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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 limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2328)

ESTIMATED PROFIT INCREASE FOR THE FIRST HALF OF 2019

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”).

I. Estimated results for the period

- (i) Period to which the estimated results apply: 1 January 2019 to 30 June 2019
- (ii) Estimated results: Based on the preliminary estimates of the Company, the net profit of the Company for the first half of 2019 is expected to increase by approximately 30% to 50% as compared to the same period of 2018.
- (iii) The preliminary results estimates have not been audited or reviewed by the auditors of the Company.

II. Results for the corresponding period of the previous year

- (i) Net profit: RMB12,091 million
- (ii) Basic earnings per share attributable to owners of the Company: RMB0.544

III. Main reasons for the estimated profit increase during the period

- (i) Business factors: In the first half of 2019, the gross written premiums of the Company increased steadily and the investment income recorded an increase as compared to the same period of last year.
- (ii) Other contributing factors: In May 2019, the Ministry of Finance and the State Taxation Administration of the PRC issued the Announcement on the Policy for Pre-tax Deduction of Handling Charges and Commission Expenditures of the Insurance Enterprises(《關於保險企業手續費及佣金支出稅前扣除政策的公告》) (Ministry of Finance and State Taxation Administration Announcement No. 72, 2019, hereinafter referred to as “New Policy”), according to which, the cap of the income tax pre-tax deduction ratio of handling charges and commission expenditures is lifted to 18%, and

for the part that exceeds the cap, transferring to the next year for deduction is permitted. The New Policy applies for the settlement of income tax in 2018. The Company made a one-off recognition of the impact of the New Policy on the income tax expenses of 2018 in 2019. Therefore, the net profit for the period increased accordingly.

IV. Other matters

The above estimated results are only preliminary assessments. For reviewed results of the Company for the first half of 2019, please refer to the 2019 interim results announcement which will be disclosed by the Company before the end of August 2019.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By Order of the Board
PICC Property and Casualty Company Limited
Miao Jianmin
Chairman

Beijing, the PRC, 30 July 2019

As at the date of this announcement, the Chairman of the Board is Mr. Miao Jianmin (executive director), the Vice Chairman is Mr. Xie Yiqun (executive director), the non-executive directors are Mr. Tang Zhigang and Mr. Li Tao, Ms. Xie Xiaoyu and Mr. Hua Shan are executive directors, and the independent non-executive directors are Mr. Lin Hanchuan, Mr. Lo Chung Hing, Mr. Ma Yusheng, Mr. Chu Bende and Ms. Qu Xiaohui.