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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)

CONTINUING CONNECTED TRANSACTION MUTUAL AGENCY AGREEMENTS WITH PICC LIFE AND PICC HEALTH

References are made to the announcement of the Company dated 30 August 2022 about the Original Mutual Agency Agreements entered into by the Company with PICC Life and PICC Health on 30 August 2022 respectively. The Original Mutual Agency Agreements will expire on 30 August 2025 respectively.

On 29 August 2025, the Company entered into the Mutual Agency Agreements with each of PICC Life and PICC Health in order to continue with the sale of insurance products of each other on a mutual agency basis. Pursuant to the Agreements, PICC Life and PICC Health will act as agencies for selling insurance products of the Company, and the Company will pay commissions to PICC Life and PICC Health. Meanwhile, the Company will act as an agency for selling insurance products of PICC Life and PICC Health, and PICC Life and PICC Health will pay commissions to the Company.

Pursuant to the relevant provisions of the Listing Rules, the Mutual Agency Agreements with PICC Life and PICC Health constitute continuing connected transactions of the Company. As specified in Chapter 14A of the Listing Rules, the estimated annual caps of the commissions to be paid by the Company to PICC Life and PICC Health under the Mutual Agency Agreements shall be aggregated, and the estimated annual caps of the commissions to be paid by PICC Life and PICC Health to the Company shall be aggregated. As the highest applicable percentage ratio for the estimated annual caps of commissions to be paid by the Company to PICC Life and PICC Health in aggregate under the Mutual Agency Agreements exceeds 0.1% but is less than 5%, therefore, such transaction is only subject to the reporting, annual review and announcement requirements and is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules; as the highest applicable percentage ratio for the estimated annual caps of commissions to be paid by PICC Life and PICC Health to the Company in aggregate under the Mutual Agency Agreements is less than 0.1%, therefore, such transaction is exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

References are made to the announcement of the Company dated 30 August 2022 about the Original Mutual Agency Agreements entered into by the Company with PICC Life and PICC Health on 30 August 2022 respectively. The Original Mutual Agency Agreements will expire on 30 August 2025 respectively.

On 29 August 2025, the Company entered into the Mutual Agency Agreements with each of PICC Life and PICC Health, with a term effective from 31 August 2025 to 30 August 2028, in order to continue with the sale of insurance products of each other on a mutual agency basis. Pursuant to the Agreements, PICC Life and PICC Health will act as agencies for selling insurance products of the Company and the Company will pay commissions to PICC Life and PICC Health. Meanwhile, the Company will act as an agency for selling insurance products of PICC Life and PICC Health and PICC Life and PICC Health will pay commissions to the Company.

MUTUAL AGENCY AGREEMENTS

(1) Mutual Agency Agreement with PICC Life

Date: 29 August 2025

Parties: (i) the Company; and
(ii) PICC Life

Effective term: From 31 August 2025 to 30 August 2028

Matters of Cooperation: The Company and PICC Life mutually act as an agency for selling insurance products of each other, and engaging in such other businesses or services on a mutual agency basis as authorised in writing. All branches of the Company may act as agencies for selling insurance products of PICC Life such as life insurance, health insurance and accidental insurance. All branches of PICC Life may act as agencies for selling the motor vehicle insurance, property insurance, liability insurance and other property and casualty insurance of the Company.

(2) Mutual Agency Agreement with PICC Health

Date: 29 August 2025

Parties: (i) the Company; and
(ii) PICC Health

Effective term: From 31 August 2025 to 30 August 2028

Matters of Cooperation: The Company and PICC Health mutually act as an agency for selling insurance products of each other, and engaging in such other businesses or services on a mutual agency basis as authorised in writing. All branches of the Company may act as agencies for selling insurance products of PICC Health such as the long-term health insurance, long-term care insurance, short-term health insurance, accidental insurance and other insurance products permitted by the National Financial Regulatory Administration. All branches of PICC Health may act as agencies for selling the motor vehicle insurance, property insurance, liability insurance and other property and casualty insurance of the Company.

(3) COMMISSIONS AND TERMS OF PAYMENT

Pursuant to the Agreement, the Company will enter into agreements with each of PICC Life and PICC Health for the cooperation under specific projects. The Company and each of PICC Life and PICC Health will pay commissions to each other for the sale of insurance products by each other on a mutual agency basis, including the business commissions to be paid to the business personnel of the agency and the management commissions to be paid to the agency for organising and conducting the mutual agency business. The business commissions and management commissions are both calculated based on the premiums actually collected multiplied by the commission rates. The business commission rates and management commission rates are mainly determined by the branches of each party at their discretion in accordance with the principles of equality, free will and friendly cooperation and based on the market and business conditions, and in conjunction with the Company's clear product commission standard.

The provincial branch companies of parties under the Agreements shall pay the agency the business commissions and the management commissions of the previous month by the fifth working day of each month via bank transfer.

ANNUAL CAPS

During the effective term of the Mutual Agency Agreements, the estimated annual caps of the commissions to be paid by the Company to PICC Life and PICC Health in aggregate and the estimated annual caps of the commissions to be paid by PICC Life and PICC Health to the Company in aggregate are as follows:

Period	Estimated annual cap of commissions to be paid by the Company to PICC Life and PICC Health <i>RMB million</i>	Estimated annual cap of commissions to be paid by PICC Life and PICC Health to the Company <i>RMB million</i>
From 31 August 2025 to 31 December 2025	151	109
For the year ending 31 December 2026	431	277
For the year ending 31 December 2027	465	290
From 1 January 2028 to 30 August 2028	340	205

The Company determines the above annual caps mainly based on the recent development and estimated growth of the mutual agency business with PICC Life and PICC Health and the recent commission rates. According to the development plan of PICC Group, the Company will enhance the business collaborations with PICC Life and PICC Health, the subsidiaries of PICC Group, taking full advantage of the agencies' sale channels and customer bases to conduct businesses. In terms of the businesses that PICC Life and PICC Health act as agencies for the Company, due to the Company's optimization of business management, the premiums scale of PICC Life and PICC Health acting as agencies for the Company declined from 2022 to 2023, resulting in the transaction amounts falling significantly below the annual cap. However, following a period of adjustment, business growth stabilized at 6% in 2024 and is expected to grow at an annual rate of about 8% from 2025 to 2028. In terms of the businesses that the

Company acts as an agency for PICC Life and PICC Health, it is expected to grow steadily at an annual rate of around 5% from 2025 to 2028.

HISTORICAL AMOUNTS

The historical amounts of the continuing connected transaction are as follows:

Period	Commission paid by the Company to PICC Life and PICC Health	Commission paid by PICC Life and PICC Health to the Company
	<i>RMB million</i>	<i>RMB million</i>
For the year ended 31 December 2023	271	95
For the year ended 31 December 2024	263	111
From 1 January 2025 to 31 July 2025	125	62

PRICING PRINCIPLES

When the Company and PICC Life/PICC Health mutually act as agencies to sell insurance products for each other, pricing is determined based on market principles through fair negotiations. Pricing must comply with relevant commission regulatory requirements and the Company's commission management requirements, and must not deviate from the prices or fee standards of Independent Third Parties in the market, which ensures that transaction pricing is fair, reasonable, and in the interests of the Company and its shareholders as a whole. When entering into specific project cooperation agreements, the Company's branches will actively conduct market research and analysis, generally referencing commission policies from two or more similar projects, and considering historical commission levels. They will negotiate and agree with the local branches of PICC Life and PICC Health on the cap of commission rates for specific insurance categories. Among these, the business commission rates for PICC Life and PICC Health acting as agencies to sell the Company's products range from 10% to 28%, while the business commission rates for the Company acting as an agency to sell PICC Life Insurance and PICC Health Insurance products range from 10% to 25%. Management commission rates do not exceed 3%, and both business commission rates and management commission rates are generally aligned with market levels, consistent with prices set by Independent Third Parties in the market. The product department of the Company's branches will review the commission policy. The review materials include whether the transaction pricing complies with the Company's commission management requirements and the commission regulatory requirements for the relevant business. For example, the Notice on Strengthening the Management of Compulsory Traffic Accident Liability Insurance for Motor Vehicles explicitly stipulates that the commission fee rates for compulsory traffic accident liability insurance shall not exceed 4%. The Guiding Opinions on the Implementation of Comprehensive Reform of Automobile Insurance stipulates that commercial automobile insurance products must be filed with the regulator by each company, and the commission fee rates must not exceed the filed caps. The Notice on Standardizing the Business of Bank Agency Channels of Life Insurance Companies requires life insurance companies to scientifically design and file products, strictly regulate commission payments, and establish sound internal control mechanisms and strengthen supervision and management, among other measures. Additionally, the product department of the Company's branches will compare the fee standards of PICC Life and PICC Health with the pricing of similar businesses conducted by Independent Third Parties in the market (if any) to determine if there are any discrepancies. After approval, the cap of commission fee rates for each insurance category shall be entered into the sales system to ensure that specific business operations do not exceed such caps of commission fee rates.

INTERNAL CONTROL MEASURES

The Company has formulated management regulations and operational guidelines on related party transactions, which set out requirements and rules on the management body, reporting and disclosure, management procedures, supervision of related party transactions, etc. The Company supervises and manages each connected transaction in accordance with the above-mentioned regulations. The Company regularly records and reports on the occurrence and implementation of connected transactions, monitors the implementation of the transactions and earnestly performs its internal control obligations. The Company has established an early warning mechanism for the annual caps of transactions. When the actual transaction amount reaches the early warning line of the set annual cap (i.e. 80% of the annual cap of the transaction amount) during the implementation of the agreement, the relevant functional department will pay close attention to it, reset the annual cap in a timely manner and go through the corresponding procedures. In addition, the Company conducts annual internal special audits for connected transactions and reports the audit results to the Board and the supervisory committee of the Company. The Independent Directors and external auditors of the Company review and give their opinions on the continuing connected transactions on an annual basis.

The Company has established a clear commission policy, implementing a system of rigid control of commission rate. Set commission rate caps for specific product types, branches, and channels, beyond which no policies can be issued, ensuring that the specific transaction is in accordance with the agreed commission pricing policy. Meanwhile, the Company has established an underwriting team, and the underwriter reviews the commission of the business as authorized, businesses that do not comply with the commission policy cannot be made. In addition, the Company has established an underwriting inspection and audit mechanism. Underwriting inspection is carried out by product line department, not less than twice a year; audit includes comprehensive audit and special audit projects, which is conducted by the audit department on an irregular basis to identify risks in key areas such as commissions and ensure compliance with agreed pricing principles and operational compliance.

GENERAL INFORMATION

Information of the Company

The Company is a joint stock limited liability company incorporated in the PRC, whose H shares are listed on the Hong Kong Stock Exchange. The Company is principally engaged in motor vehicle insurance, commercial property insurance, cargo insurance, liability insurance, accidental injury insurance, short-term health insurance, agriculture insurance, credit insurance, surety insurance, homeowners insurance, marine hull insurance and other insurance business, which are denominated in RMB and foreign currencies, and the related reinsurance business as well as investment and funds application business permitted under the relevant laws and regulations of the PRC. As at the date of this announcement, PICC Group is the controlling shareholder of the Company, holding 68.98% of the total share capital of the Company.

Information of PICC Life

PICC Life is a joint stock limited company incorporated in the PRC and is principally engaged in life insurance, health insurance and accidental injury insurance and the related re-insurance business as well as insurance funds application business in the PRC. As at the date of this announcement, PICC Group is the controlling shareholder of PICC Life, directly holds approximately 71.08% of the total share capital of PICC Life, the Company holds approximately 8.62% of the total share capital of PICC Life, and PICC Asset, a wholly-owned subsidiary of PICC Group, holds approximately 0.3% of the total share capital of PICC Life. Information of

shareholders of PICC Life holding 10% or more of the remaining equity interest in PICC Life is as below: Sumitomo Life Insurance Company* (日本住友生命保險公司), which holds 10% of the total share capital of PICC Life, is a mutual insurance company incorporated in Japan principally engaged in life insurance business, investments and other insurance businesses. It is ultimately and beneficially owned and controlled by the policy holders and has no shareholder(s) thereto in accordance with applicable laws and regulations in Japan.

Information of PICC Health

PICC Health is a joint stock limited company incorporated in the PRC and is principally engaged in health insurance business supported by the national medical security policy and entrusted by the PRC government, various health insurance business that are denominated in RMB and foreign currencies, accidental injury insurance business, consultancy service business related to health insurance and agency business, reinsurance business related to health insurance as well as funds application business permitted under the relevant laws and regulations of the PRC. As at the date of this announcement, PICC Group is the controlling shareholder of PICC Health, directly holds approximately 69.32% of the total share capital of PICC Health, the Company holds approximately 24.73% of the total share capital of PICC Health, and PICC Investment, a wholly-owned subsidiary of PICC Group, holds approximately 1.40% of the total share capital of PICC Health.

Information of PICC Group

PICC Group is a joint stock limited company incorporated in the PRC, whose shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively. PICC Group mainly invests in and holds shares in listed companies, insurance agencies and other financial institutions, supervises and manages various domestic and international businesses of its invested companies and policy-oriented insurance businesses authorised or entrusted by the government, etc. As at the date of this announcement, the Ministry of Finance is the controlling shareholder of PICC Group, holding 60.84% of the total share capital of PICC Group.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENTS

PICC Life and PICC Health have their own distribution channels and customer bases. The previous mutual agency businesses between the Company and each of PICC Life and PICC Health worked well. In order to lead the strategic synergies into further play and expand the distribution channels of the Company, the Company renewed the Mutual Agency Agreements with each of PICC Life and PICC Health.

The Board, including the Independent Directors, is of the view that the Agreements are conducted on normal commercial terms and in the ordinary and usual course of business of the Company, the terms of the Agreements are fair and reasonable, not inferior to the terms provided to the Company by an Independent Third Party under comparable circumstances and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

PICC Life and PICC Health are non-wholly owned subsidiaries of PICC Group, the controlling shareholder of the Company. Pursuant to the relevant provisions of the Listing Rules, PICC Life and PICC Health are connected persons of the Company. Accordingly, the Agreements constitute continuing connected transactions of the Company. Ms. Ding Xiangqun and Mr. Yu Ze, Directors of the Company, hold positions in PICC Group, and Mr. Zhang Daoming, a Director of the Company, holds a position in PICC Life, have all abstained from voting on the

Board resolution for considering and approving the Agreements. Save as disclosed above, no other Directors were required to abstain from voting on the board resolution for considering and approving the Agreements or are regarded as having a material interest in the Agreements.

As specified in Chapter 14A of the Listing Rules, the estimated annual caps of the commissions to be paid by the Company to PICC Life and PICC Health under the Mutual Agency Agreements shall be aggregated, and the estimated annual caps of the commissions to be paid by PICC Life and PICC Health to the Company shall be aggregated. As the highest applicable percentage ratio for the estimated annual caps of commissions to be paid by the Company to PICC Life and PICC Health in aggregate under the Mutual Agency Agreements exceeds 0.1% but is less than 5%, therefore, such transaction is only subject to the reporting, annual review and announcement requirements and is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules; as the highest applicable percentage ratio for the estimated annual caps of commissions to be paid by PICC Life and PICC Health to the Company in aggregate under the Mutual Agency Agreements is less than 0.1%, therefore, such transaction is exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Agreements” or “Mutual Agency Agreements”	the Mutual Agency Agreement entered into between the Company and PICC Life and the Mutual Agency Agreement entered into between the Company and PICC Health on 29 August 2025
“Board”	the board of directors of the Company
“Company”	PICC Property and Casualty Company Limited
“connected person”	has the meaning as defined in the Listing Rules
“Directors”	directors of the Company
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Director(s)”	independent non-executive director(s) of the Company
“Independent Third Party(ies)”	has the same meaning as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mutual Agency Agreement with PICC Health”	the Mutual Agency Agreement entered into between the Company and PICC Health on 29 August 2025
“Mutual Agency Agreement with PICC Life”	the Mutual Agency Agreement entered into between the Company and PICC Life on 29 August 2025

“Original Mutual Agency Agreements”	the Mutual Agency Agreement entered into between the Company and PICC Life and the Mutual Agency Agreement entered into between the Company and PICC Health on 30 August 2022
“PICC Assets”	PICC Asset Management Company Limited
“PICC Group”	The People’s Insurance Company (Group) of China Limited
“PICC Health”	PICC Health Insurance Company Limited
“PICC Life”	PICC Life Insurance Company Limited
“PICC Investment”	PICC Investment Holding Company Limited
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan of the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“%”	percentage

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

Beijing, the PRC, 29 August 2025

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