

# 2025 Annual Results

PICC P&C (2328.HK)

## Disclaimer

- This document has been prepared by PICC Property and Casualty Company Limited (hereinafter as the “PICC P&C” or the “Company” ) and has not undergone independent verification. In addition to statements of historical facts, this document may also contain certain forward-looking statements. Such forward-looking statements are subject to certain known and unknown risks and uncertainties, most of which go beyond the Company’ s control. The Company does not guarantee the accuracy, neutrality or completeness of information contained herein. The Company also undertakes no obligation to update or revise any forward-looking statements contained in this document in the future.
- Unless otherwise specified, this document were analyzed in accordance 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.

# Contents

- Section I**      **Results Overview**
- Section II**     **Main work in 2025**
- Section III**    **Overview of Insurance Business Operations**
- Section IV**    **Overview of Insurance Fund Investment Business**
- Section V**     **Key Initiatives for 2026**

## Section I

# Results Overview

## Results Overview

In 2025, the Company firmly implemented the decisions and plans of the CPC Central Committee and actively implemented the strategic requirements of PICC Group to “build a world-class enterprise”. We fully advanced the “Five Priorities” of financial work, remained true to our original aspiration, served the overall interests, continuously optimized and improved the operation and management system, and steadily advanced high-quality development. We actively fulfilled our role as an industry leader and served as an economic shock absorber and social stabilizer, achieved sound development with steady progress and positive momentum, elevating our intrinsic quality, service capabilities, comprehensive strength, and brand image to new heights, laying a solid foundation for forging ahead on the new journey of the 15th Five-Year Plan.



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) 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 .

## Section II

# Main Work in 2025

# Giving Full Play to the Functional Role of Insurance and Further Enhancing the Ability to Serve the Overall Development

## To support the expansion of domestic demand and the promotion of consumption

We actively participated in the development of a multi-tier social security system, undertook 1,208 policy-oriented health insurance projects of various types, and our social medical insurance business covered 290 cities in 30 provinces (autonomous regions, municipalities), serving 863 million people. The participation rate of long-term care insurance program in national-level pilot cities reached 71.4%, and exclusive insurance products for new urban residents covered over 17 million people. We innovated and promoted cultural and tourism insurance such as "Youyou Bao", with premium income for cultural and tourism insurance growing by 14.7% year-on-year.

## To support science and technology self-reliance and self-strengthening

We led the establishment of insurance consortia including the Beijing Commercial Aerospace Insurance consortium and local low-altitude economy insurance consortia. We enriched the full-life cycle product system of technology insurance, underwriting more than 360,000 technology enterprises across all product lines.

## To support the comprehensive green transition of economic and social development

We improved the green finance and ESG work system, and our MSCI rating was upgraded to AAA. The number of new energy vehicles underwritten increased by 34.3% year-on-year. We provided risk protection of RMB18.1 trillion for clean energy industries.

**The Company always adhered to the core function of insurance protection, solidly advanced the "Five Priorities" of financial work, and strengthened risk protection for major national strategies and key areas. For the full year, the total amount of insurance liability assumed reached RMB3,403 trillion.**

## To support the comprehensive revitalization of rural areas and the construction of a strong agricultural country

We built a "four-in-one" protection system for grain production, providing risk protection of approximately RMB2 trillion for rural households. We have been selected as one of the Top Ten Innovation Models for Financial Support to Agriculture by the Ministry of Agriculture and Rural Affairs for four consecutive years, helping the Group obtain the highest tier in the assessment of fixed-point assistance by central authorities for seven consecutive years.

## To support coordinated regional development and high-level opening-up

We safeguarded the smooth navigation of the world's first China-Europe Arctic Express route, and marine cargo insurance provided risk protection of RMB32.1 trillion. We led the establishment of a domestic trade insurance coinsurance body. We optimized the layout for Chinese overseas interests business, covering 149 countries and regions and providing risk protection of over RMB2 trillion.

## To safeguard social security and stability

Regional catastrophe insurance covered 157 cities in 23 provinces (autonomous regions, municipalities), protecting 480 million people. In 2025, we responded to 244 major disasters and accidents, including the Xigaze earthquake in Xizang, the Junlian landslide in Sichuan, the severe flooding in Rongjiang, Southeast Guizhou, persistent rainfall during the autumn harvest in the Huang-Huai region, and the snow and freezing disasters in North China, fully carrying out emergency rescue and claims settlement services. We efficiently paid disaster claims of over RMB13.1 billion, launched 39 major disaster emergency responses, and deployed more than 110,000 claims personnel, enabling the government, enterprises and customers to feel the value and warmth of insurance.

## Company Honors

|   |  |
|---|--|
| Top 100 Hong Kong Listed Companies Research Centre, Finet                     | Ranked 30th in the Main List of "Top 100 in Comprehensive Strengths" of "Hong Kong Stocks – Top 100"<br>On list for 13 consecutive years   |
| China Association for Disaster Prevention                                     | "Social Responsibility Unit for Disaster Prevention and Mitigation"  |
| Ministry of Agriculture and Rural Affairs                                     | The "Comprehensive Protection Model for Coordinating Agriculture-related Insurance Products to Help Farmland Protection and Quality Improvement" was selected as one of the Top 10 Innovative Models in respect of Financial Support for Agriculture in 2024 |
| People's Bank of China  | The "Shipping Insurance Digital Platform Based on a Trustworthy Open Collaboration System" was awarded the First Prize for 2024 "Financial Technology Development Award"   |
| Cyberspace Administration of China, Ministry of Agriculture and Rural Affairs | The "'Insurance + Risk Reduction Service + Technology' Agricultural Insurance Digital Risk Protection System" project was awarded the "2025 National Digital Rural Innovation Competition Excellence Award"  |
| <i>Securities Times</i>   | "Wanxiang Cloud Digital-Intelligent Risk Reduction Service Platform" was awarded the "2025 Ark Award for Insurance Industry Innovation"  |
| <i>The Paper</i>  | "2025 Outstanding Digital- Intelligent Insurance Company"  |
| Southern Finance, 21st Century Business Herald                                | "2025 Leading Brand Institution of the Year"   |
| <i>China Business Journal</i>   | "2025 Outstanding Competitiveness in Brand Building – Financial Institution"   |

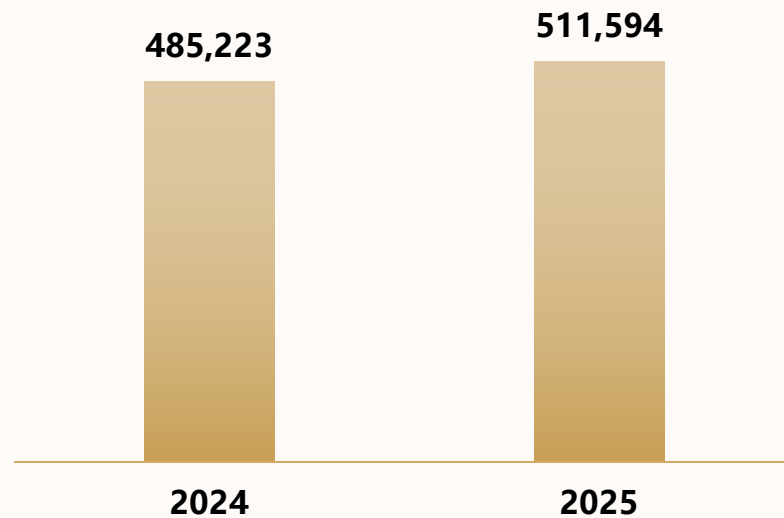
## Section III

# Overview of Insurance Business Operations

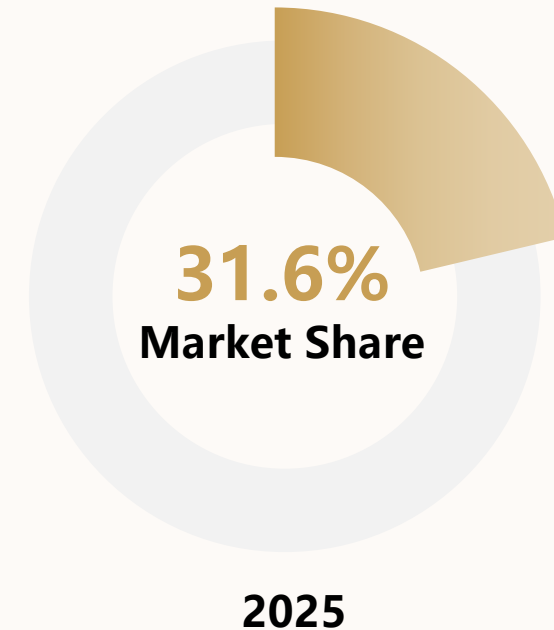
## Continued Growth in Insurance Business with Market Position Maintaining Dominant

### Insurance Revenue Up 5.4% YoY

(RMB mn)



### Market Share



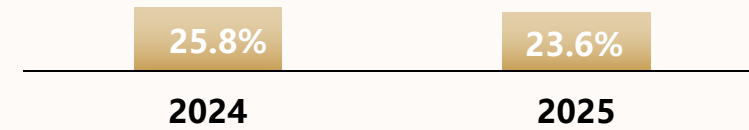
Note: Calculated based on the data of the PRC insurance industry published on the website of the National Financial Regulatory Administration. Commencing from June 2021, the aggregate data of property insurance companies published by the National Financial Regulatory Administration was temporarily exclusive of certain institutions undergoing settlement of risks in the insurance industry.

## Combined Ratio Improved

### Combined Ratio

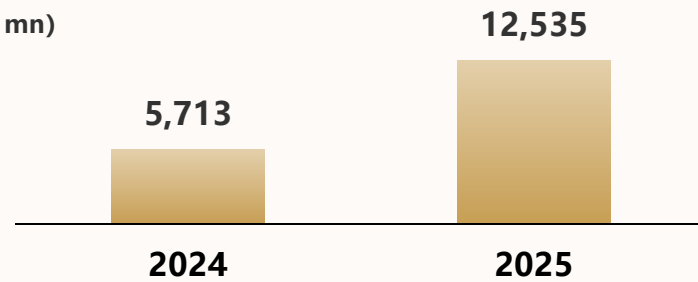


### Comprehensive Expense Ratio



### Underwriting profit

(RMB mn)



### Comprehensive Loss Ratio

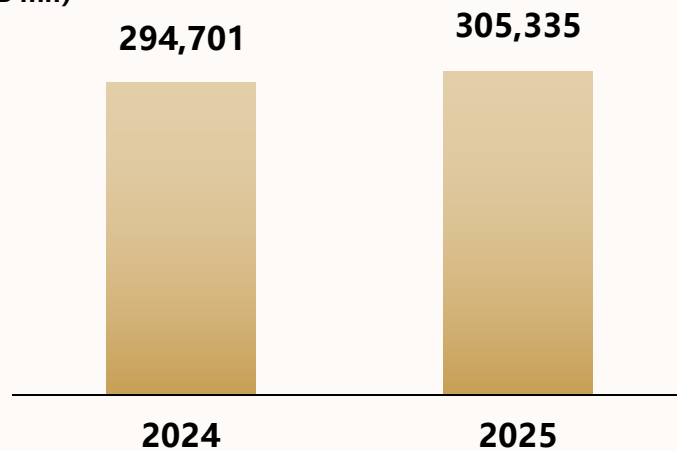


# Effectively Consolidated Advantages of Motor Insurance with Underwriting Profitability Improved

## Insurance Revenue

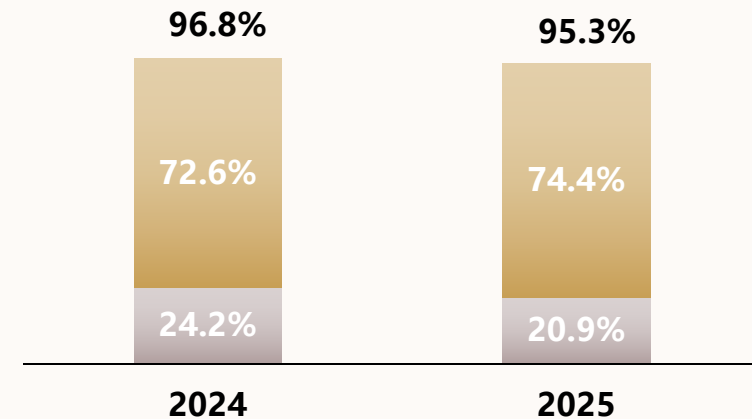
Up 3.6% YoY

(RMB mn)



## Combined Ratio

Down 1.5pp YoY



■ Comprehensive Expense Ratio  
■ Comprehensive Loss Ratio

## Motor Insurance

### Steady Growth in Premium Income

Total Premium Income ↑ 2.8%  
305.7bn RMB

NEV Insurance premium Income ↑ 31.9%  
67.1bn RMB

NEV Premium Contribution ↑ 4.9pp  
22.1%

### Continuously Optimizing the Business Structure

Household Vehicles Premium Income ↑ 3.3%  
226.4bn RMB

Household Vehicles Premium Contribution ↑ 0.4pp  
74.7%

Household Vehicles Renew Rate ↑ 0.5pp  
77.9%

### Underwriting Profitability Improved

Comprehensive Expense Ratio ↓ 3.3pp  
20.9%

Combined Ratio ↓ 1.5pp  
95.3%

Underwriting Profit ↑ 53.6%  
14.3bn RMB

Notes: Household Vehicles Premium Contribution was the porpotion of auto insurance premium Income.

## Quality Improvement and Efficiency Enhancement of Non-Motor Insurance

### Rapid Development of Individual Business

|  |   |       |
|--|---|-------|
| Premium Income   | ↑ | 15.0% |
| Penetration Rate of Individual Non-motor Vehicle Insurance | ↑ | 2.6pp |
| Underwriting Profit  | ↑ | 11.9% |

### Improved Function of Institutional Business

|  |   |       |
|--|---|-------|
| Scientific and Technological Activities Insurance Premium Income | ↑ | 41.4% |
| Overseas Business Premium Income                                 | ↑ | 11.6% |
| Combined Ratio   | ↓ | 4.4pp |

### Actively Positioning in Growth Markets

|   |   |       |
|---|---|-------|
| Commercial Health Insurance Premium Income    | ↑ | 14.6% |
| Cultural and Tourism Insurance Premium Income | ↑ | 14.7% |
| Internet Insurance Premium Income             | ↑ | 34.9% |

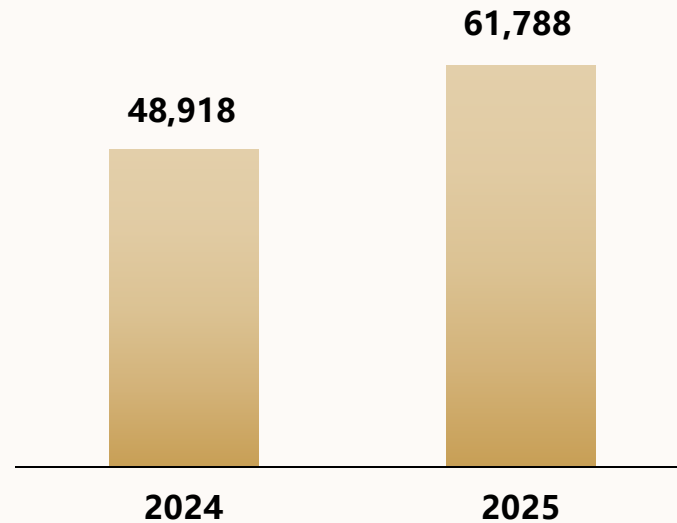
Notes: The data on this page were unaudited prior to the revision of the insurance contract accounting standards.

## Accidental Injury & Health Insurance

### Insurance Revenue

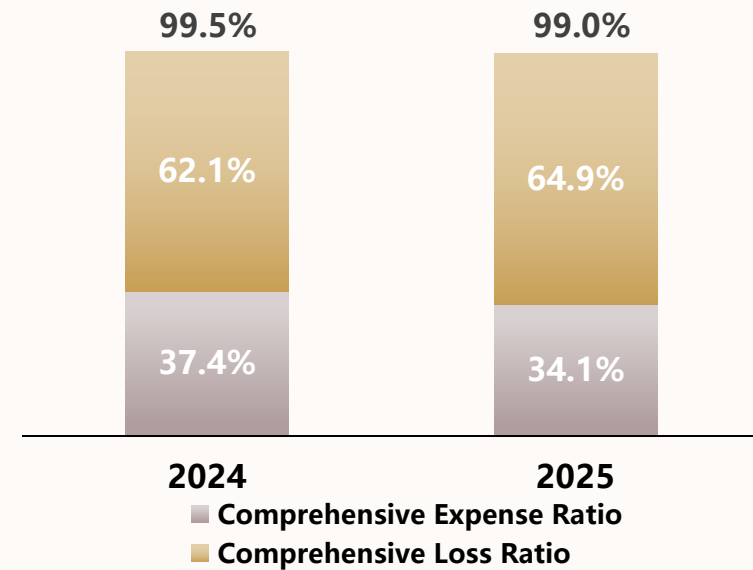
Up 26.3% YoY

(RMB mn)



### Combined Ratio

Down 0.5pp YoY

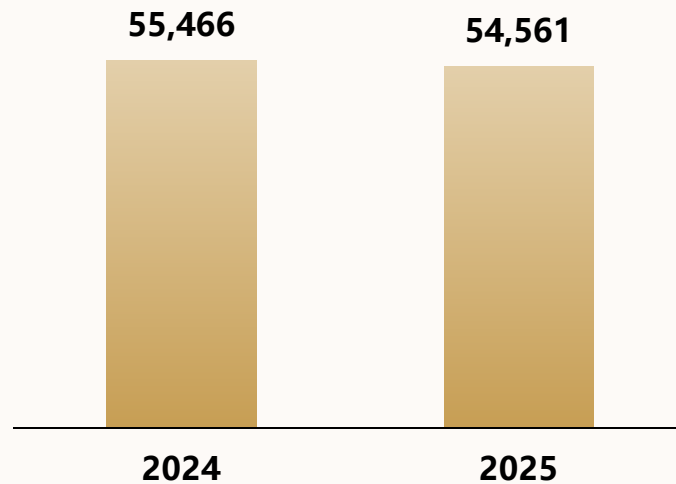


## Agriculture Insurance

### Insurance Revenue

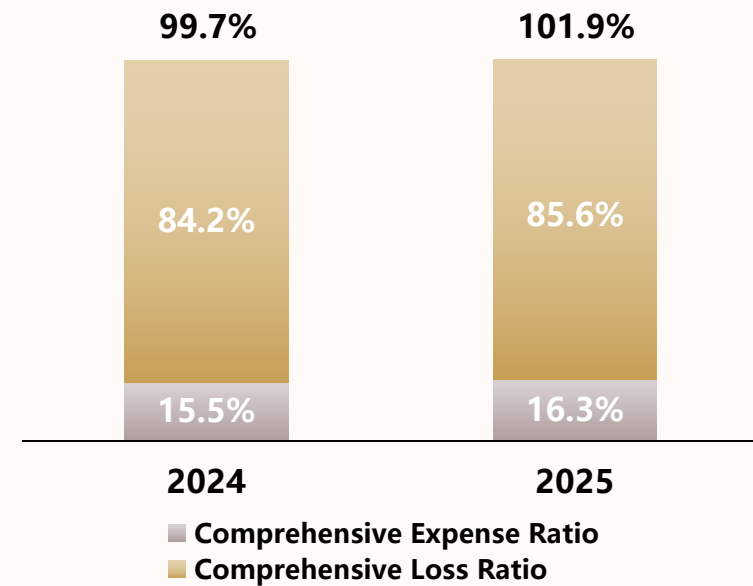
Down 1.6% YoY

(RMB mn)



### Combined Ratio

Up 2.2pp YoY

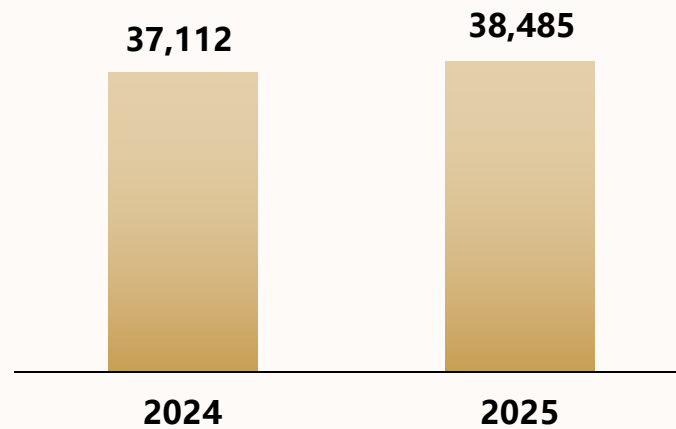


## Liability Insurance

### Insurance Revenue

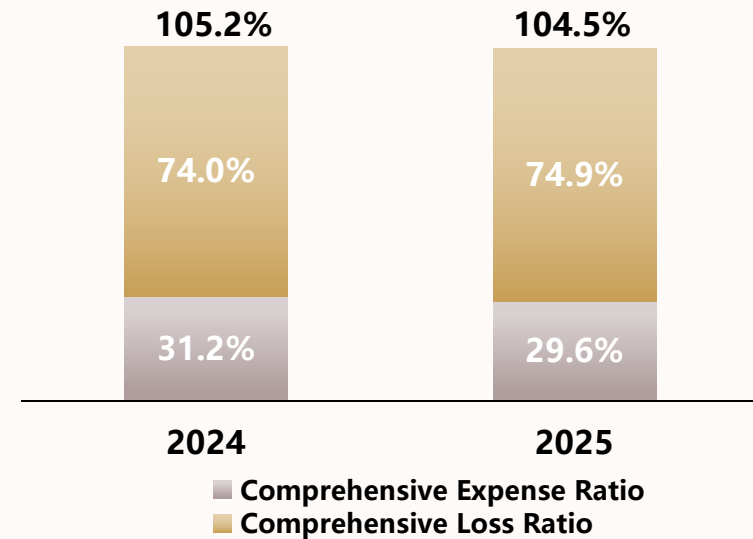
Up 13.7% YoY

(RMB mn)



### Combined Ratio

Down 0.7pp YoY

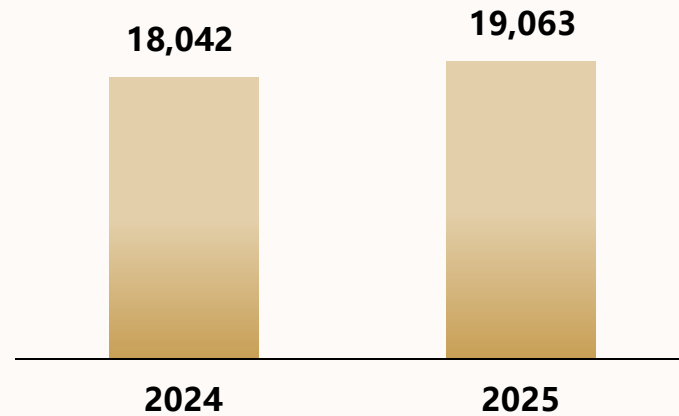


## Commercial Property Insurance

### Insurance Revenue

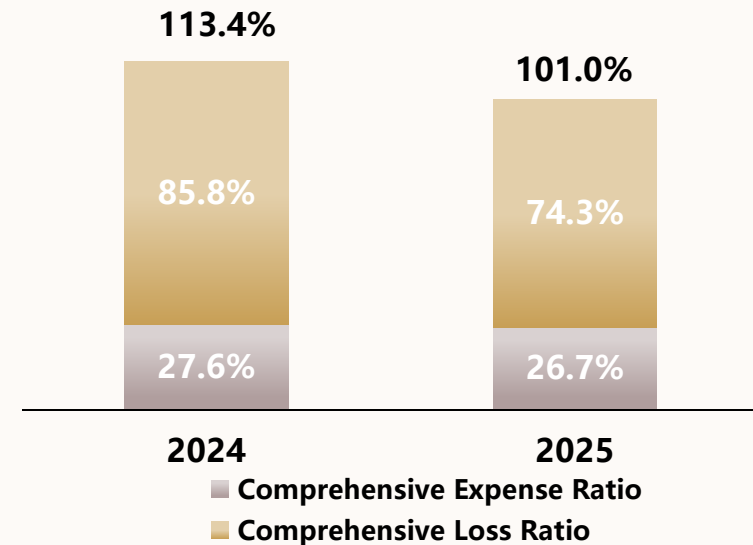
Up 5.7% YoY

(RMB mn)



### Combined Ratio

Down 12.4pp YoY

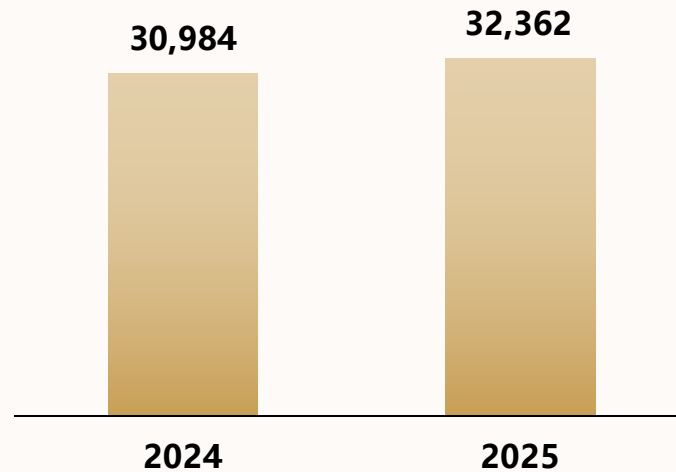


## Other Insurance

### Insurance Revenue

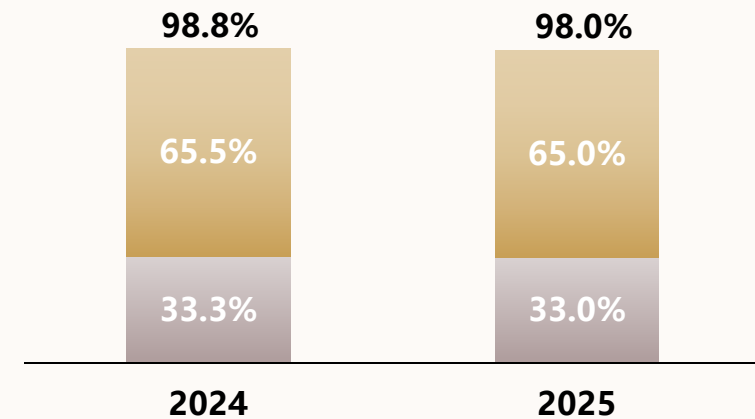
Up 4.4% YoY

(RMB mn)



### Combined Ratio

Down 0.8pp YoY



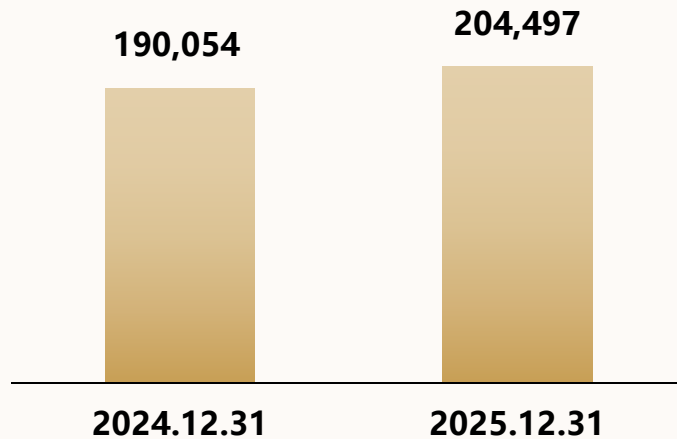
■ Comprehensive Expense Ratio  
■ Comprehensive Loss Ratio

# Appropriated Reserves Adequately and Reasonably Enhanced Ability to Defend Risks

## Net Loss and LAE Reserves

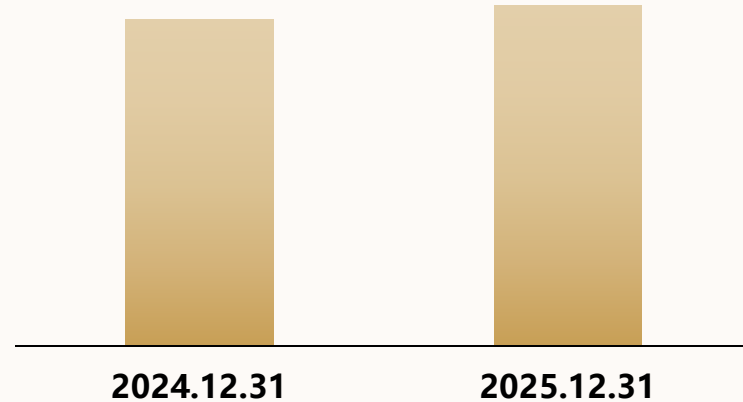
Up **7.6%** vs. Beginning of the Year

(RMB mn)



## Net Loss and LAE Reserves Ratio

Up **1.6pp** vs. Beginning of the Year



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

## Section IV

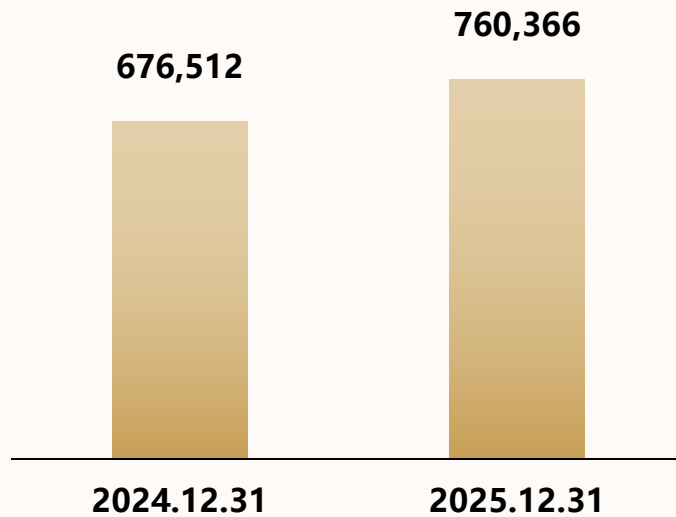
# Overview of Insurance Fund Investment Business

# Steadily Growth in Total Investment Assets with Improved Investment Assets Portfolio

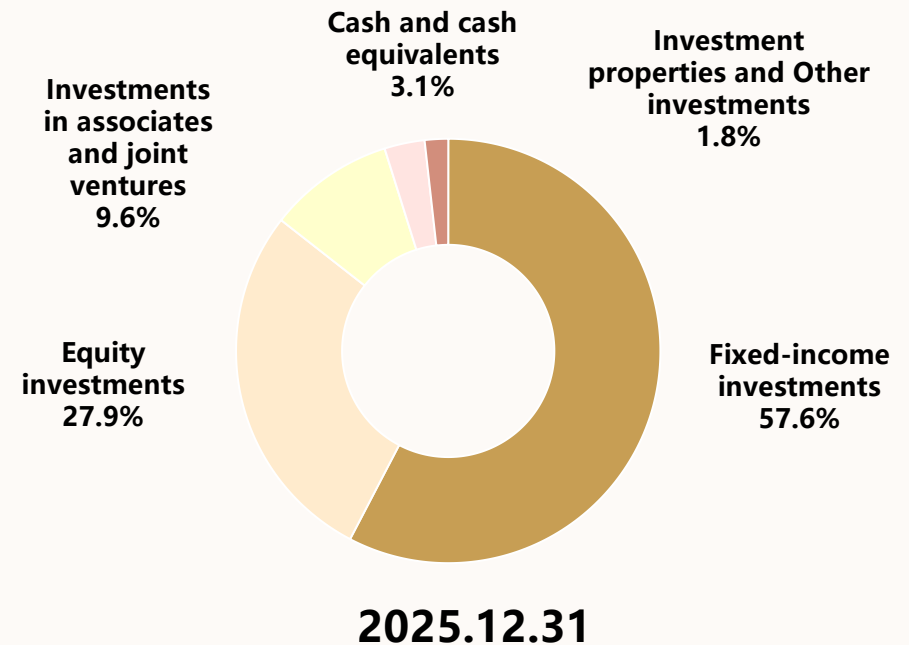
## Total Investment Assets

Up **12.4%** vs. Beginning of the Year

(RMB mn)



## Investment Portfolio



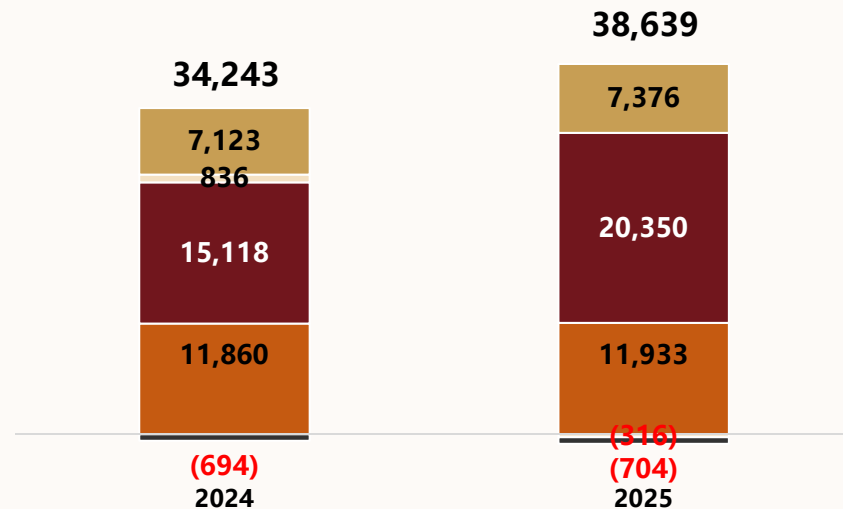
Note: "Other investments" are mainly restricted statutory deposits.

# Seizing Financial Market Opportunities with Huge Growth in Total Investment Income

## Total Investment Income

Up **12.8%** YoY

(RMB mn)



- Interest income from financial assets not measured at FVTPL
- Other investment income
- Investment assets impairment reversal
- Share of profit or loss of associates and joint ventures
- Interest on securities sold under agreements to repurchase

## Total Investment Yield

|                               | 2025        | 2024        |
|-------------------------------|-------------|-------------|
| <b>Total Investment Yield</b> | <b>5.8%</b> | <b>5.7%</b> |

## Section V

# Key Initiatives for 2026

## Key Initiatives for 2026

**01**

**Serving national strategies and fulfilling the function of insurance.**

**02**

**Continuously deepening reform and innovation to foster new competitive advantages.**

**03**

**Strengthening professional operations and enhancing value creation capabilities.**

**04**

**Always adhering to compliant operations and firmly upholding risk bottom lines.**

**05**

**Continuously optimizing asset structure and maintaining steady and robust portfolio.**