Ping An Insurance Co. of China Ltd. (PNGAY)

Updated May 26th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$15.54	**5 Year Annual Expected Total Return:**	11.4%	**Market Cap:**	$143 B
Fair Value Price:	$18.00	**5 Year Growth Estimate:**	4.0%	**Ex-Dividend Date:**	06/03/26
% Fair Value:	86%	**5 Year Valuation Multiple Estimate:**	3.0%	**Dividend Payment Date:**	07/27/26
Dividend Yield:	5.4%	**5 Year Price Target**	$21.90	**Years Of Dividend Growth:**	15[1]
Dividend Risk Score:	C	**Sector:**	Financials	**Rating**	Hold

Overview & Current Events

Ping An Insurance Company of China, one of the leading insurers in the country, was founded in 1988. The technology-powered personal financial services group has about 251 million retail customers, making the firm one of the largest financial services companies in the world. Ping An has two strategies, “pan financial assets” and “pan healthcare,” which focus on financial and healthcare services through its financial services platform, along with its five ecosystems: financial services, healthcare, auto services, real estate services, and Smart City services. The Life and Health Insurance segment is the largest business, and represents over half of the company’s operating profit. As a Chinese company, Ping An Insurance reports its results in Chinese Yuan, but all numbers in this report are in USD, unless noted otherwise.

On March 26th, 2026, Ping An announced its 2025 final dividend of RMB1.75 per share, up 8.0% year-over-year. For PNGAY ADR holders, this equals RMB3.50 per ADR, or approximately $0.51 gross per ADR to be paid July 27th, 2026.

On April 28th, 2026, Ping An Insurance posted its Q1 results for the period ending March 31st, 2026. The Group continued to advance its “integrated finance + health and senior care” strategy, showing resilient operational growth. The retail customer base grew 0.2% year-to-date, reaching 251.55 million by quarter-end. Cross-selling efforts remained stable, with contracts per retail customer holding at 2.94, unchanged from the end of 2025.

Total revenue for the quarter was $34.6 billion, down 7.1% year-over-year as the company navigated capital-market volatility and a shifting macroeconomic environment. Still, the company saw continued momentum in the Life & Health segment, which saw a 20.8% increase in new business value to $2.3 billion. Operating EPADR was $0.68, while operating profit attributable to shareholders rose 7.6% to $5.9 billion for the quarter. For FY2026, we estimate EPADR of about $2.40. The company paid $0.78 in dividends per share last year, marking another year of higher dividends in USD and RMB. We forecast $0.84 in dividends per share this year.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPADR	$3.62	$3.83	$3.02	$3.19	$2.44	$2.67	$2.47	$1.86	$1.96	$2.20	***$2.40***	***$2.92***
DPADR	$0.22	$0.44	$0.50	$0.54	$0.60	$0.74	$0.70	$0.68	$0.70	$0.78	***$0.84***	***$1.02***
Shares[2]	17.8	17.8	17.8	17.8	17.7	17.6	17.5	17.7	17.7	18.1	***18.1***	***18.5***

During the last ten years, Ping An has delivered resilient profits and consistent growth. More and more customers enter its insurance ecosystem by the quarter. China is a huge market, with a population well above 1 billion and a high economic growth rate. As a result, Life and Health Insurance, which make up the majority of the company’s operating profit - should continue delivering solid results in the medium-term.

In addition, Ping An’s technology innovations, centered on fintech and health technologies, should also boost its growth. To highlight the company’s innovation capabilities, Ping An’s technology patent applications increased by 2,363 for the full year of 2025 to 57,443.

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[1] In local currency (RMB).

[2] In billions of shares, one ADR equals 2 shares

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Combined with its ever-growing ecosystem, we believe that Ping An will continue unlocking successive cost efficiencies and operating synergies ahead. That said, we retain both our EPADR and DPADR growth estimates to a humble 4%, primarily due to the company's customer growth slowing down and its results being affected by the ongoing uncertain environment in the equity markets.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	9.8	14.3	9.9	9.8	9.0	6.0	7.6	6.3	5.2	5.9	***6.5***	***7.5***
Avg. Yld.	2.2%	2.1%	2.9%	2.3%	2.3%	4.6%	3.7%	5.8%	6.8%	6.0%	***5.4%***	***4.7%***

Ping An's valuation has varied significantly over the past decade, as earnings remained relatively stagnant for a few years before increasing significantly between 2013 and 2019. Chinese corporate governance concerns have also resulted in shares historically trading at a notable discount compared to the company's U.S. peers. Assuming FY2026 EPADR of $2.40, the stock is trading at a P/E of 6.5. We believe that this multiple undervalues the stock. We maintain our fair multiple at 7.5x, which we believe better, reflects the stock's overall prospects. At 5.4%, the dividend yield should contribute decently to the stock's total return prospects.

Safety, Quality, Competitive Advantage, & Recession Resiliency

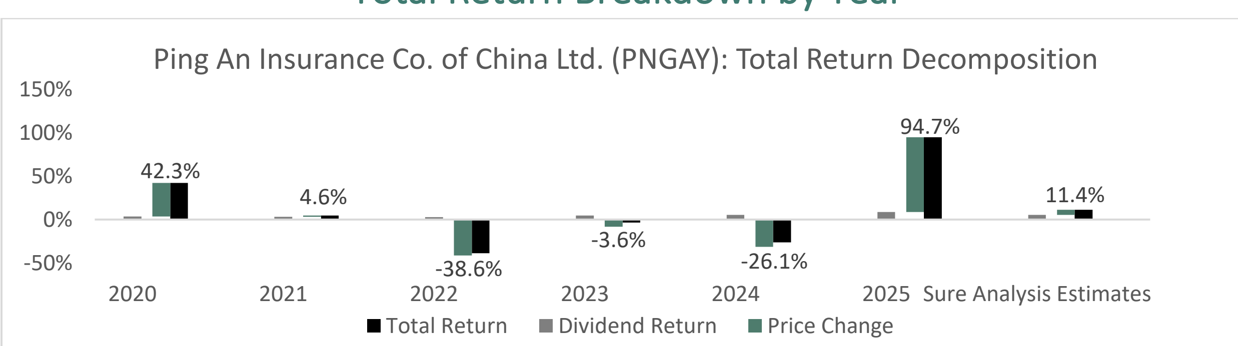
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	6%	11%	17%	17%	25%	28%	28%	37%	36%	35%	***35%***	***35%***

Ping An has maintained a low payout ratio of the past decade, retaining most of its earnings to be reinvested for future growth. The dividend remains well-covered. Management's latest increase should further reassure investors of its safety. Additionally, the company managed to increase its customers in all segments, which is quite impressive considering the hundreds of millions it already has. Ping An has been developing significant competitive advantages, owning a well-known household brand name in the insurance space. Further, its robust underlying cash flows from premiums should maintain consistent profitability, increasing shareholder value over time. By operating through a well-diversified portfolio of financial, healthcare, and technology services, the company should not suffer from any adverse effects in its sales if one of them faces temporary challenges. This was the case during the Great Recession when Ping An performed resiliently. Still, profitability could come under pressure under a future recession.

Final Thoughts & Recommendation

Ping An Insurance's latest results were decent despite earnings growth lagging. Moving forward, we estimate that the stock will produce annualized returns of 11.4% through 2031. This is to be driven mainly by our growth estimates, the 5.4% yield, and the possibility of a tiny valuation tailwind. We rate shares as a hold at their current price levels. We remind that investors should be wary of the risks that come attached to Chinese securities.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue ($M)	120567	134679	153877	161320	164450	146750	113390	103810	
SG&A Exp.	20706	22342	25030	25580	26738	24520	11340	(135)	
D&A Exp.	830	1032	1039	2393	2558	2732	2719	2503	
Net Profit	13205	16247	21630	20740	15740	12470	12110	17640	
Net Margin	11.0%	12.1%	14.1%	12.9%	9.6%	8.5%	10.7%	17.0%	
Free Cash Flow	15123	29588	34345	43770	12070	71020	49850	52370	
Income Tax	5153	6459	2950	4116	2753	(241)	1533	3312	

Balance Sheet Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets ($M)	994544	1038372	1175237	1458000	1591000	1614000	1634000	1775000	
Cash & Equivalents	96315	79734	75674	91420	98920	108200	112560	130190	
Acc. Rec. ($M)	168579	40664	46328	54230	54960	48190	30520	33720	
Goodwill & Int.	8261	7254	6962	7733	8286	11240	10820	10260	
Total Liab. ($M)	904493	938991	1053415	1307000	1422000	1444000	146100	1569000	
Accounts Payable	9668	9737	11086	13200	16310	15960	1250	941	
LT Debt ($M)	123981	141435	167019	215480	247000	212340	208490	189970	
Total Equity	72503	80900	96210	116720	127450	124460	126830	127000	
LTD/E Ratio	1.71	1.75	1.74	1.85	1.94	1.71	1.64	1.49	

Profitability & Per Share Metrics

Year	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.5%	1.6%	2.0%	1.6%	1.0%	0.8%	0.8%	1.0%	
Return on Equity	20.7%	21.2%	24.4%	19.5%	12.9%	9.9%	7.0%	10.0%	
ROIC	7.3%	7.1%	8.2%	6.3%	4.0%	3.1%	3.2%	4.7%	
Shares Out.	17.9	17.9	18.1	18.2	17.6	8.9	9.0	9.1	
Revenue/Share	13.51	15.07	17.26	18.13	18.51	16.57	12.55	11.46	
FCF/Share	1.69	3.31	3.85	4.92	1.36	8.02	5.52	5.78	

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.