))/insurance revenue; or combined ratio = comprehensive expense ratio



Effectively Strengthened Motor Market Share with Improved Combined Ratio

PICC PROPERTY AND CASUALTY COMPANY LIMITED

The Company is accelerating the application of artificial intelligence, enhancing the professional capabilities of its channels, continuously strengthening the systematic construction of underwriting and claims, taking the lead in promoting industry collaboration, and the intrinsic development level and core competitiveness of Motor Insurance have been continuously improved, further consolidating the competitive edge of Motor Insurance business.





Motor Insurance



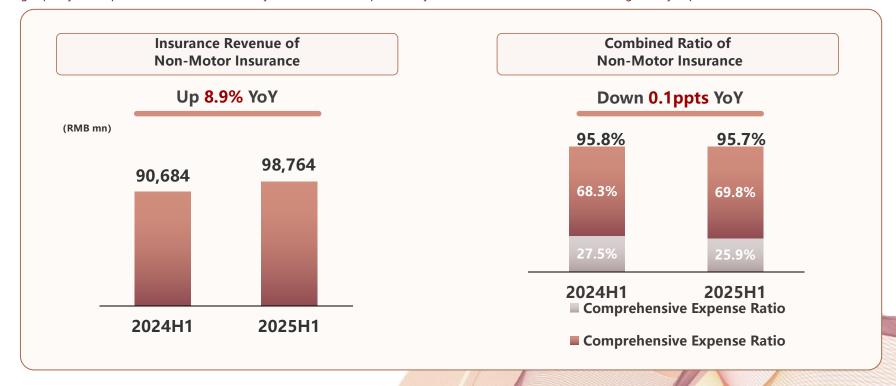
Continuously Opt the Business Str	
Household Vehicles Premium Contribution 73.4%	1.0ppt
Market Share of Household Vehicle New Contracts 39.2%	↑ 0.3ppts
Number of Household Vehicles Underwritten 42.30mn	1 4.0%
Number of New Household Vehicles Underwritten 3.86mn	1 10.4%

New Energy Vehi	cle Insurance
Number of Vehicles Underwritten 6.16mn	1 36.8%
Premium income	1 38.4%
27.2bn RMB	
Household Vehicles Premium Contribution 70.6%	1 5.3ppts
Household Vehicles Combined Ratio	<100%

Rapid Growth in Non-Motor Insurance with Underwriting Profitability Improved

PICC PROPERTY AND CASUALTY COMPANY LIMITED

The company is proactively laying out to serve the development of new productive forces, promoting the standardization, digitalization, and professionalization of product pricing and claims management, strengthening cost control, and advancing risk reduction services. The ability to serve the overall situation and the level of high-quality development have been continuously enhanced, and the profitability of non-Motor Insurance business has gradually improved.



Non-Motor Insurance



Premium Income 26.7bn RMB

Combined Ratio 89.9%

The penetration rate of individual non-motor vehicle insurance 77.0%

institutional business		
Premium Income 47.5bn RMB	1 4.3%	
Combined Ratio 95.1%	♣ 3.2ppts	
Underwriting Profit 1.3bn RMB	1 200%	

Continual optimization of

Comprehensive Expense Ratio 25.9%

Underwriting Profit 4.3bn RMB

Underwriting profitability of

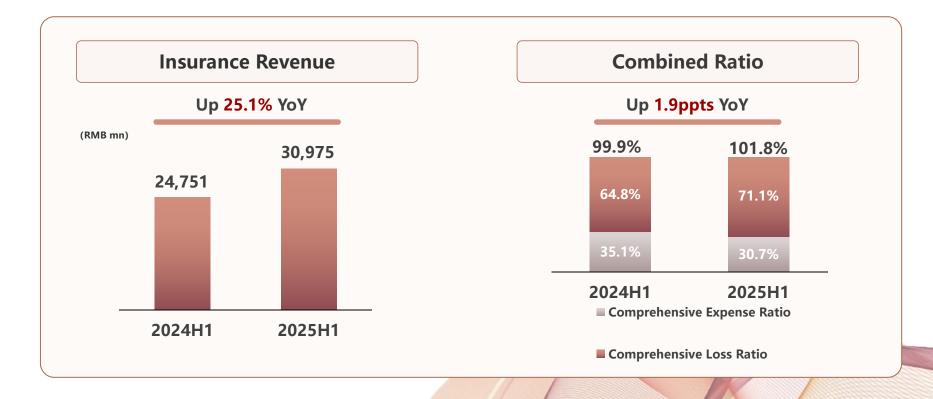
non-motor insurance Improved

Notes:

The premium income, combined ratio and underwriting profit of individual and institutional business were reviewed in accordance with the PRC accounting standards prior to the revision of the insurance contract accounting standards.

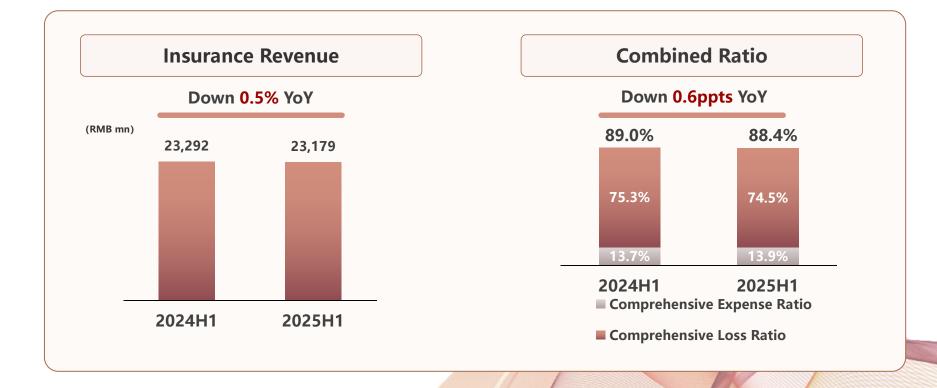


Accidental Injury & Health Insurance



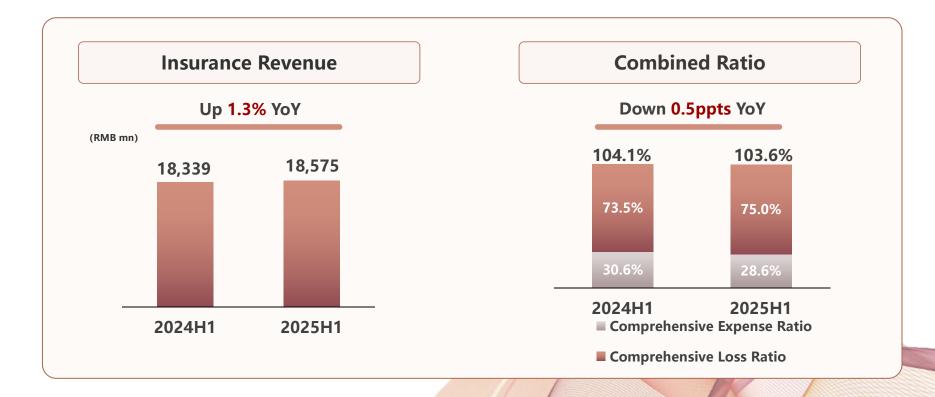


Agriculture Insurance

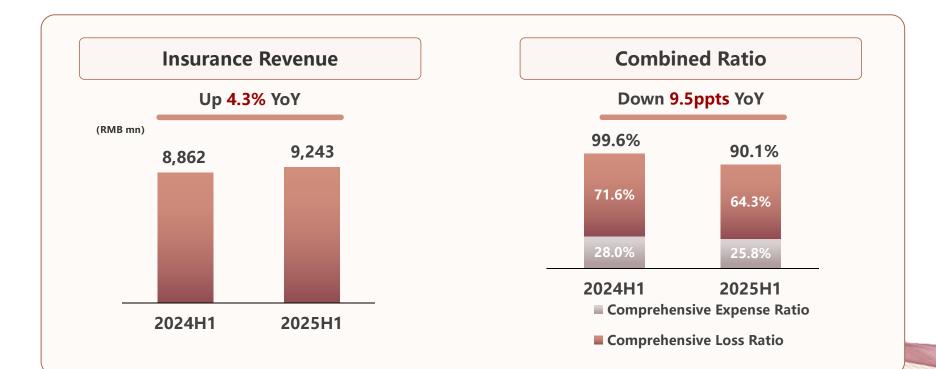






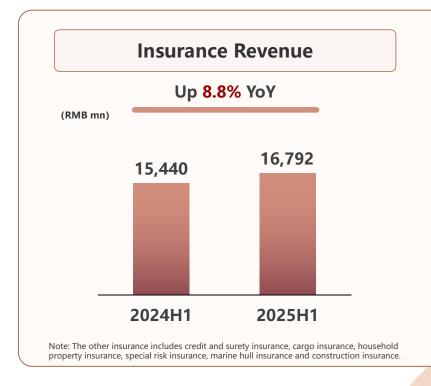


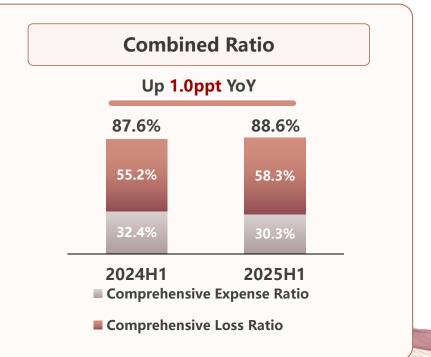
Commercial Property Insurance



Other Insurance

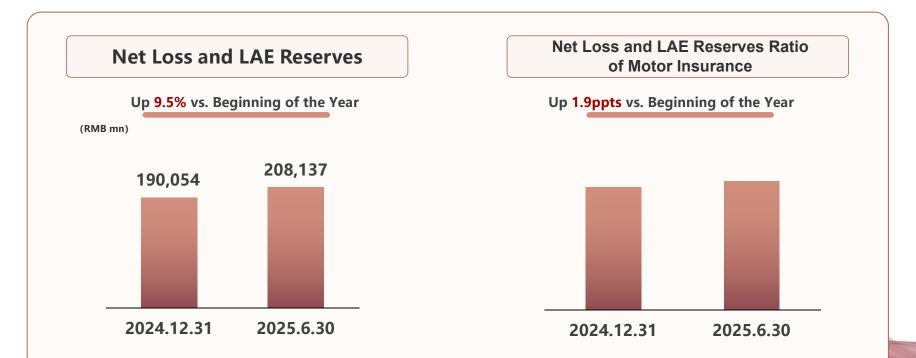






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Appropriated Reserves Adequately and PICC PROPERTY AND CASUALTY COMPANY LIMITED Reasonably Enhanced Ability to Defend Risks



Notes:

⁽¹⁾ Net Loss and LAE Reserves and Net Loss and LAE Reserves Ratio were reviewed in accordance with the PRC accounting standards prior to the revision of the insurance contract accounting standards.

⁽²⁾ Net Loss and LAE Reserves Ratio = Net Loss and LAE Reserves at the end of the reporting period /Net earned premiums in the last 12 months.



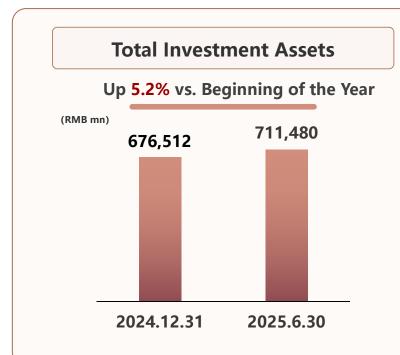


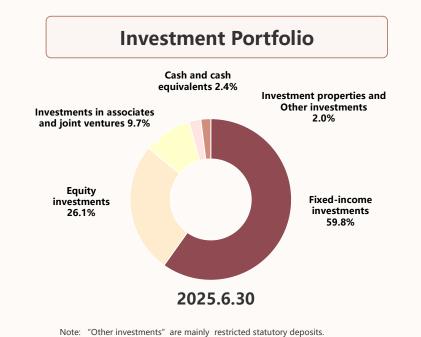
Overview of Insurance Fund Investment Business



Steadily Growth in Total Investment Assets with Improved Investment Assets Portfolio



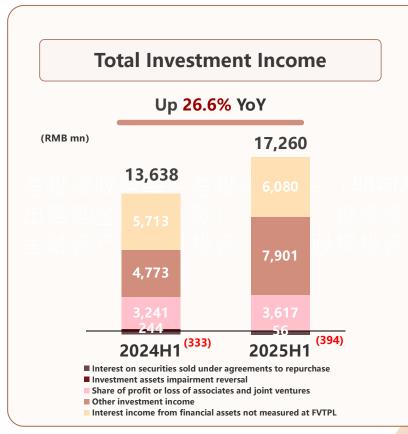






Rapid Growth in Total Investment Income





Total Investment Yield

	2025H1	2024H1
Total Investment Yield (unannualized)	2.6%	2.4%

Note:Total investment yield = Total investment income/(Average total investment assets at the beginning and end of the period – Average securities sold under agreements to repurchase at the beginning and end of the period)





Key Initiatives for 2025H2

