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中国人民财产保险股份有限公司

PICC PROPERTY AND CASUALTY COMPANY LIMITED

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

(Stock Code: 2328)

UNAUDITED RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2026

This announcement is made by PICC Property and Casualty Company Limited (the “Company”) pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Board of Directors of the Company announces the unaudited results for the three months ended 31 March 2026 of the Company (exclusive of its subsidiaries). The financial information included in this announcement is prepared in accordance with the PRC Accounting Standards for Business Enterprises¹ and has not been audited.

I. Operating Analysis of Principal Activities

2026 marks the inaugural year of China’s 15th Five-Year Plan and the Company has actively adapted to the changing trends of economic and social development, adhered to taking the completion of the “Five Priorities” of financial work as the guidance, anchored to PICC Group’s strategic target of “building a world-class insurance and financial group”, focused on capacity building and leveraged on innovation empowerment to accelerate the construction of an insurance protection system that is more compatible with the development of new-quality productive forces, fulfilling its role as an economic shock absorber and social stabilizer in serving the overall development agenda. In the first quarter of 2026, the Company achieved an insurance revenue of RMB123,015 million and a net profit of RMB8,631 million.

(i) Insurance Business

The Company has consistently adhered to compliant operations, continued to deepen reform and innovation, continuously strengthened refined management, enhanced the quality and efficiency of its operations, and promoted the Company’s high-quality development; In the first quarter of 2026, the Company achieved an insurance revenue of RMB123,015 million, representing a year-on-year increase of 1.9%, among which, the insurance revenue of the motor vehicle insurance amounted to RMB76,056 million, representing a year-on-year increase of 2.3%, and the insurance revenue of the non-motor vehicle insurance amounted to RMB46,959 million, representing a year-on-year increase of 1.2%; underwriting profit² amounted to RMB7,154 million, representing a year-on-year increase of 7.5%, and the combined ratio³ was 94.2%, representing a year-on-year decrease of 0.3 pp.

¹ Since 1 January 2023, the Company has implemented Accounting Standard for Business Enterprises No. 22 -Recognition and Measurement of Financial Instruments, Accounting Standard for Business Enterprises No. 23 -Transfer of Financial Assets, Accounting Standard for Business Enterprises No. 24 - Hedge Accounting and Accounting Standard for Business Enterprises No. 37 - Presentation of Financial Instruments and Accounting Standard for Business Enterprises No. 25 - Insurance Contracts.

² Underwriting profit = insurance revenue - insurance service expenses - (allocation of reinsurance premiums paid - amounts recovered from reinsurance contracts held) - (finance expenses/(income) from insurance contracts issued - finance income/(expenses) from reinsurance contracts held) - change in premium reserves

³ Combined ratio = [insurance service expenses + (allocation of reinsurance premiums paid - amounts recovered from reinsurance contracts held) + (finance expenses/(income) from insurance contracts issued - finance income/(expenses) from reinsurance contracts held) + change in premium reserves]/insurance revenue

In the first quarter of 2026, the Company achieved an original insurance premium income⁴ of RMB182,995 million, representing a year-on-year increase of 1.4%. The following table sets forth the breakdown of the original insurance premium income by insurance type for the first quarter of 2026:

	Original insurance premium income <i>RMB million</i>	Year-on-year change %
Motor vehicle insurance	71,688	0.0
Accidental injury and health insurance	64,478	6.5
Agriculture insurance	18,331	-4.3
Liability insurance	11,980	4.6
Commercial property insurance	6,232	0.3
Other insurance	10,286	-9.5
Total	182,995	1.4

(ii) Insurance Fund Investment Business

The Company has been adhering to the long-term and steady investment philosophy. The secondary equity market continued to decline due to external factors in March and the market performance in the first quarter was weaker than that of the corresponding period of last year, coupled with the higher base of total investment income in the corresponding period of last year, leading to a year-on-year decrease in the Company's total investment income for the period. In the first quarter of 2026, the Company achieved a total investment income⁵ of RMB4,600 million, and a total investment yield⁶ (unannualised) of 0.7%.

II. Solvency Margin

According to the Rules for the Supervision of Insurance Company Solvency (II) (Yin Bao Jian Fa (2021) No.51) and the relevant notices issued by the National Financial Regulatory Administration, the Company disclosed its summary of solvency margin report for the first quarter of 2026 on the official website of the Company (property.picc.com) and the website of the Insurance Association of China (www.iachina.cn) on 29 April 2026.

⁴ The original insurance premium income is prepared pursuant to the Accounting Standards for Business Enterprises No.25 - Original Insurance Contracts (Cai Kuai (2006) No.3) and the Regulations regarding the Accounting Treatment of Insurance Contracts (Cai Kuai (2009) No.15) issued by the Ministry of Finance of the PRC.

⁵ Total investment income = investment income + interest revenue + net gains/(losses) on fair value changes + rental income - investment asset credit impairment losses - interest expenses of securities sold under agreements to repurchase

⁶ Total investment yield = total investment income/(average of total investment assets at the beginning of the period and at the end of the period - average of securities sold under agreements to repurchase at the beginning of the period and at the end of the period). Among which, investment assets mainly include cash and cash equivalents, term deposits, financial assets purchased under resale agreements, financial investments, investments in subsidiaries, associates and joint ventures, restricted statutory deposits, investment properties.

The following table sets forth the major solvency margin indicators of the Company as of the dates indicated:

	As at 31 March 2026 RMB million Unaudited	As at 31 December 2025 <i>RMB million</i> Audited	Change %
Actual capital	296,412	287,896	3.0
Core capital	268,694	264,301	1.7
Minimum capital	124,559	123,864	0.6
Comprehensive solvency margin ratio	238.0%	232.4%	Increased by 5.6 pp
Core solvency margin ratio	215.7%	213.4%	Increased by 2.3 pp

III. Financial Statements

(i) Statement of Financial Position of the Company

Items	As at 31 March 2026 <i>RMB million</i> Unaudited	As at 31 December 2025 <i>RMB million</i> Audited
Cash and cash equivalents	11,749	9,993
Term deposits	67,708	64,335
Financial assets purchased under resale agreements	8,921	14,193
Financial investments:	576,575	584,387
Financial assets at fair value through profit or loss	148,719	147,225
Financial assets at amortised cost	148,596	149,892
Debt financial assets at fair value through other comprehensive income	174,039	170,765
Equity financial assets at fair value through other comprehensive income	105,221	116,505
Insurance contract assets	468	764
Reinsurance contract assets	38,651	43,129
Investments in subsidiaries, associates and joint ventures	78,407	76,620
Restricted statutory deposits	4,553	4,561
Investment properties	4,901	4,901
Property and equipment	20,535	21,085
Right-of-use assets	1,158	1,210
Intangible assets	6,474	6,762
Deferred income tax assets	11,492	9,547
Other assets	13,322	13,915
TOTAL ASSETS	844,914	855,402
Securities sold under agreements to repurchase	47,983	65,775
Premiums received in advance	5,114	9,075
Salaries and staff welfare payables	25,060	25,938
Tax payable	5,550	6,236
Investment contract liabilities	1,724	1,725
Premium reserves	856	359
Bonds payable	12,161	12,076
Insurance contract liabilities	433,102	433,087
Reinsurance contract liabilities	80	31
Lease liabilities	1,169	1,170
Other liabilities	18,521	14,220
TOTAL LIABILITIES	551,320	569,692
Issued capital	22,242	22,242
Share premium account	10,486	10,486
Other comprehensive income	17,775	20,107
Surplus reserve	94,817	94,817
General risk reserve	33,540	33,540
Catastrophic loss reserve	283	283
Retained profits	114,451	104,235

TOTAL EQUITY	293,594	285,710
TOTAL LIABILITIES AND EQUITY	844,914	855,402

(ii) Income Statement of the Company

Items	Three months ended 31 March	
	2026 RMB million Unaudited	2025 RMB million Unaudited
Operating income	127,945	128,564
Insurance revenue	123,015	120,741
Interest revenue	2,800	3,041
Investment income	10,420	4,990
Included: Share of profits of associates and joint ventures	1,545	1,906
Other gains	129	43
Net losses on fair value changes	(8,551)	(445)
Foreign exchange losses, net	(132)	(18)
Other operating income	241	206
Net gains on disposal of assets	23	6
Operating expenses	116,995	115,021
Insurance service expenses	111,230	109,067
Allocation of reinsurance premiums paid	7,381	7,293
Less: Amounts recovered from reinsurance contracts held	5,105	4,681
Finance expenses from insurance contracts issued	2,134	2,191
Less: Finance income from reinsurance contracts held	276	273
Interest expenses	292	209
Tax and other surcharges	63	32
General and administrative expenses	656	568
Credit impairment reversals	(35)	(18)
Other impairment losses	5	-
Change in premium reserves	497	491
Other operating costs	153	142
Operating profit	10,950	13,543
Add: Sundry income	18	20
Less: Sundry expenses	850	31
Profit before income tax	10,118	13,532
Less: Income tax expense	1,487	2,220
Net profit	8,631	11,312

(iii) Statement of Cash Flows of the Company

Items	Three months ended 31 March	
	2026 RMB million Unaudited	2025 RMB million Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Premiums received from insurance contracts issued	133,294	131,523
Proceeds from reinsurance contracts issued, net	3,884	3,403
Others	19,133	18,281
Cash inflows from operating activities	156,311	153,207
Claims paid for insurance contracts issued	85,997	84,432
Payments for reinsurance contracts held, net	1,549	1,076
Commissions paid	9,521	9,785
Payment to and on behalf of staff	11,084	9,524
Taxes and surcharges paid	9,314	10,025
Others	32,121	30,193
Cash outflows from operating activities	149,586	145,035
Net cash flows generated from operating activities	6,725	8,172
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of investments	50,464	55,063
Investment income and interest revenue received	3,859	2,953
Proceeds from disposal of fixed assets, intangible assets and other long-term assets	22	5
Others, net	2,459	264
Cash inflows from investing activities	56,804	58,285
Payment for purchases of investments	49,266	67,249
Payment for purchases of fixed assets, intangible assets and other long-term assets	216	183
Cash outflows from investing activities	49,482	67,432
Net cash flows generated from/(used in) investing activities	7,322	(9,147)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from financial assets sold under agreements to repurchase, net	-	13,400
Cash inflows from financing activities	-	13,400
Cash repayments of borrowings	-	8,000
Payments for financial assets sold under agreements to repurchase, net	16,993	-
Payment for distribution of dividends, profit or payment of interests	-	287
Others	135	161
Cash outflows from financing activities	17,128	8,448
Net cash flows (used in)/generated from financing activities	(17,128)	4,952
Effect of exchange rate changes on cash and cash equivalents	(19)	(3)
Net (decrease)/increase in cash and cash equivalents	(3,100)	3,974

This announcement is prepared in both Chinese and English, and the Chinese version shall prevail.

By Order of the Board
PICC Property and Casualty Company Limited
Bi Xin
Secretary of the Board

Beijing, the PRC, 29 April 2026

As at the date of this announcement, the Chairperson of the Board of the Company is Ms. Ding Xiangqun (non-executive director), the executive directors are Mr. Zhang Daoming and Mr. Hu Wei, the employee director is Ms. Li Ling (non-executive director), and the independent directors are Mr. Cheng Fengchao, Mr. Wei Chenyang, Mr. Li Weibin, Mr. Qu Xiaobo and Ms. Xue Shuang.