

Summary of Quarterly Solvency Report (Excerpts)

China Pacific Property Insurance Co., Ltd.

1st Quarter of 2026

Company overview and contact information

Company name (Chinese):	中国太平洋财产保险股份有限公司
Company name (English):	China Pacific Property Insurance Company Limited
Legal representative:	CHEN Hui
Registered address:	South Tower, Bank of Communications Financial Building, 190 Middle Yincheng Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, the PRC
Registered capital:	19.948bn yuan
Business license number:	000014
Date opening for business:	November 2001
Business scope:	Property indemnity insurance; liability insurance; credit and guarantee insurance; short-term health and personal accident insurance; reinsurance of the above said insurance; insurance funds investment as approved by relevant laws and regulations; other business as approved by the CIRC.
Business territories:	The People's Republic of China (excluding Hong Kong, Macao and Taiwan)
Contact person:	WANG Yucheng
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I. Board chairman and management statement

The report has been approved by chairman of the board of directors. The board chairman and senior management of the Company warrant that the contents of this report are true, accurate and complete and have fully complied with applicable laws and regulations, and that there is no false representation, misleading statement or material omissions; and they severally and jointly accept responsibility for the contents of this report.

II. Basic information

(I) Ownership structure, shareholders and change during the reporting period

1. Ownership structure (unit: 10,000 shares)

Types of shareholding	As at the end of the preceding period		Shareholder injection	Change during the reporting period			As at the end of the reporting period	
	Shares	Percentage (%)		Transfer from capital reserve and share dividends distribution	Share transfer	Subtotal	Shares	Percentage (%)
State	29,895	1.5	-	-	-	-	29,895	1.5
Private legal persons	-	-	-	-	-	-	-	-
Foreign	-	-	-	-	-	-	-	-
Natural persons	-	-	-	-	-	-	-	-
Others (listed companies)	1,964,914	98.5	-	-	-	-	1,964,914	98.5
Total	1,994,809	100	-	-	-	-	1,994,809	100

2. De facto controller

The Company has no de facto controller. China Pacific Insurance (Group) Co., Ltd. is the majority shareholder of the Company, holding 98.5% of the stake.

3. Shareholding information (by descending order of shareholding percentage as of the end of the reporting period, unit: share)

Names of shareholders	Types of shareholders	Change during the reporting period	Shares held at the end of the reporting period	Shareholding percentage at the end of the reporting period (%)	Shares pledged or in lock-up
China Pacific Insurance (Group) Co., Ltd.	Others (listed company)	—	19,649,137,578	98.50	None
Shenergy (Group) Co., Ltd.	State-owned	—	93,106,180	0.47	None
Shanghai Haiyan Investment Management Company Limited	State-owned	—	92,846,189	0.46	None
Yunnan Hehe (Group) Co., Ltd.	State-owned	—	61,049,510	0.31	None
Shanghai State-owned Assets Operation Co., Ltd.	State-owned	—	51,948,193	0.26	None
Total	—	—	19,948,087,650	100	—
Related party relations among shareholders	Of the 5 shareholders of the Company, with the exception of CPIC Group, all are concurrently shareholders of CPIC Group. Other than that, the Company is not aware of any related-party relations between its shareholders.				

4. Shareholding by directors, supervisors and senior management

Was there shareholding by directors, supervisors and senior management as at the end of the reporting period? (Yes No)

5. Share transfer

Was there any share transfer during the reporting period? (Yes No)

(II) Directors, supervisors and senior management and the changes thereof

1. Basic information on directors, supervisors and senior management at head-office level

(1). Directors

Mr. YU Bin, born in August 1969, holds a master's degree. He has been serving as Chairman of the Company since June 2025 (approval document: NFRA [2025] No. 337). Mr. YU currently also serves as Vice President of CPIC Group and Chairman of CPIC Technology. Previously, Mr. YU served as Deputy General Manager of the Non-Marine Insurance Department, Deputy General Manager of Underwriting and Claims Department, General Manager of Market Development & Research Centre, General Manager of Marketing Department, Chief Marketing Officer, Deputy General Manager and Director of the Company, and Assistant President of CPIC Group.

Mr. SU Shaojun, born in February 1968, has a Ph.D degree and the designation of Senior Engineer. He has been serving as Director of the Company since May 2021 (approval document: CBIRC [2021] No. 377). Mr. SU currently serves as Board Secretary of CPIC Group and Director of CPIC Life. He previously served as Assistant General Manager and Deputy General Manager of Underwriting Department of CPIC P/C, Deputy General Manager and General Manager of CPIC P/C Beijing Branch, General Manager of Development and Planning Department of CPIC P/C, head of the Board Office, head of the Office of the Board of Supervisors of CPIC P/C, General Manager of Tele-marketing Centre of CPIC P/C, head of the Strategic Research Centre and Deputy Transformation Director of CPIC Group.

Mr. CHEN Hui, born in February 1969, holds a master's degree and the designation of Accountant. He has been serving as director (approval documents: NFRA [2024] No. 753) since November 2024. He currently also serves as General Manager of the Company and chairman of CPIC Hong Kong. His previous roles include Assistant General Manager and Deputy General Manager of Beijing Branch of CPIC P/C, General Manager of Hebei Branch of CPIC P/C, General Manager of Human Resources Department, Chief Human Resources Officer, Compliance Responsible Person and Chief Risk Officer of the Company. Previously, Mr. CHEN Hui worked at Beijing Coal Company.

Mr. CHEN Wei, born in April 1967, holds a master's degree and designation of engineer. He has been serving as director of the Company since March 2025 (approval document: NFRA[2025] No. 138). Mr. Chen currently serves as Chief Compliance Officer and Chief Risk Officer of CPIC Group, and Director of CPIC AMC. His previous roles include Chief Representative of CPIC Group London Rep. Office, Director and General Manager of CPIC HK, Board Secretary/General Manager of Strategic Planning Department, Internal Audit Director, Internal Audit Responsible Person, Chief Internal Auditor and Chief Administration Officer of CPIC Group, Board Secretary of CPIC Life, Chairman of the Board of Supervisors of CPIC AMC, General Manager/Director of CPIC Health.

Ms. SHI Yuehua, born in October 1979, holds a master's degree. She has been serving as employee director of the Company (qualification approval document: NFRA [2026] No. 145) since March 2026. Ms. Shi currently also serves as General Manager of the Legal and Compliance Department of the Company. She previously served as member of the Party Committee, Deputy General Manager and Chairman of the Trade Union of the Company's Liaoning Branch, as well as Deputy General Manager of the Legal and Compliance Department and Employee Supervisor of the Company.

Ms. XU Zhen, born in May 1973, holds a master's degree and the professional designation of Accountant. She has been serving as director of the Company (qualification approval document: NFRA [2026] No. 8) since January 2026. Ms. Xu currently serves as Deputy Chief Accountant of CPIC Group and General Manager of the Financial & Actuarial Planning Department, director of CPIC AMC, CPIC Technology and CPIC Capital, respectively. Ms. Xu previously served as Specialist of the Planning and Finance Department, deputy head of the Finance Section, Senior Specialist and Deputy General Manager of the Planning and Finance Department, and General Manager of the Financial Management Department, Finance Department, Budget Management Department and Asset Management Department, respectively, of CPIC Group.

(2) Senior management at head-office level

Mr. CHEN Hui, born in February 1969, holds a master's degree and the designation of Accountant. He has been serving as director, General Manager of the Company (approval documents: NFRA [2024] No. 753 and NFRA [2024] No. 779 respectively) , and as chairman of CPIC Hong Kong since November 2024. His previous roles include Assistant General Manager and Deputy General Manager of Beijing Branch of CPIC P/C, General Manager of Hebei Branch of CPIC P/C, General Manager of Human Resources Department, Chief Human Resources Officer, Compliance Responsible Person and Chief Risk Officer of the Company. Previously, Mr. CHEN Hui worked at Beijing Coal Company.

Mr. SONG Jianguo, born in December 1966, holds a master's degree. He has been serving as Deputy General Manager of the Company since August 2012 (approval document: CIRC P/C Insurance [2011] No. 380). He currently also serves as Chairman of CPIC Anxin Agricultural. Previously he served as head of Business Section of Overseas Business Department, Deputy Manager and Manager of Overseas Business Department, and Assistant General Manager of CPIC Hainan Branch, Deputy General Manager, General Manager of Hainan Branch of the Company, General Manager of the Property and Liability Insurance Department, General Manager of Shandong Branch, head of Sales (Channel Building and Cooperation) and Deputy General Manager (Agricultural Insurance) of the Company. Prior to that, Mr. SONG worked at the Hainan Branch of the Bank of Communications.

Mr. SHI Jian, born in November 1973, holds a bachelor's degree, and has been serving as Deputy General Manager, Chief Compliance Officer (approval document: NFRA [2025] No. 279), and Chief Risk Officer of the Company since April 2025. Previously he served as General Manager of Business Management Department, General Manager of Market Development Department and General Manager of Product Development and Reinsurance Department of Shanghai Anxin Agricultural Insurance Co., Ltd.; Assistant President, Vice President, Board Secretary, Executive Director, President (General Manager) of Anxin Agricultural Insurance Co., Ltd.; Deputy Marketing Director and General Manager of Strategic Account Department of CPIC Group, General Manager and Director of CPIC Anxin Agricultural. Before that, Mr. Shi worked at the Shanghai Branch of China Life.

Mr. CHEN Sen, born in October 1970, holds a master's degree and has been serving as Deputy General Manager of the Company (approval document: CBIRC [2021] No. 497) since August 2021. He has been serving as Chief Actuary of the Company since October 2015 (approval document: CIRC [2015] No. 949). Previously, he served as Deputy General Manager, Finance Responsible Person and Chief Actuary of China Property & Casualty Reinsurance Company Limited, Finance Responsible Person of the Company, Director of CPIC Anxin Agricultural and Director of CPIC HK. Prior to that, Mr. CHEN worked at the New York Headquarters of Guy Carpenter & Company and the North American Headquarters of Swiss Re.

Mr. LI Chao, born in March 1981, holds a master's degree, and has been serving as Deputy General Manager of the Company since September 2024 (approval document: NFRA [2024] No.626). Prior to this, Mr. LI served as Deputy General Manager of Tianjin Branch, Deputy General Manager (in charge) and General Manager of Small- and Medium-Sized Customer Business Department, General Manager of Corporate Customer Department/Bancassurance Department, General Manager of Heilongjiang Branch, and Assistant General Manager of CPIC P/C.

Mr. LIU Zengbo, born in December 1975, holds a master's degree. He has been serving as Deputy General Manager, Finance Responsible Person and Board Secretary of the Company since April 2025 (approval document: NFRA [2025] No.203). Mr. Liu currently also serves as Director of CPIC Anxin Agricultural, Director of CPIC HK and Director of CPIC AMC. He previously served as Deputy General Manager of Strategic Planning & Investor Relations Department, General Manager of Internal Audit Centre/Audit Technology Department, General Manager of Investment Audit Department of CPIC Group; General Manager of Finance Department of CPIC P/C; Internal Audit Responsible Person of CPIC AMC; Deputy General Manager and Finance Responsible Person of CPIC Capital.

Mr. HUANG Yao, born in December 1978, holds a master's degree. He has been serving as Assistant General Manager of the Company since July 2024 (approval document: NFRA [2024] No.471). Mr. HUANG also serves as General Manager of the New Energy Vehicle Development Center of the Company. Mr. HUANG previously served as Deputy General Manager and General Manager of Shenzhen Business Department of Pacific Online Service Technology Co., Ltd., Party Secretary/ General

Manager of CPIC P/C Suzhou Branch, and General Manager of Agency Business Department of Individual Customers Center of the Company.

Mr. Wu Bo, born in June 1970, holds a doctorate degree. He has been serving as Assistant General Manager of the Company since August 2021 (approval document: CBIRC [2021] No. 591). Mr. WU previously served as Assistant General Manager, Deputy General Manager, General Manager of CPIC P/C Shandong Branch, General Manager of CPIC P/C Beijing Branch, and Director of Beijing-Tianjin-Hebei Regional Coordinated Development of Company.

Mr. YE Mingman, born in October 1975, holds a master's degree. He has been serving as Assistant General Manager of the Company since July 2024 (approval document: NFRA [2024] No. 473). Mr. YE previously served as Director of Market Development (Individual Customers) of the Company, member of CPC Committee/Assistant General Manager of CPIC P/C Xiamen Branch, Deputy General Manager of Telemarketing Business Unit of the Company, General Manager of CPIC Online Shandong Branch, General Manager of Channels Cooperation Department of the Company, General Manager of Telemarketing Center of the Company, Executive Deputy General Manager, Executive Director and General Manager of CPIC Online, Executive Director and General Manager of CPIC Insurance Agency, and General Manager of the Online Platforms Department of Individual Customers Center of the Company.

Mr. XU Feng, born in July 1973, has a master's degree. He has been serving as Assistant General Manager of the Company since April 2025 (approval document: NFRA [2025] No.276), concurrently serving as General Manager of Shanghai Headquarters and General Manager of Shanghai Branch of the Company. Previously, Mr. XU served as Deputy General Manager of the Shipping Insurance Operations Centre, General Manager of the Shipping Insurance Business Unit, General Manager of the Overseas Business Department / Aerospace & Maritime Business Centre, deputy head of the Shanghai Headquarters Preparatory Team and head of Regional Integrated Development (the Yangtze River Delta) of CPIC P/C.

Mr. LEI Dapeng, born in May 1974, holds a bachelor's degree. He has been serving as Assistant General Manager of the Company since April 2025 (approval document: NFRA [2025] No. 278). Previously, Mr. LEI served as Deputy General Manager of CPIC

P/C Hubei Branch, General Manager of CPIC P/C Gansu Branch, and General Manager of CPIC P/C Suzhou Branch.

Mr. SU Jinhua, born in November 1975, holds a master's degree and the designation of engineer. He has been serving as Assistant General Manager of the Company since April 2025 (approval document: NFRA [2025] No. 277). Previously, Mr. SU served as Deputy General Manager of CPIC P/C Suzhou Branch, General Manager of CPIC P/C Ningbo Branch, General Manager of CPIC P/C Zhejiang Branch, and deputy head of Regional Integrated Development (the Yangtze River Delta) of CPIC P/C.

Mr. WEI Zhigang, born in October 1974, holds a master's degree and the professional designation of Accountant. Mr. WEI has been serving as Internal Audit Responsible Person of the Company since October 2025 (approval document: NFRA [2025] No. 594). He also serves as Deputy Chief Internal Auditor of CPIC Group. Previously, Mr. WEI served as Assistant General Manager and Deputy General Manager of CPIC P/C Jiangxi Branch, General Manager of CPIC P/C Jilin Branch, and General Manager of CPIC P/C Henan Branch.

Note: Effective from November 2025, the Company no longer has a Board of Supervisors, and the members of the 8th Board of Supervisors automatically ceased to hold office.

2. Changes to directors, supervisors and senior management of headquarters

Are there changes to the directors, supervisors and senior management during the reporting period? (Yes No)

Position	Predecessor	Incumbent
Director	ZHANG Yuanhan	XU Zhen
Employee director	-	SHI Yuehua

(III) Subsidiaries, joint ventures or associates

Were there subsidiaries, joint ventures or associates as at the end of the reporting period? (Yes No)

Name of companies	Number of shares (10,000)			Percentage of shareholding (%)		
	As at the end of Q4 2025	As at the end of Q1 2026	Change	As at the end of Q4 2025	As at the end of Q1 2026	Change (pt)
Subsidiaries						
Pacific Anxin Agricultural Insurance Co., Ltd.	73,206	73,206	-	67.78%	67.78%	-
China Pacific Insurance Co. (H.K.) Limited	25,000	25,000	-	100.00%	100.00%	-
Joint ventures						
Shanghai Juche Information Technology Co., Ltd.	148	148	-	25.20%	25.20%	-
Zhongdao Automobile Assistance Co., Ltd.	1,280	1,280	-	20.32%	20.32%	-
Shanghai Lexiang Sijin Technology Joint-stock Co. Ltd.	369	369	-	5.36%	5.36%	-
Associates						
CPIC Euler Hermes Credit Insurance Sales Co., Ltd	2,550	2,550	-	51.00%	51.00%	-
Shanghai Binjiang-Xiangrui Investment and Construction Co., Ltd.	1,071	1,071	-	35.70%	35.70%	-

(IV) Breaches

1. Did the Company receive any administrative penalties from financial regulators during the reporting period? (Yes No)

Between January 1 and March 31, 2026, branch offices of the Company received 8 administrative penalties from the insurance regulator, who imposed 1.698mn yuan in fines on branches and 0.43mn yuan in fines on individuals, totalling 2.128mn yuan. Misconduct mainly concerned falsification of expenses, falsification of brokerage business for expense-booking and false underwriting, etc.

2. Did the directors, supervisors or senior management receive administrative penalties from financial regulators during the reporting period?

(Yes No)

3. Was there any misconduct or breaches by the company, its directors, supervisors or senior management which triggered judicial proceedings during the reporting period?

(Yes No)

4. Did the Company receive any regulatory measures from the NFRA (previously CBIRC) during the reporting period? (Yes No)

III. Key Indicators

(I) Key solvency metrics

Unit: RMB 10,000 yuan

Items	As at the end of Q1 2026	As at the end of Q4 2025	Estimates for next quarter under base scenario
Admitted assets	29,648,741	27,429,323	29,869,593
Admitted liabilities	21,728,007	19,815,017	22,061,097
Actual capital	7,920,734	7,614,306	7,808,496
Tier 1 core capital	6,556,037	6,333,478	6,443,799
Tier 2 core capital	-	-	-
Tier 1 supplement capital	1,364,697	1,280,829	1,364,697
Tier 2 supplement capital	-	-	-
Minimum capital	3,335,214	3,120,253	3,397,077
Minimum capital for quantifiable risks	3,379,214	3,161,417	3,441,821
Minimum capital for control risk	-44,000	-41,164	-44,744
Supplement capital	-	-	-
Core solvency margin	3,220,822	3,213,225	3,046,722
Core solvency margin ratio (%)	196.6%	203.0%	189.7%
Comprehensive solvency margin	4,585,520	4,494,053	4,411,419
Comprehensive solvency margin ratio (%)	237.5%	244.0%	229.9%

(II) Liquidity risk indicators

1. Regulatory indicators for liquidity risk

Items		As at the end of/ during Q1 2026	As at the end of/ during Q4 2025	
Net cash flows (RMB 10,000)	YTD	402,914	299,596	
	FY 2024	299,596	-242,847	
	FY 2023	-242,847	346,474	
Liquidity Coverage Ratio (%)	LCR1	Next 3 months	120.8%	112.0%
		Next 12 months	106.9%	105.3%
	LCR2	Next 3 months	342.4%	277.1%
		Next 12 months	145.6%	135.0%
	LCR3	Next 3 months	94.9%	65.4%
		Next 12 months	81.6%	77.5%
Retrospective adverse deviation ratio of net cash flows from business activities (%)	Over the previous 2 quarters	1474.9%	176.5%	
	Over the previous quarter	511.6%	1474.9%	

2. Other indicators of liquidity risk

	Items	As at the end of Q1 2026/YTD	As at the end of Q4 2025/YTD
Liabilities	Net cash flow from operating activities (RMB 10,000)	519,838	1,791,324
	Net cash flow from operating activities per 100 yuan in premiums (RMB yuan)	8.3	8.9
	Ratio of cash outflow from business of special types(%)	1.3%	2.8%
	Written premium growth year-on-year(%)	-0.5%	-0.1%
Assets	Ratio of cash and liquidity management instruments(%)	3.8%	2.5%
	Quarterly average financing gear(%)	0.9%	0.5%
	Share of domestic fixed income assets with external rating of AA and below(%)	0.2%	0.3%

	Items	As at the end of Q1 2026/YTD	As at the end of Q4 2025/YTD
	Proportion of shares representing over 5% of the stake of listed companies(%)	0.0%	0.0%
	Ratio of fund receivables(%)	12.2%	9.8%
	Ratio of assets of related parties held(%)	2.9%	3.2%

Ratio of cash outflow from business of special types: Ratio of cash outflow from business of special types = (Claim expenses of special-type business + Claim reserves of special-type business) ÷ (Total claim expenses + Total claim reserves) × 100%. Business of special types includes financing guarantee insurance business and non-auto business that accounts for more than 5% of total claim expenses, and the latter refers to non-auto insurance business that incurs, due to catastrophes or major claims, estimated or actual claim expenses after reinsurance exceeding 5% of total non-auto claim expenses of the previous year.

Ratio of receivables (%): Ratio of receivables= (Premium receivables + Reinsurance receivables) ÷ Total assets by the end of the reporting period × 100%. Premium receivables, reinsurance receivables and total assets refer to their respective book value as at the end of the reporting period.

Ratio of assets of related parties held: Ratio of assets of related parties held = Total investment assets of related parties held ÷ Total assets as at the end of the reporting period × 100%, excluding related-party transactions between the insurance company and the insurance group that it belongs to or between subsidiaries of the insurance group.

Effective from January 2026, figures for written premiums submitted to the NFRA no long included VAT.

(III) Key business metrics

Indicators	Unit: 10,000 RMB yuan	
	As at the end of/ during Q1 2026	As at the end of Q1 2026/YTD
Gross written premiums	6,320,209	6,320,209
Net profit	208,781	208,781
Total assets	26,036,692	26,036,692
Net assets	7,155,432	7,155,432
Insurance contract liabilities	15,302,858	15,302,858
Basic earnings per share (RMB yuan)	0.1	0.1
ROE (%)	3.0	3.0
ROA (%)	0.8	0.8
Investment yield (%)	0.8	0.8
Comprehensive investment yield (%)	1.0	1.0

Indicators	As at the end of/ during Q1 2026	As at the end of Q1 2026/YDT
Combined ratio (%)	95.8	95.8
Expense ratio (%)	24.3	24.3
Loss ratio (%)	71.5	71.5
Proportion of commissions & brokerage expenses (%)	7.3	7.3
Proportion of operating & administrative expenses (%)	13.2	13.2
Written premiums	6,040,941	6,040,941
Written premiums of auto insurance	2,685,709	2,685,709
Written premiums of top 5 non-auto insurance business lines	3,004,104	3,004,104
Largest non-auto insurance business line	1,282,631	1,282,631
Second largest non-auto insurance business line	737,600	737,600
Third largest non-auto insurance business line	573,027	573,027
Fourth largest non-auto insurance business line	219,304	219,304
Fifth largest non-auto insurance business line	191,541	191,541
Average premium of auto insurance (RMB yuan)	2,655	2,655
Written premiums by channels	6,040,941	6,040,941
Agency	3,043,989	3,043,989
Direct	2,039,336	2,039,336
Brokerage	957,615	957,615
Others	-	-

Notes:

1. All calculation of reserves was based on financial statements; the expense ratio, the loss ratio and combined ratio were based on earned premiums; comprehensive investment yield includes changes in fair value of AFS assets, which is not included in calculation of investment yield.

2. Net profit, total assets, net assets, and insurance contract liabilities listed above under new accounting standards were based on Accounting Standard for Business Enterprises No. 22 - Recognition and

Measurement of Financial Instruments revised and promulgated by the Ministry of Finance in 2017, and Accounting Standard for Business Enterprises No. 25 - Insurance Contracts revised and promulgated by the Ministry of Finance in 2020; basic earnings per share, ROE and ROA were calculated in accordance with the formula prescribed by Article 24 of Solvency Regulatory Standards of Insurance Companies No. 18 - Solvency Report, based on results of aforementioned indicators.

(IV) (Comprehensive) Investment yields in the past 3 years

Indicators	YTD
Average investment yield in the past 3 years (%)	3.06
Average comprehensive investment yield in the past 3 years (%)	4.86

Note: As per Notice on Optimising Standards for Solvency Regulation of Insurance Companies by National Administration of Financial Regulation (NFRA [2023] No. 5), insurance companies shall disclose the average investment yield and average comprehensive investment yield in the past 3 years, based on the formula of: $[(1+(\text{comprehensive}) \text{ investment yield in the most recent year}) * (1+(\text{comprehensive}) \text{ investment yield in the second most recent year}) * (1+(\text{comprehensive}) \text{ investment yield in the third most recent year})]^{(1/3)} - 1$.

IV. Risk management capabilities

(I) Classification of insurance companies

As per rules on classification of insurance companies in Solvency Regulatory Standards No.12: Solvency-aligned Risk Management Requirements and Assessment, the Company, established on 9 November 2001, is a Category I insurance company. In 2025, its written premiums amounted to 209.697bn yuan; total assets stood at 275.345bn yuan; there are 38 provincial-level branch offices.

(II) Measures taken to improve risk management and status during the reporting period

During the quarter, the key risk management regulations were as follows:

First, deepening climate risk response. The Company continuously deepened its research on climate risk, conducted climate physical risk stress tests on key sectors and regions, and consistently strengthened its capability climate risk response.

Second, enhancing the technology risk management system. The Company formulated Regulations on Management of Technology Risk to ensure information system security and business continuity; formulated Regulations on Management

of Mobile Internet Applications to strengthen the management of mobile internet applications and improve security safeguards and service levels; and formulated Regulations on Business Continuity Management to refine the mechanism for business continuity management, reduce the impact of business interruptions, and ensure the continuous operation of its business.

Third, revising the money laundering risk assessment regulations. The Company adopted a risk-based approach, comprehensively identified and assessed risks of money laundering, terrorist financing and proliferation financing, optimised the allocation of anti-money laundering resources, and drafted Policies on Self-Assessment of Money Laundering Risks to enhance the effectiveness of anti-money laundering efforts.

Fourth, strengthening concentration risk management and control. In accordance with regulatory and Group requirements, the Company introduced Policies on Management of Concentration Risk, incorporated concentration risk into the enterprise risk management system, established and continuously improved the organisational structure, management system and information system commensurate with its business scale and complexity, thereby achieving effective identification, measurement, assessment, monitoring, reporting, and control of concentration risk.

(III) Results of the most recent solvency risk management valuation

In 2021, the regulator conducted SARMRA assessment of the Company, which scored 83.94 points. Of this, infrastructure and environment of risk management was 82.19 points, targets and instruments of risk management was 82.35 points, insurance risk management was 86.4 points, market risk management was 81.68 points, credit risk management was 86 points, operational risk management was 84.44 points, strategic risk management was 86.12 points, reputation risk management was 84.53 points, liquidity risk management was 83.54 points.

(IV) Status of SARMRA self-assessment

Not applicable during the reporting period.

V. Information on IRR (differentiated supervision)

(I) Results of IRR in the previous 2 quarters

The Company was rated AA at the IRR for both Q2 and Q3 of 2025.

As per regulatory requirements, it briefed the board on regulatory feed-backs over IRR results, with follow-up analysis of the status of rectification.

(II) Findings of self-assessment of operational, strategic, reputational and liquidity risks of the Company

1. Operational risk

In 2026, the Company considered “risk prevention” a top priority in its business operation. In Q1, it intensified efforts across multiple areas to improve risk management, including strengthening basic compliance capabilities, enhancing the effectiveness of key risk prevention and control measures, ensuring “closed-loop” rectification of identified issues, and reinforcing the foundation of legal risk prevention, with operational risk and money laundering risk staying overall under control.

Key measures taken during the quarter included: enhancing the effectiveness of the compliance management committees at branch level and tracking and assessing their performance; continuously advancing the supplier management rectification campaign and conducting on-site/off-site supplier management inspections; reinforcing risk control of insurance agreements to prevent related operational risks; organising self-assessments of the effectiveness of crime prevention and fraud control; revising Policies on Self-Assessment of Money Laundering Risks, completing the filing of anti-money laundering regulatory assessment in strict compliance with regulatory requirements, and coordinating the implementation of new AML regulatory requirements.

All technology risk indicators of the Company remained in the comfort zone, with overall risks under control. During the quarter, the Company advanced network and data security, project control, and optimisation of operation and maintenance through a series of measures, such as refining policies and rules in specific areas, strengthening risk prevention and control, and enhancing emergency response capabilities, while coordinating efforts to address volatility in indicators and potential risks.

2. Strategic risk

The current market environment remains complex and challenging, marked by escalating geopolitical rivalries and rising uncertainties. Despite the headwinds, China's economic development stays on track, driven by innovation and a shift towards higher quality. The insurance sector, as a social stabilizer, fully aligns itself with China’s national strategies and plays an even more important role in advancing the Five Financial Priorities, supporting the real economy and improving people's livelihoods. Regulators stay focused on high-quality development, and issued a host of policies to strengthen oversight, prevent risks and foster growth. As these policies take effect, the industry is accelerating its transition towards value- and profit-driven development.

Amid a complex market environment, CPIC P/C maintained its strategic focus and put profitability first. It strengthened strategic planning, deepened customer resource management, and accelerated transformation and innovation. Through these targeted measures, it achieved gains in quality and efficiency. Its business mix continued to improve, with steady progress in overall operation. The Company will continue to identify, monitor, assess and track risks, while keeping tabs on changes in the external environment, to ensure that its strategy remains aligned with its capabilities and operating conditions, thereby supporting its stable and sound development.

3. Reputational risk

During the quarter, there were no severe reputational risk incidents, with the risk overall under control. As per Provisional Regulations on Reputational Risk Management by Banking and Insurance Institutions, Regulations on Reputational Risk Management of China Pacific Insurance (Group) Co. Ltd and Rules on Reputational Risk Management of China Pacific Property Insurance Co. Ltd., as well as other applicable regulatory rules and Group policies, the Company completed the 2025 special report on reputational risk management, developed a management tool to help primary-level branches respond to unscheduled visits, and prepared a series of public opinion hot-spot reports. It conducted special reputational risk screenings and unannounced branch-level spot checks on sensitive issues or during periods such as the Spring Festival and the "3·15" Consumer Rights Day. It also participated in the "3·15" reputational risk training session, and further strengthened the implementation of proactive risk management at the branch level. Going forward, when conducting business and PR activities, it will continue with risk screening and prevention, step up fast response and coordination in risk-handling, with review and optimisation afterwards, accumulate the "asset" of reputation and advance early-stage intervention and closed-loop management of reputational risk, in a bid to forestall the risk more pro-actively and effectively.

4. Liquidity risk

To mitigate the liquidity risk, the Company coordinates cash flows from operating, investment and financing activities, pays special attention to large cash outflows arising from major claims, reinsurance bills, taxes, expenses and fixed assets, makes necessary arrangements in a timely manner to ensure sufficient liquidity to meet needs of various payment obligations. In Q1 2026, the Company made funds available to meet needs of large pay-outs like quarterly prepayment into the Mandatory Insurance Security Fund, quarterly prepayment of income tax, reinsurance outgo and purchase & construction of fixed assets and payment of capital bond interest while meeting daily needs for liquidity or applications for payment in a timely manner. Moving forward, it will continue to monitor changes to its liquidity status, balance various needs for liquidity and enhance its liquidity risk management capabilities.

VI. Management analysis and discussions

(I) Review of key operating results

1. Analysis of changes to IRR ratings

The overall risk status of the Company remains stable, with solvency margin ratios stable and solid. Its business operation and net cash flows showed signs of improvement amid stability. The Company maintained a normal status in strategic risk, reputational risk and operational risk, without any occurrence of major risk events.

2. Analysis of solvency margin ratio movement

As at the end of Q1 2026, the comprehensive and core solvency margin ratios of the Company stood at 237.5% and 196.6% respectively, down by 6.5pt and 6.4pt respectively from the previous quarter. Of this, actual capital rose by 3.06bn yuan from the end of the previous quarter, mainly due to impact of net profit and other comprehensive income.

Minimum capital for insurance risk increased by 2.50bn yuan from the end of the preceding quarter. Of the minimum capital requirement for premium risk, that for auto insurance increased from the end of the previous quarter; with regard to minimum capital requirement for reserve risk, outstanding reserves after reinsurance rose from the end of the previous quarter, which increased minimum capital requirement for reserve risk.

Minimum capital for market risk increased by 0.26bn yuan from the end of the previous quarter, mainly due to higher risk exposure to domestic equity and bond securities.

Minimum capital for credit risk fell by 0.08bn yuan from the end of the preceding quarter, largely due to reduced risk exposure to personal and corporate debts and term deposits, which led to lower minimum capital requirement for counter-party default risk.

The Company sets its solvency risk upper limits and risk indicators based on its risk profile and appetite, and tracks them on a regular basis. In the meantime, it continues to ensure stable and solid solvency positions via enhanced business quality control, improved risk identification and management, and optimised asset and business mix, etc.

3. Analysis of changes to liquidity risk indicators

(1) Liquidity coverage ratios (LCR)

As per C-ROSS II standards on liquidity, the liquidity coverage ratios of the Company, i.e., LCR1 and LCR2 in the next 3 months and 12 months under the base

and stress scenarios respectively were both above 100%, and LCR3 above 50%, all meeting regulatory requirements. To mitigate liquidity risk, the Company adopts a prudent approach towards cash flow projections from operating activities, with the retrospective adverse deviation ratio of net cash flows from operating activities in the past 2 quarters consistently above the regulatory minimum level of -30%, meeting regulatory requirements. During the year, net cash inflows of the Company amounted to 4.03bn yuan. Of this, net cash inflow from operating activities was 5.20bn yuan; net cash outflow from investment activities was 4.13bn yuan, and net cash inflow from financing activities was 2.98bn yuan.

The Company attaches importance to daily cash flow management, coordinates cash flows from operating, investment and financing activities to ensure sufficient liquidity to meet needs of surrenders, claims and other benefit payments. Besides, the Company allocates in its SAA a certain proportion of highly liquid assets to meet liquidity requirements, which enables it to meet short-term cash flow requirements arising from business volatility. It will continue to monitor changes to its liquidity status and enhance risk management capabilities.

Summary of Quarterly Solvency Report (Excerpts)

China Pacific Life Insurance Co., Ltd.

1st Quarter of 2026

Company overview and contact person

Company name (Chinese):	中国太平洋人寿保险股份有限公司
Company name (English):	China Pacific Life Insurance Co., Ltd.
Legal representative:	LI Jinsong
Registered address:	71 Shouning Road, Huangpu District, Shanghai, China
Registered capital:	8.6282bn yuan
Business license number:	000015
Date opening for business:	November 2001
Business scope:	Life/health insurance denominated in RMB yuan and foreign currencies including life insurance, health insurance, personal accident insurance, etc.; reinsurance of the above said insurance; statutory life/health insurance; agency and business dealings with domestic and overseas insurers and organizations, loss adjustment, claims and other business entrusted from overseas insurance organizations; insurance funds investment as prescribed by The Insurance Law and relevant laws and regulations; international insurance activities as approved; other international insurance business as approved by the former CIRC. [To conduct business subject to approval according to laws and regulations, permission of relevant departments is required.]
Business territories:	Beijing, Shanghai, Tianjin, Chongqing, Heilongjiang Province, Jilin Province, Liaoning Province, Hebei Province, Shanxi Province, Shandong Province, Anhui Province, Jiangsu Province, Zhejiang Province, Fujian Province, Jiangxi Province, Guangdong Province, Hainan Province, Guangxi Zhuang Autonomous Region, Hunan Province, Hubei Province, Henan Province, Yunnan Province, Guizhou Province, Sichuan Province, Shaanxi Province, Gansu Province, Xinjiang Uygur Autonomous Region, Ningxia Hui Autonomous Region, Inner Mongolia Autonomous Region, Qinghai Province (with offices in 5 vice-provincial level municipalities such as Dalian, Qingdao, Ningbo, Xiamen, Shenzhen, where the insurance regulator also has branch offices)
Contact person:	WANG Chang
Office Tel. number:	021-33965272
Email:	wangchang-008@cpic.com.cn

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I. Board chairman and management statement

The report has been approved by chairman of the board of directors. The board chairman and senior management of the Company warrant that the contents of this report are true, accurate and complete and have fully complied with applicable laws and regulations, and that there is no false representation, misleading statement or material omissions; and they severally and jointly accept responsibility for the contents of this report.

II. Basic information

(I) Ownership structure and shareholders, and change during the reporting period

1. Ownership structure (unit: 10,000 shares or RMB yuan 10,000)

Types of shareholders	As at the beginning of the reporting period		Change during the reporting period				As at the end of the reporting period	
	Shares or contribution	Percentage (%)	Shareholder injection	Transfer from capital reserve and share dividends distribution	Share transfer	Sub-total	Shares or contribution	Percentage (%)
State	14,733.69	1.708	-	-	-	-	14,733.69	1.708
Domestic legal person	-	-	-	-	-	-	-	-
Foreign	-	-	-	-	-	-	-	-
Natural person	-	-	-	-	-	-	-	-
Others (listed company)	848,086.31	98.292	-	-	-	-	848,086.31	98.292
Total	862,820	100	-	-	-	-	862,820	100

2. De facto controller

The Company has no de facto controller. China Pacific Insurance (Group) Co. Ltd. is the majority shareholder of the Company, holding 98.292% of its shares.

3. Shareholding information and related party relations as at the end of the reporting period

Information on shareholders (by descending order of shareholding percentage as of the end of the reporting period, unit: 10,000 shares or RMB yuan 10,000)

Names of shareholders	Types of shareholders	Change to shareholding or contribution during the reporting period	Shares held as at the end of the reporting period	Shareholding percentage as at the end of the reporting period (%)	Shares pledged or in lock-up
China Pacific Insurance (Group) Co., Ltd.	Listed company	-	848,086.31	98.292	-
Shenergy Group Co., Ltd.	State-owned	-	4,711.59	0.546	-
Shanghai State-Owned Assets Operation Co., Ltd.	State-owned	-	4,689.24	0.544	-
Shanghai Haiyan Investment Management Company Limited	State-owned	-	3,218.11	0.373	-
Yunnan Hehe (Group) Co., Ltd.	State-owned	-	2,114.75	0.245	-
Related party relations between shareholders	Of the 5 shareholders of the Company, with the exception of CPIC Group, all are concurrently shareholders of CPIC Group. Other than that, the Company is not aware of any related party relations between its shareholders.				

4. Shareholding by directors, supervisors and senior management

None during the reporting period.

5. Share transfer during the reporting period

None during the reporting period.

(II) Directors, supervisors and senior management at head-office level

1. Basic information of directors, supervisors and senior management at head-office level

(1) Directors

As of the end of March 2026, the 8th Board of Directors of the Company had 5¹

¹ On April 8, 2026, the Company received Approval on Qualification of Mr. CHEN Zhengguang as a Director of China Pacific Life Insurance Co., Ltd. (approval document: NFRA [2026] No.191) by the National Financial Regulatory Administration (NFRA). The NFRA has approved Mr. Chen's qualification to serve as director of the Company.

directors in total:

Mr. MA Xin, born in April 1973, has a master's degree. He has been serving as Director of the Company since March 2018 (approval document: CIRC [2018] No. 320). Mr. MA currently also serves as Vice President of CPIC Group and Chairman of CPIC Health. He previously served as General Manager of Shaanxi Branch of CPIC Life, General Manager of Strategic Planning Department, Director of Strategic Transformation Office, Transformation Director, and Board Secretary of CPIC Group, Director of CPIC P/C, and Director of Changjiang Pension.

Mr. SU Shaojun, born in February 1968, holds a Ph.D degree and designation of senior engineer. He has been serving as Director of the Company since December of 2021 (approval document: CBIRC [2021] No. 1033). Mr. SU currently also serves as Board Secretary of CPIC Group and Director of CPIC P/C. Previously, he served as Assistant General Manager and Deputy General Manager of the Underwriting Department, Deputy General Manager and General Manager of Beijing Branch, General Manager of Development Planning Department, head of the Board Office, head of the Office of the Board of Supervisors, General Manager of Telemarketing Department of CPIC P/C, head of the Strategic Research Center and Deputy Transformation Director of CPIC Group.

Mr. LI Jinsong, born in June 1969, has a master's degree. He has been serving as Director of the Company since July 2024 (approval document: NFRA [2024] No. 479). He currently is Executive Director and General Manager of the Company, and Chairman of CPIC Life (HK). Mr. LI previously served as General Manager of CPIC Life Sichuan Branch, General Manager of Bancassurance Department of CPIC Life, Assistant General Manager and Deputy General Manager of CPIC Life, Deputy Marketing Director/General Manager of the Strategic Customer Department of CPIC Group, Director of Changjiang Pension.

Mr. ZHAO Yonggang, born in November 1972, holds a bachelor's degree and has been serving as Chairman of the Company since December 2024 (approval document: NFRA [2024] No. 856). Mr. ZHAO currently also serves as Executive Director and President of CPIC Group. He previously served as Director of the Strategic Transformation Office of CPIC Life, General Manager of Heilongjiang Branch and Henan Branch, and Human Resources Director of CPIC Life, Vice President of CPIC Group, and Vice Chairman of the Board of Supervisors and Director of Haitong Securities Co., Ltd.

Mr. YUAN Ye, born in November 1972, holds a master's degree. He has been serving as Director of the Company since September 2024 (approval document: NFRA [2024] No.601). Mr. YUAN currently also serves as Director of President's Office of CPIC Group and Supervisor of CPIC Technology. Mr. YUAN previously served as Senior Staff Member of the Criminal Investigation Division of Putuo District Bureau of Shanghai Municipal Public Security Bureau, Senior Staff Member, Principal Staff Member, Deputy Director and Director of the Comprehensive Coordination Division of the Political and Legal Commission of Shanghai Party Committee, and General Manager of Legal and Compliance Department of CPIC Group, Chairman of the Board of Supervisors of Shanghai Health and Elderly Care Development Group.

(2) Senior management at head-office level

As of the end of March 2026, the Company had 12² members of senior management in total:

Mr. LI Jinsong, born in June 1969, has been serving as Executive Director and General Manager of the Company since July 2024 (approval document: NFRA [2024] No. 489). Please refer to Basic Information of Directors above for his biography.

Mr. WEI Lin, born in July 1972, holds a master's degree. He has been serving as Deputy General Manager of the Company since June 2018 (approval document: CBIRC [2018] No.449), has been serving as Director of CPIC (Dali) Elderly Home Co., Ltd. since February 2019, as Executive Director of Pacific Medical & Health Management Co., Ltd since July 2021. Mr. WEI also serves as Executive Director and General Manager of Pacific Insurance Elderly Care Investment Co. Ltd. He previously served as Chief Staff Member of CIRC Chengdu Office, Deputy Director of the General Management Division of CIRC Sichuan Bureau, Deputy Director of the General Office of CIRC Sichuan Bureau, Deputy Director (in charge) of the Personnel and Education Division of CIRC Sichuan Bureau, Senior Manager of the Board Office of China Insurance (Holdings) Co., Ltd., General Manager of Investment Management Department of Taiping Group, and General Manager of Taiping Elderly Care Investment Company, and General Manager of Pacific Medical & Health Management Co. Ltd.

² Pursuant to the approval at the 25th meeting (extraordinary) of the 8th Board of Directors of China Pacific Life Insurance Co., Ltd., Mr. TAI Fuchun ceased to serve as Assistant General Manager of the Company effective from April 16, 2026.

Mr. DAI Chuanjiang, born in September 1973, holds a bachelor's degree and has been serving as Deputy General Manager of the Company (approval document: NFRA [2024] No.661) since October 2024. Mr. DAI also serves as Director of Changjiang Pension. He previously served as Assistant Manager, Deputy Manager of CPIC Life Bijie Central Sub-Branch, Deputy Manager (in charge), Manager of Guiyang Business Department of CPIC Life Guizhou Branch, Deputy Manager of Business Division, Manager of Individual Business Management Department, Assistant General Manager, Deputy General Manager of CPIC Life Guizhou Branch, and Senior Deputy General Manager, General Manager of CPIC Life Shanghai Branch, Assistant General Manager and General Manager of South China Unit of the Company.

Mr. CHEN Yingjie, born in November 1967, holds a master's degree and designation of engineer. He has been serving as Chief Compliance Officer and Chief Risk Officer of the Company since September 2025 (approval document: NFRA [2025] No.573). Previously, he served as Deputy General Manager of CPIC P/C Liaoning Branch, General Manager of CPIC P/C Heilongjiang Branch, General Manager of CPIC P/C Sichuan Branch, Chief Internal Auditor of CPIC Group and Internal Audit Responsible Person of CPIC P/C.

Mr. TAI Fuchun, born in December 1967, holds a master's degree and has been serving as Assistant General Manager of the Company (approval document: CBIRC [2021] No. 745) since October 2021. Mr. TAI previously served as Assistant General Manager, Deputy General Manager and General Manager of CPIC Life Shanxi Branch, General Manager of Customer Resources Management Department of CPIC Life, General Manager of CPIC Life Shandong Branch, Deputy Chief Internal Auditor of CPIC Group, Internal Audit Responsible Person and General Manager of North China Unit of CPIC Life. Prior to that, Mr. TAI served as an official of the General Office of the Standing Committee of the Shanxi Provincial People's Congress.

Mr. ZHU Xuesong, born in November 1969, holds a bachelor's degree and has been serving as Assistant General Manager of the Company (approval document: CBIRC [2021] No. 1033) since December 2021. He also serves as Chief Operation Officer of the Company. Mr. ZHU previously served as Attending Surgeon at the Third Affiliated Hospital to Shanghai Textile Industry Bureau, head of the Group Insurance Operation Department of Taiping Life, Deputy General Manager of Taiping Pension Shanghai Branch, General Manager of the Group Insurance Business Department and Chief Operating Officer of the

Operation Department of AIA China, Chief Operation Technology Officer of FWD China, General Manager of FWD Technology Co., Ltd., and Executive COO of WeDoctor Group.

Mr. ZHOU Jiangang, born in October 1967, holds a bachelor's degree. He has been serving as Assistant General Manager of the Company since June 2025 (approval document: NFRA [2025] No.368). Previously, he served as Senior Deputy General Manager of CPIC Life Jiangsu Branch, General Manager of CPIC Life Guizhou Branch, General Manager of CPIC Life Fujian Branch, head of the Urban Breakthrough Project Team of CPIC Life, General Manager of the Individual Business Training Department of CPIC Life, General Manager of CPIC Life Suzhou Branch, General Manager of CPIC Life Zhejiang Branch, and HR Director of CPIC Life.

Mr. YE Bo, born in June 1977, holds a master's degree and designation of accountant. He has been serving as Assistant General Manager of the Company (approval document: NFRA [2024] No.622) since September 2024. He is also Director of CPIC Life (HK). Mr. YE previously served as CFO of CPIC Life Zhejiang Branch, General Manager of Corporate Business Comprehensive Management Department of CPIC Life, head of General Administration Office of CPIC Life, and General Manager of CPIC Life Jiangsu Branch.

Ms. TIAN Rui, born in March 1976, has a master's degree and the designation of accountant. She has been serving as Assistant General Manager and Finance Responsible Person of the Company (approval document: NFRA [2024] No.846) since December 2024. Ms. Tian currently also acts as Board Secretary, and serves as Director of CPIC AMC, Director of Changjiang Pension and Director of CPIC Life (HK). Her previous roles include General Manager of the Finance Department of CPIC Life and General Manager of CPIC Life Beijing Branch.

Mr. LIU Yuqing, born in October 1978, holds a master's degree. He has been serving as Assistant General Manager of the Company since February 2025 (approval document: NFRA [2025] No. 91), and has been serving as the spokesperson of the Company since September 2022. Mr. Liu previously held the following positions: Senior Manager of the Strategic Management Department, Director of the Fujian Transformation Pilot Base of CPIC Group; Director of Transformation Promotion at Zhejiang Branch of CPIC

Life, Senior Deputy General Manager and General Manager of Hangzhou Central Sub-Branch, General Manager of Shanghai Branch and Marketing Director of the Company.

Ms. YU Lingyan, born in August 1977, holds a bachelor's degree, and is a member of the Society of Actuaries. She has been serving as Assistant General Manager and Chief Actuary of the Company (approval documents: Shanghai CBIRC No. [2019] 667 and Shanghai CBIRC No. [2019] 464). Previously, Ms. YU served as General Manager of the Actuarial Department, Deputy General Manager, Chief Actuary, and Chief Risk Officer at ICBC-AXA Life Insurance Company Limited.

Mr. HE Feibo, born in January 1975, holds a master's degree. He has been serving as the Company's Internal Audit Responsible Person since November 2025 (approval documents: NFRA No. [2025] 659). Mr. He currently also serves as Deputy Chief Internal Auditor of CPIC Group. Previously, he served as General Manager of the Group Insurance Business Department and Employee Benefits Department of CPIC Life, Deputy General Manager of the Health and Pension Business Center, General Manager of CPIC Life Yunnan Branch, and Deputy General Manager of the Group Customer Center of CPIC Life.

Note: The Company has published the Announcement Regarding Significant Matters on its official website. Effective as of November 2025, the Company dissolved its Board of Supervisors, and all members of the 8th Board of Supervisors vacated their positions ex officio.

2. Changes to directors, supervisors and senior management of headquarters

Changes to senior executives

As approved at the 26th (regular) meeting of the 8th Board of Directors, effective from March 24, 2026, Ms. TAO Lei ceased to serve as Deputy General Manager and Board Secretary of the Company. During the vacancy of this role, Ms. TIAN Rui will act as Board Secretary.

(III) Subsidiaries, joint ventures or associates

Company name	Number of shares (10,000 shares)			Shareholding percentage (%)		
	As at the beginning of Q1 2026	As at the end of Q1 2026	Change	As at the beginning of Q1 2026	As at the end of Q1 2026	Change
Changjiang Pension Insurance Co., Ltd.	186,486	186,486	-	62.16	62.16	-
City Island Developments Limited	0.1	0.1	-	100.00	100.00	-
Tianjin Trophy	35,369	35,369	-	100.00	100.00	-
Pacific Insurance Elderly Care Investment Management Co., Ltd.	500,000	500,000	-	100.00	100.00	-
Pacific Healthcare Management Co. Ltd.	220,000	220,000	-	100.00	100.00	-
CPIC Elderly Care Development (Chengdu) Co. Ltd.	108,348	108,348	-	100.00	100.00	-
CPIC Elderly Care (Hangzhou) Co. Ltd.	107,300	109,000	1,700	100.00	100.00	-
CPIC Elderly Care (Xiamen) Co. Ltd.	90,000	90,000	-	100.00	100.00	-
CPIC Elderly Care (Nanjing) Co. Ltd.	58,856	68,856	10,000	100.00	100.00	-
CPIC Rehab & Retirement (Shanghai) Industrial Development Co. Ltd.	25,000	25,000	-	100.00	100.00	-
CPIC Elderly Care (Zhengzhou) Co. Ltd.	65,000	65,000	-	100.00	100.00	-
CPIC Elderly Care (Beijing) Co. Ltd.	80,000	80,000	-	100.00	100.00	-
CPIC Elderly Care (Wuhan) Co. Ltd.	98,000	98,000	-	100.00	100.00	-
CPIC Health Management (Sanya) Co. Ltd.	49,000	49,000	-	100.00	100.00	-
CPIC Elderly Care (Guangzhou) Co. Ltd.	51,800	54,800	3,000	100.00	100.00	-
CPIC Elderly Care (Suzhou) Co. Ltd.	30,000	30,000	-	100.00	100.00	-
Shanghai Rui Yong Jing Property Development Co. Ltd.	983,500	983,500	-	70.00	70.00	-
Beijing Borui Heming Insurance Agency Co. Ltd.	5,200	5,200	-	100.00	100.00	-
China Pacific Life Insurance (Hong Kong) Company Limited	400,000	400,000	-	100.00	100.00	-
Shanghai Dabao Guisheng Information Technology Co. Ltd.	1,020	1,020	-	34.00	34.00	-
Shanghai Shantai Health Care Technology Co. Ltd.	4,000	4,000	-	13.21	13.21	-
Zhongbao Rongxin Private Equity Fund Management Co. Ltd.	150,000	150,000	-	10.14	10.14	-

Company name	Number of shares (10,000 shares)			Shareholding percentage (%)		
	As at the beginning of Q1 2026	As at the end of Q1 2026	Change	As at the beginning of Q1 2026	As at the end of Q1 2026	Change
Lianren Healthcare Big Data Technology Co. Ltd.	50,000	50,000	-	20.00	20.00	-

Notes:

1. Shareholding percentages of Shanghai Shantai Health Care Technology Co. Ltd. and Lianren Health Care Big Data Technology Co. Ltd. were based on subscribed capital contribution. As at 31 March 2026, the change of registered capital was not fully paid in, and based on paid-in capital, the shareholding of the Company was 14.66% and 24.37% respectively.

2. During Q1 2026, China Pacific Life Insurance (Hong Kong) Company Limited reported HKD2.096bn in written premiums, with a net profit of HKD80mn. Its solvency margin ratio under HKRBC was 513%, meeting regulatory requirements.

(IV) Breaches and penalties during the reporting period

1. Administrative penalties the Company and its directors, supervisors and senior management at head-office level received from financial regulators or other government departments.

None during the reporting period.

2. Misconduct by directors, supervisors, management at department-head level and above of headquarters and senior management of provincial-level branches which triggered judicial proceedings

None during the reporting period.

3. Regulatory measures taken by NFRA against the Company during the reporting period

During the reporting period, no regulatory measures were taken by the NFRA against the Company. However, certain local NFRA branches took regulatory measures against the Company: Jilin Branch, Jilin Changchun Key Sub-branch, Jilin Songyuan Key Sub-branch, Guangdong Guangzhou Key Sub-branch, Shanxi Jinzhong Key Sub-branch, Jilin Siping Key Sub-branch, Jiangsu Branch, and Jiangsu Nanjing Key Sub-branch each received an Administrative Penalty Decision. In addition, Jiangxi Ganzhou Key Sub-branch, Jiangxi Ji'an Key Sub-branch, Hebei Tangshan Key Sub-branch, Jiangxi Jiujiang Key Sub-branch, and Heilongjiang Jixi Key Sub-branch each received a Regulatory Opinion Letter, and Jiangxi Shangrao Key Sub-branch received two Regulatory Opinion Letters.

III. Key indicators

(I) Key solvency metrics

unit: 10,000 RMB yuan

Indicators	As at the end of the reporting quarter	As at the end of the preceding quarter	Next quarter estimates
Admitted assets	287,959,208	279,234,848	292,701,762
Admitted liabilities	246,402,384	236,717,276	253,031,901
Actual capital	41,556,824	42,517,572	39,669,861
Tier 1 core capital	24,461,604	25,287,215	22,768,881
Tier 2 core capital	3,913,952	4,012,073	3,817,515
Tier 1 supplement capital	13,128,354	13,181,189	13,014,315
Tier 2 supplement capital	52,914	37,095	69,149
Minimum capital	19,440,295	18,610,252	19,769,696
Minimum capital for quantifiable risks	19,709,716	18,868,170	20,043,682
Minimum capital for control risk	-269,421	-257,918	-273,986
Supplement capital	-	-	-
Core solvency margin	8,935,261	10,689,036	6,816,700
Core solvency margin ratio (%)	146%	157%	134%
Comprehensive solvency margin	22,116,529	23,907,320	19,900,165
Comprehensive solvency margin ratio (%)	214%	228%	201%

(II) Regulatory indicators for liquidity risk

Items	As at the end of /during the reporting quarter	As at the end of /during the preceding quarter
Liquidity coverage ratio (LCR) (%)		
LCR under base scenario (LCR1)		
Next 3 months	129%	123%
Next 12 months	108%	107%
LCR under stress scenario (LCR2)		
Next 3 months	1778%	1576%
Next 12 months	484%	484%

Items	As at the end of /during the reporting quarter	As at the end of /during the preceding quarter
LCR under stress scenario before asset disposal (LCR3)		
Next 3 months	121%	96%
Next 12 months	73%	70%
Retrospective adverse deviation ratio of net cash flows from operating activities (%)	-12%	141%
Net cash flow YTD (10,000 RMB yuan)	921,028	2,378,540

(III) Other indicators for liquidity risk

unit: 10,000 RMB yuan

Indicators	As at the end of /during the reporting quarter	As at the end of /during the preceding quarter
1. Net cash flow from operating activities	5,270,641	17,182,860
2. Comprehensive surrender ratio (%)	0.38%	1.41%
3-1. Net cash flow from participating accounts	1,035,441	1,413,021
3-2. Net cash flow from universal accounts	1,179,321	2,304,530
4. Written premiums growth year on year	-3.39%	12.28%
5. Ratio of cash and liquidity instruments (%)	1.91%	1.86%
6. Quarterly average financial leverage ratio (%)	6.48%	6.85%
7. Share of domestic fixed income assets rated AA (inclusive) and below (%)	2.52%	2.78%
8. Share of investments in listed stocks with a stake of 5% or above (%)	0.35%	0.24%
9. Share of receivables (%)	0.68%	0.28%
10. Share of related party assets held by the Company (%)	1.56%	1.39%

(IV) Key business metrics

1. Key performance indicators

unit: 10,000 yuan

Indicators	As at the end of/during the reporting quarter	As at the end of the reporting quarter/YTD
Key performance indicators	--	--
Gross written premiums	9,747,396	9,747,396
Net profit	753,960	753,960
Total assets	281,373,354	281,373,354
Net assets	18,452,280	18,452,280

Insurance contract liabilities	237,182,107	237,182,107
Basic earnings per share (yuan)	0.87	0.87
ROE (%)	4.25%	4.25%
ROA (%)	0.27%	0.27%
Investment yield (%)	0.87%	0.87%
Comprehensive investment yield (%)	0.59%	0.59%
Value indicators	--	--
Residual margin	37,587,812	37,587,812
New business margin (%)	9.25%	9.25%
New business value	625,529	625,529
Scale indicators	--	--
Written premiums	11,440,367	11,440,367
First-year regular premiums written on new policies	1,772,194	1,772,194
First-year regular premiums written on new policies with a payment period of 10 years or above	1,705,802	1,705,802
Written premiums on renewed policies	7,619,051	7,619,051
Written premiums by channels	11,440,367	11,440,367
1. Bancassurance channel	1,937,807	1,937,807
2. Agency channel	8,549,741	8,549,741
3. Group channel	928,967	928,967
4. Internet	20,332	20,332
5. Others	3,520	3,520
Number of agents as of the end of the reporting period	19	19
Quality indicators		
13-month persistency ratio (%)	95.98%	95.98%
Surrender ratio (%)	0.38%	0.38%
Average premium per policy of the agency channel (yuan)	18,798	18,798
Average premium per agent (yuan)	39,164	39,164
Agent attrition rate (%)	6.07%	6.07%

Note: Gross written premiums and residual margin in the table above was based on Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, Accounting Standard for Business Enterprises No. 25 - Insurance Contracts, Accounting Standard for Business Enterprises No. 26 - Reinsurance contracts promulgated by the Ministry of Finance (MoF) in 2006, and Provisions on Accounting Treatment of Insurance Contracts by MoF in 2009 (collectively referred to as "old accounting standards"). Investment yields, comprehensive investment yields, new business margin, average investment yields in the past 3 years and average comprehensive investment yields in the past 3 years were prepared in accordance with relevant provisions of Solvency Regulatory Standards of Insurance Companies No. 18 - Solvency Report, based on results under the old accounting standards. Net profits, total assets, net assets, and insurance contract liabilities were prepared according to 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 (hereinafter referred to as the "new insurance standards") amended and issued by MoF in 2017 and 2020 sequentially. Basic earnings per share, ROE and ROA were prepared according to relevant provisions of Solvency Regulatory Standards of Insurance Companies No. 18 - Solvency Report, based on results under the new accounting standards.

2. Information on the top 5 products

Product name	Product type	Written premiums YTD (10,000 yuan)
Chang Xiang Ban (chuanshiban) whole life	Whole life	716,994
Jin You Ren Sheng whole life (par) A (2014)	Whole life	511,225
Chang Xiang Ban (shengshiban) whole life	Whole life	368,187
Chang Xiang Ban (chuanshi 2024) whole life	Whole life	367,245
Shengshi Hongyun whole life (par)	Whole life	338,202

(V) (Comprehensive) Investment yields in the past 3 years

Indicators	Results
Average investment yield in the past 3 years (%)	3.00%
Average comprehensive investment yield in the past 3 years (%)	6.19%

IV. Risk management capabilities

(I) Company overview

Established in November 2001, the Company is the life insurance subsidiary of CPIC Group. As per Articles 5 and 6 of Solvency Regulatory Rules No. 12: Solvency-Aligned Risk

Management Requirements and Assessment on classification of insurance companies, it is a Category I insurance company. In the previous fiscal year, its written premiums amounted to 293.1bn yuan, with total assets of 2,738.4bn yuan as at the year end, and 35 provincial-level branches.

(II) Results of the last SARMRA evaluation

In 2022, the regulator carried out an on-site SARMRA evaluation of the Company, which scored 84.50 points. Of this, infrastructure and environment of risk management was 17.06 points, targets and instruments of risk management was 8.89 points, insurance risk management was 8.43 points, market risk management was 8.36 points, credit risk management was 8.37 points, operational risk management was 8.39 points, strategic risk management was 8.4 points, reputation risk management was 8.28 points, liquidity risk management was 8.32 points.

(III) Measures taken to improve risk management and implementation status during the reporting period

The Company attaches great importance to risk management. It organises analysis by relevant departments of findings of regulatory assessment of its peers as well as findings of its own internal audits, identifies gaps in solvency risk management systems and takes effective remedial actions to enhance solvency risk management. What was achieved in Q1 2026 includes: updating the 2026 Key Risk Indicators as per regulatory and Group requirements and based on its own operational and management needs; conducting a full review of the implementation status of risk management mechanisms, while identifying annual risk management priorities in light of key risk areas and risk forecasts.

In Q2 2026, we will issue the updated Annual Risk Appetite Framework, Risk Tolerances and Key Risk Indicators, with follow-up analysis.

(IV). Information on SARMRA self-assessment

Not applicable during the reporting period.

V. Information on IRR (differentiated supervision)

(I) Results of IRR in the previous two quarters

The feed-back from the regulator concerning the results of the IRR (differentiated supervision) indicated an AA rating of the Company for both Q3 and Q4 of 2025.

(II) Measures taken or to be taken for rectification

The Company continued to enhance the IRR evaluation system. On the one hand, it continuously improved its basic management mechanisms by formulating and issuing multiple IRR management rules, establishing systematic data filing and management processes, clarifying the responsibility of front-line business as “leader” in management of each indicator, and regularly conducting data quality governance. On the other hand, it strengthened rectification and management of under-performing risk indicators. First, monitored changes to the indicators and issued early warning when necessary, formulated and implemented control measures based on characteristics of each indicator; second, used the IRR to communicate indicator management requirements to risk sources and front-line business units to guide them towards increased compliance and basic management; third, stepped up research, prevention and control of specific risks, especially in terms of their causes and trends and dynamics, which would enable the Company to identify underlying patterns, detect potential hazards at an early stage, and implement timely management and mitigation measures.

(III) Self-assessment of operational risk, strategic risk, reputational risk and liquidity risk

As per requirements for IRR under C-ROSS II, the Company continued to strengthen its in-house evaluation system for IRR, continuously reviewed risk metrics to improve the timeliness and accuracy of monitoring; ensured risk early warning in a timely manner via monitoring and analysis of changes to metrics on a regular basis.

1. Methods, processes and results of self-assessment

As part of its work in IRR, the Company organises, on a regular basis, a self-review of operational risk, strategic risk, reputational risk and liquidity risk by relevant departments so as to evaluate their trends and dynamics. Departments involved would monitor the

key under-performing indicators according to assignment of responsibilities, and in the event of detection of abnormalities, would follow up and identify their causes and roll out remedial actions. The Company's unquantifiable risks overall are under effective control, and no material flaws or potential risks were detected.

2. Status of unquantifiable risks

In operational risk, the Company formulated Regulations on Operational Risk Management, which further improved the governance framework of operational risk management and relevant work mechanisms. The Company also developed supportive policies on risk management tools, continuously monitored and analysed its operational risk status using management tools such as Risk and Control Self-Assessment (RCSA), Loss Data Collection (LDC), and key risk indicators. It strived for a matrix-based compliance risk management system, with branches focusing on coordination, vertical functions bearing the primary responsibility, and all departments and positions getting involved. This matrix approach ensures optimal mechanisms for ownership of the objectives and sharing of resources and responsibilities relating to compliance and risk control. The Company continued to increase the use of IT in operational risk control so that operational execution in key areas can be controllable and traceable. The Company takes risk screening seriously: all head-office departments and branches are supposed to carry out various risk assessments from time to time as per regulatory and corporate rules. In Q1 2026, monitoring of key risk indicators and LDC indicated that the Company's overall operational risk was manageable.

On the side of reputational risk, the Company revised Implementation Rules on Reputational Risk Management, Emergency Contingency Plan for Major Reputational Risks and Regulations on Spokesperson, as per C-ROSS II requirements to further improve the governance structure and work mechanisms of the risk management. It implemented end-to-end process management and built normalised mechanisms for reputational risk: established a hierarchical structure of risk management personnel, with close coordination across different levels; strengthened mechanisms for risk screening and assessment and stepped up at-source control of negative media publicity; organised training and drills tailored for specific needs to empower the risk management

personnel; conducted PR programmes to foster a more favourable media environment. In Q1 of 2026, there were no Level I or II major incidents, which, combined with monitoring of relevant key risk metrics, indicated manageable reputational risk.

As for strategic risk, the implementation of strategies of the Company is in a healthy status. In terms of risk factors which may impact the Company's business operation and fulfillment of its strategic objectives, China's economic development made steady progress, yet there is still an acute imbalance between supply and demand; the prolonged decline of long-term interest rates led to persistent pressure on asset allocation; amid intensified market competitions, the industry is facing an uphill battle in reform and transformation. In response to changes of the market environment, particularly in the context of the "5 Financial Priorities", the Company upholds the new business philosophy of "creating value for customers via suitable products/services delivered by professional sales force" and forges ahead with transformation. For the agency channel, it stepped up customer segmentation, enhanced systematic capacity-building, enhanced AI and digital empowerment and pushed for an upgrade of the customer mix; bancassurance upheld value creation, focused on strategic partnerships and key regional market, deepened presence in bank outlets, with considerable growth of value contribution; the group channel business accelerated the development of work-site marketing and strengthened team-building; the internet channel enhanced channel cooperation and optimised product mix while expanding avenues of business growth. Besides, the Company further improved the differentiated product/service system, enhanced the role of variable products in driving product mix restructuring; deepened presence in health & elderly care sectors; further strengthened ALM, enhanced capacity-building for compliance and risk management and improved consumer rights protection. Going forward, the Company will press ahead with its transformation efforts in pursuit of high-quality development.

With respect to liquidity risk, the Company established a cash flow management system for investment accounts covering assets and liabilities, front-line and back-office departments. To be concrete, the system includes the projection, review, analysis and transfer of cash flows of investment accounts. It conducts account-specific cash flow

projections at year-end, month-end and in the event of material adjustment of its business plans, with analysis of discrepancies between actual cash flows and projections. It also sets limits on cash-flow discrepancies depending on size of accounts and profiles of liabilities. In the event of breaches of such tolerances, a detailed explanation for material cash flow variance will be required. Meanwhile, the Company conducts liquidity emergency drills on a regular basis to ensure effective response in cases of risk incidents; put in place normalised mechanisms for early warning, with the focus shifting from crisis handling to early warning and prevention, which can effectively forestall liquidity crises. Liquidity coverage ratios (LCRs) under all scenarios remained solid. Relevant indicators showed that the liquidity management of the Company was sound and effective, with the liquidity risk overall under control.

VI. Management Analysis and Discussions

(I) Changes to solvency analysis this quarter

As of the end of the quarter, the core solvency margin of the Company reached 89.35261bn yuan, with a core solvency margin ratio of 146%, down by about 11pt from the previous quarter; comprehensive solvency margin of the Company was 221.16529bn yuan, with a comprehensive solvency margin ratio of 214%, down by about 14pt from the previous quarter. Reasons for change are as follows:

1. As of the end of the quarter, actual capital amounted to 415.56824bn yuan, versus 425.17572bn as of the end of the previous quarter, down by 2.3%, mainly due to:

(1) Core capital decreased by 9.23732bn yuan in the quarter as a result of capital market movement and changes to insurance contract liabilities under solvency reporting.

(2) Supplement capital decreased by 370.16mn yuan.

2. As of the end of this quarter, minimum capital amounted to 194.40295bn yuan, versus 186.10252bn as of the end of the previous quarter, up by 4.5%, mainly due to:

(1) During the quarter, minimum capital for life insurance risk rose by 1.10327bn

yuan, and that for non-life insurance increased by 54.77mn yuan;

(2) During the quarter, minimum capital for market risk increased by 9.47277bn yuan, and of this, that for interest rate risk rose by 3.45184bn yuan, that for equity price risk increased by 6.59843bn yuan, and that for overseas equity price risk climbed by 4.22550bn yuan;

(3) During the quarter, minimum capital for credit risk increased by 545.62mn yuan, and of this, that for credit spread risk rose by 1.54718bn yuan, and that for default risk of counter-parties fell by 824.74mn yuan;

(4) Risk diversification effect and loss absorption increased by 2.76097bn yuan, which lowered minimum capital requirement accordingly;

(5) Subtraction from minimum capital by control risk rose by 115.03mn yuan from the preceding quarter.

(II) Changes to regulatory liquidity risk indicators

LCR for the next 3 months was 129%, and that for the next 12 months 108%, which satisfied the minimum requirement of 100%. LCR in the next 12 months under the stress scenario after and before disposal of assets was 484% and 73% respectively, staying solid.

(III) Analysis of changes to IRR

As per notice of the regulator, the Company was rated AA at the IRR for Q3 2025, maintaining an A-class rating. In recent years, it continued to implement new regulatory rules on IRR under C-ROSS II, put in place long-term work mechanisms, stepped up study and analysis of key risks and pushed for rectification of under-performing indicators so as to effectively manage various risks it faced. Going forward, the Company will stay focused on the long term, ensure compliance in its business operation, strengthen risk control and accelerate high-quality development.

Summary of Quarterly Solvency Report (Excerpts)

Pacific Health Insurance Co., Ltd.

1st Quarter of 2026

Company overview and contact information

Company name (Chinese):	太平洋健康保险股份有限公司
Company name (English):	Pacific Health Insurance Co., Ltd.
Legal representative:	MA Xin
Registered address	7th-9th Floor, No.1 Zhongshan Nan Road, Shanghai, the PRC
Registered capital	3.6 billion yuan
Business license number	00000117
Date opening for business	December 2014
Business scope	Health and personal accident insurance denominated in RMB yuan and foreign currencies; health insurance commissioned by the government or supplementary to state medical insurance policies; reinsurance of the above said insurance; health insurance-related agency and consulting business; insurance funds investment as approved by relevant laws and regulations; other business as approved by the CIRC.
Business territories	Shanghai, Beijing, Guangdong Province, Sichuan Province.
Contact person:	XIA Bing
Tel. number:	+86-21-33968652
Cell phone:	13761619886
Fax number:	+86-21-68870641
Email:	xiabing-003@cpic.com.cn

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I. BOARD CHAIRMAN AND MANAGEMENT STATEMENT

The report has been approved by chairman of the board of directors. The board chairman and senior management of the Company warrant that the contents of this report are true, accurate and complete and have fully complied with applicable laws and regulations, and that there is no false representation, misleading statement or material omissions; and they severally and jointly accept responsibility for the contents of this report while each of them is directly responsible for contents within their respective scope of responsibilities.

II. Basic information

(I) Ownership structure and shareholders

1. Ownership structure

Types of shareholding	Shares or contribution as at the end of the reporting period (unit: 10,000 shares)	Percentage (%)	Shares or contribution as at the beginning of the reporting period (unit: 10,000 shares)	Percentage (%)
Domestic legal persons	360,000.00	100.00	360,000.00	100.00
Domestic natural persons	-	-	-	-
Foreign	-	-	-	-
Others	-	-	-	-
Total	360,000.00	100.00	360,000.00	100.00

2. Top 5 shareholders as at the end of the reporting period

Names of shareholders	Shares held or contribution made as at the end of the reporting period (unit: 10,000 shares)	Shareholding percentage as at the end of the reporting period (%)
China Pacific Insurance (Group) Co., Ltd.	306,183.60	85.051
China Pacific Life Insurance Co., Ltd.	53,816.40	14.949

3. Shareholding by directors, supervisors and senior management

Did any of them hold any shares of the Company during the reporting period? (Yes No)

4. Share transfer during the reporting period

Did any share transfer occur during the reporting period?

(Yes No)

(II) Controlling shareholder or de facto controller

China Pacific Insurance (Group) Co., Ltd.

(III) Directors, supervisors and senior management

1. Directors (5 in total)

Mr. MA Xin, born in April 1973, has a master's degree. He has been serving as Chairman of the Company since January 2021 (approval document: CBIRC [2021] No.4). Mr. MA currently serves as Vice President of CPIC Group and Director of CPIC Life. He previously served as Manager of Individual Business Department and Assistant General Manager of CPIC Life Xi'an Branch, Deputy General Manager and General Manager of CPIC Life Shaanxi Branch, General Manager of the Strategic Planning Department, head of Strategic Transformation Office, Transformation Director and Board Secretary of CPIC Group, Director of CPIC P/C, Acting Responsible Person of the Company and Director of Changjiang Pension.

Mr. SHANG Jiaoyan, born in March 1978, holds a bachelor's degree, and has been serving as General Manager of the Company since May 2023 (approval document: CBIRC [2023] No. 293), as director of the Company since January 2026 (approval document: NFRA [2026] No.41). Previously, Mr. SHANG served as head of Sales and Deputy General Manager (in charge) of Ping An Health Insurance Company Beijing Branch, Marketing Director/ General Manager of Individual Business Division of Ping An Health Insurance Company and Vice President of Tencent WeSure.

Mr. ZHANG Weidong, born in October 1970, holds a bachelor's degree. He has been serving as Director of the Company since May 2021 (approval document: CBIRC [2021] No.341). Mr. ZHANG currently serves as Chief Internal Auditor, General Counsel and Internal Audit Responsible Person of CPIC Group. Mr. ZHANG previously served as General Manager of Legal & Compliance Department, head of the Board Office, General Manager of Risk Management Department, Risk & Compliance Director, Chief Risk Officer, Compliance Responsible Person and Acting Internal Audit Responsible Person of CPIC Group, Director and Board Secretary of CPIC P/C, CPIC Life and CPIC AMC respectively, Director of Changjiang Pension, and Chairman of the Board of

Supervisors of CPIC P/C and CPIC Life respectively.

Mr. MA Boyong, born in October 1967, holds a master's degree and designation of engineer. Mr. MA began to serve as Director of the Company in October 2023 (approval document: NFRA [2023] No. 362). Mr. MA currently serves as General Manager of Technology Management (Information Security) Department of CPIC Group and Director of CPIC Technology. Previously, he served as section head and Assistant General Manager of Information Technology Department of CPIC Group, Assistant General Manager of CPIC P/C Shanghai Branch, General Manager of IT Application Management Department of CPIC Group, General Manager of Information Security and Internal Control Management Department of CPIC Group, deputy head of Digitalisation Office, head of the Preparatory Team of Chengdu R & D Centre and General Manager of IT Design Department of CPIC Group.

Ms. ZHOU Yanfang, born March 1980, holds a master's degree. She became a Director of the Company in November 2024 (approval document: NFRA [2024] No.706). Ms. Zhou currently serves as Director of Strategic Research Center of CPIC Group and Director of Changjiang Pension. Her previous roles include Deputy Director of Strategic Research Center of CPIC Group, Senior Deputy General Manager of CPIC Life Shanghai Branch, Deputy General Manager (in charge) and General Manager of Pacific Medical Health Management Co., Ltd.

2. Senior management at head-office level (7 in total)

Mr. SHANG Jiaoyan, born in March 1978, holds a bachelor's degree, and has been serving as General Manager of the Company since May 2023 (approval document: CBIRC [2023] No. 293), as director of the Company since January 2026 (approval document: NFRA [2026] No.41). Previously, Mr. SHANG served as head of Sales and Deputy General Manager (in charge) of Ping An Health Insurance Company Beijing Branch, Marketing Director/ General Manager of Individual Business Division of Ping An Health Insurance Company and Vice President of Tencent WeSure.

Mr. LI Jieqing, born in November 1968, holds a bachelor's degree. He has been serving as Deputy General Manager of the Company (approval document: CIRC [2016] No.450) since May 2016 and as Chief Risk Officer of the Company since August 2021 (no approval document), and Chief Compliance Officer of the Company since March 2026

(approval document: NFRA [2024] No. 42). Mr. LI also serves as Director of Shanghai Proton & Heavy Ion Hospital. Previously, Mr. LI served as Director of Risk and Compliance, Compliance Responsible Person and General Manager of Risk Management Department of CPIC Group, Director of CPIC P/C, CPIC Life, CPIC AMC and the Company, respectively, and Compliance Responsible Person of the Company.

Mr. SONG Quanhua, born in February 1973, holds a master's degree. He has been serving as Deputy General Manager of the Company (approval document: CBIRC [2021] No.691) since September 2021. He previously served as Deputy General Manager of CPIC Life Ningbo Branch, General Manager of CPIC Life Dalian Branch, Director of Party Affairs Department, General Manager of New Channel Business Department, General Manager of Corporate Channel Business Marketing Department, Deputy General Manager of Health and Elderly Care Business Center and Deputy General Manager of Group Business Center of CPIC Life, and General Manager of Pacific Medical & Healthcare Management Co., Ltd.

Mr. GUO Chao, born in February 1982, holds a master's degree, and is a member of the Society of Actuaries. He has been serving as Deputy General Manager of the Company since July 2024 (approval document: CBIRC [2021] No.697), and his qualifications do not require a second-time approval. Mr. GUO previously served as General Manager of the Brokers Department of Cigna & CMB Health Insurance, President of Shanghai Fuheng Insurance Brokers, President of Shanghai Xingyi Health Management Co., Ltd., General Manager of Health Insurance Business of Fosun High Tech (Group) and Deputy General Manager of Fosun United Health Insurance Co., Ltd.

Ms. YIN Yanling, born in June 1972, holds a master's degree and is a member of China Association of Actuaries. She has been serving as Finance Responsible Person of the Company since September 2021 (approval document: CBIRC [2021] No.729), serving as Chief Actuary of the Company since August 2022 (approval document: CBIRC [2022] No.532), as Board Secretary of the Company since August 2022 (no second-time approval required) and as Deputy General Manager of the Company since March 2025 (approval document: NFRA [2025] No.160). Previously, she served as head of the Actuarial Management Section of Planning and Finance Department of CPIC Group, Assistant General Manager of Planning and Finance Department of CPIC Group, Deputy General Manager (in charge) of Financial Investment Department/Actuarial Department, Deputy General Manager (in charge) of Financial Management

Department/Actuarial Department, Deputy General Manager of Risk Management Department/Risk Monitoring Department, General Manager of Financial Management Department/Actuarial Department, and General Manager of Actuarial Department of CPIC Group, General Manager of Actuarial Department of CPIC Life, Acting Finance Responsible Person, Acting Actuarial Responsible Person and director of the Company.

Ms. SUN Min, born April 1977, holds a doctoral degree and the designation of Senior Auditor. She has been serving as Internal Audit Responsible Person of the Company in since May 2025 (approval document: NFRA [2025] No. 266). Ms. Sun currently serves as General Manager of the Internal Audit Operations Department of CPIC Group. Her previous positions include Deputy Section Chief of Internal Audit Department of CPIC Life; Senior Auditor of Internal Audit Center of CPIC Group; Deputy General Manager of Internal Audit Technology Department, Deputy General Manager of Digital Audit Technology Department of CPIC Group and Acting Internal Audit Responsible Person of the Company.

Ms. XUE Yongxian, born in November 1976, holds a master's degree. She has been serving as Assistant General Manager of the Company (approval document: NFRA [2025] No.324) since May 2025. Previously, she served as Employee Representative Supervisor of the Company, Chairman of the Trade Union, head of Key Account Business Center, Senior Director of Key Account Business Center, General Manager of Shanghai Branch, General Manager of Sales Management Department and General Manager of Individual Life Insurance Cooperation Business Centre (SBU) of the Company; Deputy General Manager of Group Business Department/ Planning and Training Division of CPIC Life, Assistant General Manager of Group Business Department/ Accident Insurance Division of CPIC Life, Assistant General Manager/ Senior Manager of Group Business Department/ Direct Sales Supervision Division of CPIC Life, and section head of Group Business Department of CPIC Life.

Notes:

1. Effective from 12 January of 2026, the Company no longer has a Board of Supervisors and all supervisors of the 3rd Board of Supervisors automatically ceased to hold office.
2. Effective from 27 January 2026, Mr. SHANG Jiaoyan commenced his role as director of the Company, and Ms. YIN Yanling ceased to serve as director of the Company.
3. Effective from 30 March 2026, Ms. TAO Lei ceased to serve as director of the Company.
4. Effective from 31 March 2026, Mr. LI Jieqing commenced his role as Chief Compliance Officer of the Company, and ceased to serve as Compliance Responsible Person of the Company.

(IV) Subsidiaries, joint ventures or associate ventures (Yes No)

One associate venture: Shanghai Proton & Heavy Ion Hospital. The Company completed an investment of RMB100 million in the entity in January 2016, holding 20% of its shares.

There was no change during the reporting period.

(V) Breaches and administrative penalties during the reporting period (Yes No)

None during the reporting period.

III. Main indicators**(I) Solvency margin ratios**

unit: 10,000 RMB yuan

Items	As at the end of the reporting quarter	As at the end of the previous quarter on a comparable basis	Next quarter estimates
Admitted assets	1,404,607.33	1,341,608.17	1,442,503.34
Admitted liabilities	936,911.19	884,994.91	973,357.71
Actual capital	467,696.14	456,613.26	469,145.63
Tier-1 core capital	340,035.81	351,132.19	334,910.93
Tier-2 core capital	25,863.58	25,155.58	27,229.82
Tier-1 supplement capital	99,541.79	78,364.73	104,630.80
Tier-2 supplement capital	2,254.96	1,960.76	2,374.08
Minimum capital	217,946.41	209,412.78	228,689.46
Minimum capital for quantifiable risks	216,296.94	207,827.89	226,958.68
Minimum capital for control risk	1,649.47	1,584.89	1,730.78
Minimum capital for supplement capital	-	-	-
Solvency margin			
Core solvency margin	147,952.98	166,874.99	133,451.29
Comprehensive solvency margin	249,749.74	247,200.48	240,456.17
Core solvency margin ratio (%)	168	180	158
Comprehensive solvency margin ratio (%)	215	218	205

(II) Regulatory indicators for liquidity risk

Indicators	During/as at the end of the reporting quarter	During/as at the end of the preceding quarter
Actual cash flow (unit:10,000 yuan)	-22,448.42	24,526.85
Retrospective adverse deviation ratio of net cash flows from operating activities (%)	17	318
Overall liquidity coverage ratio under base scenario (next 3 months)(%)	117	134
Overall liquidity coverage ratio under base scenario (next 12 months)(%)	105	108
Overall liquidity coverage ratio under stress scenario - mandatory (next 3 months)(%)	482	384
Overall liquidity coverage ratio under stress scenario - mandatory (next 12 months)(%)	174	159
Overall liquidity coverage ratio under stress scenario - self-assessment (next 3 months)(%)	474	401
Overall liquidity coverage ratio under stress scenario - self-assessment (next 12 months)(%)	215	219
Liquidity coverage ratio before asset disposal under stress scenario - mandatory (next 3 months)(%)	121	115
Liquidity coverage ratio before asset disposal under stress scenario - mandatory (next 12 months)(%)	77	80
Liquidity coverage ratio before asset disposal under stress scenario - self-assessment (next 3 months)(%)	168	172
Liquidity coverage ratio before asset disposal under stress scenario - self-assessment (next 12 months)(%)	139	159

(III) Other indicators for liquidity risk

Indicators	As at the end of /during the reporting quarter	As at the end of/ during the previous quarter
Net cash flows from operating activities (unit: 10,000 yuan)	18,049.44	101,425.41
Comprehensive surrender ratio (%)	0.36	0.64
Net cash flows from participating/universal accounts	-	-
Written premiums year-on-year growth (%)	31.02	41.07
Share of cash and liquidity management tools (%)	2.50	4.26
Quarterly average financial leverage ratio (%)	0.32	-
Share of domestic fixed income assets rated AA and below (%)	-	-
Share of investments in listed stocks where the Company holds a stake of 5% or above (%)	-	-
Share of receivables (%)	17.99	16.18
Share of related party assets held (%)	4.82	4.98

(IV) Key business metrics

Indicators	unit: 10,000 yuan	
	As at the end of/during the reporting quarter	As at the end of the reporting quarter/YTD
Gross written premiums	269,201.50	269,201.50
Net profit	5,980.26	5,980.26
Total assets	1,169,212.88	1,169,212.88
Net assets	375,090.01	375,090.01
Insurance contract liabilities	637,685.75	637,685.75
Basic earnings per share (yuan)	0.02	0.02
ROE (%)	1.62	1.62
ROA (%)	0.52	0.52
Investment yield (%)	1.20	1.20
Comprehensive investment yield (%)	1.64	1.64
Residual margin	184,403.17	184,403.17
New business margin (%)	0.60	0.60
New business value	9,219.72	9,219.72
First-year regular premiums written on new policies	24,927.96	24,927.96
First-year regular premiums written on new policies with a payment period of 10 years or above	23,767.10	23,767.10
Written premiums on renewed policies	37,625.45	37,625.45
Written premiums	134,829.52	134,829.52
1. Bancassurance channel	87.94	87.94
2. Agency channel	-	-
3. Group channel	63,785.83	63,785.83
4. Internet	62,641.23	62,641.23
5. Others	8,314.52	8,314.52
Number of agents as of the end of the reporting period	-	-
13-month persistency ratio (%)	82	82
Surrender ratio (%)	0.36	0.36
Average premium per policy of the agency channel	-	-
Average premiums per agent	-	-
Agent attrition rate (%)	-	-

Notes:

1. Net profit, total assets, net assets, and insurance contract liabilities listed above were disclosed according to the Financial Report (which was prepared based on Chinese accounting standards such as Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments revised and promulgated by the Ministry of Finance in 2017, and Accounting Standard for Business Enterprises No. 25 - Insurance Contracts revised and promulgated by the Ministry of Finance in 2020); basic earnings per share, ROE and ROA were calculated in accordance with the formula prescribed by Article 24 of Solvency Regulatory Standards of Insurance Companies No. 18 - Solvency Report, based on results of aforementioned indicators.
2. Residual margin is recognised and measured in accordance with the Accounting Standards for Enterprises No. 25 — Primary Insurance Contracts and the Accounting Standards for Enterprises No. 26 — Reinsurance Contracts, both of which were issued by the Ministry of Finance in 2006, as well as the Regulations on Accounting Treatment of Insurance Contracts issued by the Ministry of Finance in 2009.
3. $\text{New Business Margin} = \text{Day One Gain of new business during the current period} \div \text{Total sum of premiums under the new business} \times 100\%$. Day One Gain refers to the residual margin recognised upon initial measurement of insurance contract reserves for financial reporting purposes. Total sum of premiums refers to the sum of first-year premiums and renewal premiums, calculated without considering factors such as surrender or discounting.
4. New business value only includes long-term insurance business.
5. First-year regular premiums written on new policies and first-year regular premiums written on new policies with a payment period of ten years or more include health insurance policies with a coverage period not exceeding one year but containing a guaranteed renewability provision.
6. The Company does not have the tied agent channel; therefore, no data is available for indicators ranging from "average premium per policy of the agency channel (in RMB 10,000)" to "agent attrition rate (%)".
7. Information on the top five products and their written premiums during the year: 1) Individual Long-term Medical Insurance (Rate-adjustable, Internet) (Health Insurance): RMB175.8479mn; 2) CPIC Group Supplemental Medical Insurance (Health Insurance): RMB155.4238mn; 3) CPIC Internet Fuxing Term Critical Illness Insurance (Health Insurance): RMB143.4864mn; 4) CPIC Supplemental Group Medical Insurance (Product B) (Health Insurance): RMB102.1077mn; 5) CPIC Comprehensive Medical Insurance (2023) (Health Insurance): RMB102.0426mn.

(V) Average investment yield and average comprehensive investment yield in the past three years

Average investment yield and average comprehensive investment yield of the Company in the past three years were 3.53% and 5.02%, respectively.

IV. Risk management capabilities

(I) Company category

The Company was incorporated in December 2014. As at the end of Q1 2026, its total assets under new accounting standards reached 11,692.1288 million yuan, with written

premiums amounting to 1,348.2952 million yuan during the reporting period. It has 4 provincial-level branch offices, and according to Solvency Regulatory Standards of Insurance Companies No.12: Solvency-aligned Risk Management Requirement and Assessment, the Company is in Category II.

(II) Measures taken to improve risk management and the latest status

In Q1 2026, the Company's risk management improvement measures focused on three areas: review of risk appetite and annual risk assessment, implementation of new operational risk regulations, and formulation of key risk management tasks for 2026.

1. It reviewed and assessed the implementation status of its 2025 annual risk appetite, reviewed the implementation status of risk management policies for 2025, prepared the 2025 annual risk assessment report, and submitted it to the Management Committee for approval.

2. It continued to implement the new operational risk regulations, completed the drafting of the 2025 special report on operational risk management, and advanced business continuity management to strengthen the foundation of operational risk management and enhance the Company's closed-loop risk management system.

3. In line with the Group's 2026 key risk management tasks, the Company formulated its own 2026 key tasks for risk management, defined the annual objectives and plans for risk management, and proceeded with its risk management efforts in an orderly manner.

In Q1 2026, the Company's risk management system and all related activities were consistently implemented as per established risk management policies and procedures. Under the framework of the Company's risk management and risk appetite systems, no major risk events occurred during the reporting period.

(III) Results of Latest Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company

The Company scored 80.15 points at SARMRA assessment for 2022. To be specific, it consisted of 16.29 points for risk management infrastructure and environment, 7.69 points for risk management objectives and tools, 7.98 points for insurance risk management, 8.14 points for market risk management, 8.13 points for credit risk management, 8.16 points for operational risk management, 7.81 points for strategic risk management, 7.89 points for reputational risk management, and 8.06 points for liquidity risk management.

V. Integrated risk rating (differentiated supervision)

(I) IRR results in the previous two quarters

The Company was rated BBB for both Q2 and Q3 of 2025, which met regulatory requirements in solvency, with a low level of operational risk, reputational risk, strategic risk and liquidity risk.

(II) Measures taken or to be taken for improvement

In Q1 2026, in light of Assessment Criteria for Unquantifiable Risks of Insurance Companies, the Company took key control measures for operational and strategic risk indicators which, according to the self-assessment, could be further improved. In terms of operational risk, it continued to maintain current operational efficiency and quality, focusing particularly on improving claims payment turnaround, addressing insurance frauds and handling customer complaints. With regard to strategic risk, it maintained stability in senior management turnover and business development. As for reputational risk, it maintained the record of “zero media crisis” during the reporting period.

(III) Findings of self-assessment of operational, strategic, reputational and liquidity risks

Liquidity risk: Liquidity risk of the Company mainly stems from claims and maturity payments on insurance contracts, daily expenditures on business activities and impairment on investment assets. As of the end of Q1 2026, there were no circumstances which may trigger liquidity risk. The Company maintained a high proportion of liquid assets, with the 5-day liquidation ratio at sound levels, which enabled it to meet various needs for liquidity. At the same time, the Company maintained a certain level of gearing ratio and financing activities to ensure sufficient borrowing to ease the pressure on liquidity in the unlikely event of emergencies. Overall, the sources of liquidity outweighed needs for liquidity, indicating a low risk of liquidity gaps.

Operational risk: In terms of compliance and internal control, the Company detected no breaches and received no administrative penalties from the regulator in Q1 2026. On the IT side, the Company’s core systems were 100% usable, and there was no financial losses incurred due to system failures. As for personnel, workforce turnover was relatively low. There was no losses resulting from operational risk incidents in sales, U/W, POS, claims settlement or investment, or occurrence of insurance frauds in the quarter.

Reputational risk: The Company's media monitoring system includes the in-house system of the Group and third-party monitoring services, which can effectively monitor, on a daily basis, negative publicity of the Company and its insurance/ investment counter-parties. In daily work, the Company strictly implements various reputational risk management processes covering early-stage assessment, risk handling and post-crisis accountability. In the reporting quarter, the Company did not experience any reputational risk events on mainstream (Level-1 or Level-2) or other types of media.

Strategic risk: In light of its annual business objectives, the Company defined its strategic positioning, paths of implementation and expected results. It has a clear strategic direction, with detailed plans for execution. Guided by its own strategic objectives and those of the Group, the Company will strive for breakthroughs across all KPIs in the next three years to pursue high-quality development. It formulated strategic decisions based on market environment in a timely manner to identify, assess and manage strategic risks by means of target breakdown, business review on a regular basis, analysis of market conditions and its own strengths and weaknesses. In Q1 of 2026, there was no occurrence of strategic risk incidents.

VI. Management analysis and discussions

(I) Solvency Analysis

1. Actual capital

As at 31 March 2026, actual capital of the Company amounted to 4,676.9614 million yuan, an increase of 2.4% from the end of the previous quarter, mainly due to contribution from investment income and growth in future surplus on insurance policies.

2. Minimum capital

Minimum capital of the Company as at the end of the reporting period was 2,179.4641 million yuan, up by 4.1% from the end of the previous quarter, mainly due to: growth in business volume, which led to higher minimum capital requirement for life insurance risk; increase in the scale of equity assets in Q1, which resulted in higher minimum capital requirement for market risk. Of this, minimum capital for life insurance risk was 1,771.1273 million yuan, that for non-life business was 889.6629 million yuan, that for market risk

484.6869 million yuan, that for credit risk 285.5451 million yuan, diversification effect for quantifiable risk was 1,027.7229 million yuan, and that for control risk was 16.4947 million yuan.

3. Solvency margin ratios

As of 31 March 2026, the Company's core solvency margin was 1,479.5298 million yuan, with a core solvency margin ratio of 168%; comprehensive solvency margin was 2,497.4974 million yuan, with a comprehensive solvency margin ratio of 215%.

(II) Liquidity risk

For the reporting quarter, net cash flow of the Company was -224 million yuan, mainly due to allocation of investment assets; the retrospective adverse deviation ratio, liquidity coverage ratios under various scenarios and other liquidity indicators were all in compliance with regulatory requirements.

The Company will strictly follow regulatory rules and requirements on solvency-related cash flow projection, take into account factors such as business development and market changes, regularly evaluate the effectiveness of its liquidity risk management mechanisms and systems, and make appropriate arrangements, if necessary, to ensure a reasonable liquidity risk level.

(III) Analysis of changes to IRR

The Company's latest IRR result is BBB. Assessed against the Solvency Regulatory Standards No.11: Integrated Risk Rating (differentiated supervision), the company meets the regulatory requirements in solvency, with a low level of operational risk, reputational risk, strategic risk and liquidity risk.

The changes in the IRR rating objectively reflect the challenges the Company encountered during its strategic transformation. With rapid growth of its proprietary business, the Company's overall risk exposure has increased, primarily manifested in heightened premium deviation and volatility, as well as in increased concentration risk in bancassurance following the launch of online business collaboration with banks.

We will systematically review and identify weaknesses in daily management, address

existing challenges progressively, strengthen the closed-loop mechanism of risk governance, and continuously enhance our solvency risk management capabilities.

Summary of Quarterly Solvency Report (Excerpts)

Pacific Anxin Agricultural Insurance Co., Ltd.

1st Quarter of 2026

Company overview and contact information

Company name (Chinese):	太平洋安信农业保险股份有限公司
Company name (English):	Pacific Anxin Agricultural Insurance Company Limited
Legal representative:	ZHENG Kai ¹
Registered address	3651 Gonghexin Road, Shanghai, the PRC.
Registered capital	1.08bn yuan
Business license number	00000089
Date of opening for business	September 2004
Business scope	Agricultural insurance; property indemnity insurance; liability insurance including mandatory liability insurance; credit and guarantee insurance; short-term health and accident insurance; other types of property insurance relating rural areas and farmers; reinsurance of the above said insurance; insurance agency business (business which requires approval will be conducted subject to approval documents or permits)
Business territories	Shanghai, Zhejiang Province, Jiangsu Province.
Contact person:	LI Mao
Tel. number:	+86-21-66988703
Cell phone:	18817959847
Email:	limao-005@cpic.com.cn

¹ Pursuant to Article 5 of the Articles of Association of Pacific Anxin Agricultural Insurance Co., Ltd. (revised in September 2025), 'The company's legal representative shall be its General Manager and shall be registered as such in accordance with the law.' Following the relevant decision-making procedures and approval from the regulatory and supervisory authorities, the company's legal representative has been changed from Mr. Song Jianguo to Mr. Zheng Kai. Such change shall take effect as of 25 March 2026.

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I. Board chairman and management statement

The report has been approved by chairman of the board of directors of the Company. The board chairman and senior management of the Company warrant that the contents of this report are true, accurate and complete and have fully complied with applicable laws and regulations, and that there is no false representation, misleading statement or material omissions; and they severally and jointly accept responsibility for the contents of this report.

II. Basic information

(I) Ownership structure and shareholders, and change during the reporting period

1. Ownership structure and change

Types of shareholders	As at the beginning of the reporting period		Change of shares or stake during the reporting period				As at the end of the reporting period	
	Shares or contribution	Percentage (%)	Shareholder injection	Transfer from capital reserve and share dividends distribution	Share transfer	Sub-total	Shares or contribution	Percentage (%)
State	0	0	0	0	0	0	0	0
State-owned legal person	108,000	100	0	0	0	0	108,000	100
Private legal person	0	0	0	0	0	0	0	0
Foreign	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0
Total	108,000	100	0	0	0	0	108,000	100

Note: (1) Shares apply to joint-stock companies (unit: 10,000 shares), and stake applies to non-joint-stock companies (unit: 10,000 yuan). (2) Ownership by state refers to the stake acquired by investment entities or departments on behalf of the state by way of capital contribution or following legal procedures. Such shares are registered by insurance companies as being owned by the entity or department. Ownership by state-owned legal persons refers to the stake acquired by state-owned enterprises, not-for-profit organisations and other entities by way of contributing capital to an independent insurance firm or acquired following legal procedures using assets legally in their possession. Such shares are registered by insurance companies as being owned by the state-owned enterprise, not-for-profit organisation or entity.

2. De facto controller

The Company has no de facto controller. China Pacific Property Insurance Co., Ltd. is the majority shareholder, holding 67.78% of the shares of the Company.

3. Shareholders and related parties as at the end of the reporting period

Names of shareholders	Types of shareholders	Shares held at the end of the reporting period (unit:10,000 shares)	Shareholding percentage at the end of the reporting period	Shares pledged or in lock-up
China Pacific Property Insurance Co., Ltd.	State-owned	73,205.68	67.78%	0
Shanghai Agricultural Development Co., Ltd.	State-owned	7,718.03	7.15%	0
Shanghai Minhang Asset Investment (Group) Co., Ltd.	State-owned	5,365.19	4.97%	5,365.19 (unit:10,000 shares) in lock-up
Shanghai Nongfa Asset Management Co., Ltd.	State-owned	4,201.72	3.89%	0
Shanghai Fengxian District State-owned Asset Operation Co., Ltd.	State-owned	3,653.35	3.38%	0
Shanghai Baoshan Fiscal Investment Company	State-owned	3,150.84	2.92%	0
Shanghai Jiading Guangwo Asset Management Co., Ltd.	State-owned	2,504.59	2.32%	0
Shanghai Songjiang State-owned Asset Investment Management Group Co., Ltd.	State-owned	2,025.88	1.88%	0
Shanghai Huinong Investment Management Co., Ltd.	State-owned	1,817.99	1.68%	0
Shanghai Qingpu Asset Management Co., Ltd.	State-owned	1,719.37	1.59%	0
Shanghai Jinshan Capital Management Group Co. Ltd.	State-owned	1,640.50	1.52%	0
Shanghai Chongming Asset Operation Co., Ltd.	State-owned	996.86	0.92%	0
Total	—	108,000.00	100.00%	0
Related party relations among shareholders	None			

Note: Types of shareholders refer to “state-owned”, “foreign” and “natural persons”, etc.

4. Shareholding by directors, supervisors and senior management

None during the reporting period.

5. Share transfer during the reporting period

None during the reporting period.

(II) Directors, supervisors and senior management at head-office level

1. Directors, supervisors and senior management at head-office level

1.1 Directors

As of the end of March 2026, the 5th Board of Directors of the Company has 8 directors in total:

Mr. SONG Jianguo, born in December 1966, holds a master's degree. He has been serving as Chairman of the Company since February 2015 (approval document: CIRC [2015] No. 143). Mr. SONG currently serves as Deputy General Manager of CPIC P/C and President of Shanghai Tai'an Agricultural Insurance Institute. He previously served as General Manager of CPIC P/C Hainan Branch, General Manager of Property Liability Insurance Department of CPIC P/C, General Manager of CPIC P/C Shandong Branch, Sales Director of CPIC P/C, etc.

Mr. MAO Xiaojun, born in March 1967, received junior college education and the designation of Accountant. He has been serving as Non-executive Director of the Company since July 2015 (approval document: CIRC [2015] No. 732). Mr. MAO currently serves as General Manager of Shanghai Shenlian Shengshi Enterprise Development Co., Ltd. He previously served as CFO of Shanghai Dalong Accounting Firm, and head of Investment Management Department of Shanghai Minhang Asset Investment Management (Group) Co., Ltd.

Ms. XING Zhibin, born in June 1982, holds a bachelor's degree. She has been serving as Non-executive Director of the Company since February 2022 (approval document: CBIRC [2022] No. 32). Ms. XING currently serves as head of Assets Supervision Section of Shanghai Agricultural Development Promotion Center. She previously served as Deputy Manager of Administrative Affairs Department of Shanghai Kaibo Property Management Co., Ltd., Deputy Head of Organization and Personnel Section of Shanghai Modern Agriculture Open Training Center, and Director of General Office of Shanghai Agricultural Development Promotion Center.

Mr. ZHOU Hua, born in August 1977, holds a doctoral degree and is a Fellow of China Association of Actuaries (FCAA, life insurance). Mr. ZHOU has been serving as Independent Director of the Company since April 2024 (approval document: NFRA [2024] No. 254). Mr. ZHOU is a professor at Central University of Finance and Economics (CUFE), dean of the university's School of Insurance, dean of China Institute of Actuarial Science. He previously served as teaching assistant, lecturer, associate professor, deputy director of the Department of Actuarial Science, and deputy dean of the School of Insurance of CUFE. Mr. ZHOU is also a director of the China Association of Actuaries and an independent director of New China Pension Co., Ltd.

Mr. SHEN Chun, born in August 1971, holds a bachelor's degree. He has been serving as Independent Director of the Company since January 2019 (approval document: CBIRC [2019] No. 44). Mr. SHEN currently serves as Director of Management Committee of Excellent Law Firm, Chairman of Wusong General Branch of Baoshan

Committee of China Democratic National Construction Association, member of the Standing Committee of the 9th Baoshan District Political Consultative Conference, Law Enforcement Supervisor of CPC Political and Legal Commission of Baoshan District, Legal Advisor of Government of Baoshan District. Mr. SHEN previously served as deputy head and partner of Shanghai Zhengming Law Firm.

Mr. ZHANG Qiao, born in November 1962, holds a doctoral degree. He has been serving as Independent Director of the Company since December 2022 (approval document: CBIRC [2022] No. 851). Mr. ZHANG currently serves as executive member of the Agriculture Risk Management Council of China, Research Fellow of the National Research Centre on Agriculture and Rural Areas of China Agricultural University, and vice chair of the Panel of Monitoring and Early Warning of China Agricultural Institute. He previously served as Assistant Research Fellow, Deputy Research Fellow and Research Fellow of Agricultural Information Institute of the Chinese Academy of Agricultural Sciences, and lecturer of Shanxi University of Finance and Economics.

Mr. ZHENG Kai, born in August 1972, holds a master's degree. He has been serving as General Manager and Executive Director of the Company since March and July 2025 respectively (approval documents: NFRA [2025] No. 150 and NFRA [2025] No. 388, respectively). Mr. ZHENG is also member of the Jing'an District Committee of CPPCC. Mr. ZHENG previously served as deputy head of Youth Work Department of Communist Youth League Shanghai Municipal Committee, Secretary-General of Shanghai Young Entrepreneurs Association, deputy head of Economic Division of Taiwan Affairs Office of Shanghai Municipal Government, head of Exchange and Communication Division of Taiwan Affairs Office of Shanghai Municipal Government, head of Coordination Division of Taiwan Affairs Office of Shanghai Municipal Government, and General Manager of Shanghai Urban Areas Business Centre of Anxin Agricultural Insurance Co., Ltd, Deputy General Manager and Board Secretary of the Company.

Mr. LIU Zengbo, born in December 1975, holds a master's degree. He has been serving as non-executive director of the Company since July 2025 (approval document: NFRA [2025] No. 429). Mr. Liu currently serves as Deputy General Manager, Finance Responsible Person and Board Secretary of CPIC P/C. He previously served as Deputy General Manager of Strategic Planning/Investor Relations Department, General Manager of Internal Audit Centre/Audit Technology Department, General Manager of Investment Audit Department of CPIC Group; General Manager of Finance Department of CPIC P/C; Internal Audit Responsible Person of CPIC AMC; Deputy General Manager and Finance Responsible Person of CPIC Capital.

1.2 Senior management at head-office level

As of the end of March 2026, the Company has 7 members of senior management:

Mr. ZHENG Kai, born in August 1972, holds a master's degree. He has been serving as General Manager and Executive Director of the Company since March and July 2025 respectively (approval documents: NFRA [2025] No. 150 and NFRA [2025] No. 388,

respectively). Mr. ZHENG is also member of the Jing'an District Committee of CPPCC. Mr. ZHENG previously served as deputy head of Youth Work Department of Communist Youth League Shanghai Municipal Committee, Secretary-General of Shanghai Young Entrepreneurs Association, deputy head of Economic Division of Taiwan Affairs Office of Shanghai Municipal Government, head of Exchange and Communication Division of Taiwan Affairs Office of Shanghai Municipal Government, head of Coordination Division of Taiwan Affairs Office of Shanghai Municipal Government, and General Manager of Shanghai Urban Areas Business Centre of Anxin Agricultural Insurance Co., Ltd, Deputy General Manager and Board Secretary of the Company.

Ms. LI Shuhui, born in July 1972, holds a master's degree and the designation of Senior Auditor, CPA, CIA and CCSA. She has been serving as Finance Responsible Person and Deputy General Manager of the Company since December 2019 (approval documents: CBIRC Shanghai [2019] No. 984, and CBIRC Shanghai [2019] No. 983 respectively). She currently also serves as Chief Information Officer of the Company. She previously served as Deputy General Manager of the Second Division/Internal Audit Center, General Manager of Audit Technology Division of CPIC Group, Supervisor of CPIC Allianz Health, Internal Audit Responsible Person of Changjiang Pension, Supervisor of CPIC Online Services, Supervisor of Anxin Agricultural Insurance Co., Ltd, and General Manager of Finance Department and Asset Management Department of CPIC P/C, and Supervisor of CPIC P/C, and Interim Board Secretary of the Company.

Mr. HUANG Xiaofeng, born in March 1971, holds a master's degree. He has been serving as Assistant General Manager of the Company (approval document: CBIRC [2022] No. 409) since June 2022. Mr. Huang concurrently also serves as Board Secretary of the Company (approval document: NFRA [2025] No. 729). Previously, he served as deputy head of Gaodong Township, head of Heqing Township, Pudong New Area, Shanghai; Deputy Director of Rural Affairs Office of CPC Pudong New Area, Deputy Director of District Agricultural Committee of Pudong New Area, member of CPC Committee of Anxin Agricultural Insurance Co., Ltd. and General Manager of its Shanghai Nanhui Sub-branch, Deputy Party Secretary and Deputy General Manager of Shanghai Branch of Anxin Agricultural Insurance Co., Ltd., member of CPC Committee/General Manager of Agricultural Insurance Market Development Department and General Manager of Agricultural Insurance Business Management Department of Pacific Anxin Agricultural Insurance Co., Ltd.

Mr. WU Gang, born in August 1970, holds a bachelor's degree. He has been serving as Compliance Responsible Person and Chief Risk Officer since June 2022 (approval document: CBIRC [2022] No. 403), and as Chief Compliance Officer of the Company since July 2025. Previously, Mr. WU served as Assistant General Manager, Deputy General Manager (in charge) and General Manager of CPIC P/C Ningxia Branch, General Manager of CPIC P/C Gansu Branch, and General Manager of the Legal Affairs and Compliance Department of CPIC P/C.

Mr. HU Dexiong, born in August 1983, holds a master's degree. He has been serving as

Assistant General Manager of the Company since March 2024 (approval document: NFRA [2024] No.99). Mr. HU previously worked with Anxin Agricultural Insurance Company Limited, serving as Deputy Manager of the Policy Research Office of the Agricultural Insurance Department, Deputy Manager of the Branch Management Section of the Strategic Development Department, Assistant General Manager and Deputy General Manager of the Strategic Development Department, Deputy General Manager of the Agricultural Insurance Market Development Department, Deputy General Manager (in charge) and General Manager of the Product Research and Development Department. He also served as General Manager of the Development & Planning Department of the Company.

Mr. WU Kaibing, born in July 1968, holds a doctoral degree and the designation of Senior Auditor. He has been serving as Internal Audit Responsible Person since October 2017 (approval document: CIRC [2017] No. 1191). Mr. WU currently serves as General Manager of the Internal Audit Department (South China) of CPIC Group. He previously served as Supervisor of Securities Research of the Shanghai Securities Department of SDIC Hainan, Assistant President of Shanghai Kaiquan Pump (Group) Co., Ltd., Deputy Director of the Financial Audit Division of CNAO's Shanghai Resident Office, Senior Auditor of the Second Division of the Internal Audit Centre of CPIC Group, Supervising Auditor, and Deputy General Manager of the Internal Audit Business Department of Internal Audit Center of CPIC Group.

Ms. YANG Guotao, born in January 1981, holds a master's degree and membership of China Association of Actuaries and FRM qualification. She has been serving as Chief Actuary of the Company since January 2020 (approval document: CBIRC Shanghai [2019] No. 1096). Ms. YANG currently serves as General Manager of the Actuarial Department of the Company. She previously worked in the capacity of actuarial service with China Continent Insurance Co. Ltd., served as Actuarial Responsible Person and Deputy General Manager (in charge) of the Actuarial Department of Anxin Agricultural Insurance Co., Ltd.

2. Changes to directors, supervisors and senior management at head-office level

Positions	Predecessors	Incumbents	Remarks
Chairman of the Board of Supervisors	CHEN Yuanliang	—	The Articles of Association of Pacific Anxin Agricultural Insurance Co., Ltd.
Employee supervisor	GUO Zongjie	—	(revised in September 2025) were approved by the National Financial Regulatory Administration in March
Shareholder supervisor	ZHANG Wen	—	2026 (Approval document: NFRA [2026] No. 118). As stipulated in the
Shareholder supervisor	ZHANG Rongyao	—	Articles of Association, the Company shall no longer maintain a board of
Independent supervisor	YUAN Changming	—	

Independent supervisor	ZHANG Xiangdong	—	supervisors, and the members of the fourth Board of Supervisors shall automatically step down from their positions.
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(III) Subsidiaries, joint ventures or associate ventures

None during the reporting period.

(IV) Breaches and administrative penalties during the reporting period

1. Administrative penalties by financial regulators or other government departments against insurance companies and their directors, supervisors, and senior management at head-office level

In Q1 2026, branch offices of the Company received 2 administrative penalties from the insurance regulator mainly due to falsification of expenses, with a fine of 280,000 yuan on branches and 36,000 on individuals, totaling 316,000 yuan. The main violations include falsely listing expenses, among others.

2. Misconduct which triggered judicial proceedings by directors, supervisors, management at department-head level or above at headquarters or senior management of provincial branch offices

None.

3. Regulatory measures against the Company by NFRA (former CBIRC)

None during the reporting period.

III. Main indicators

(I) Solvency margin ratios

unit: 10,000 yuan

Lines	Item	As of the end of Q1 2026	As of the end of Q4 2025	Next quarter estimates
1	Admitted assets	666,091	670,013	670,999
2	Admitted liabilities	334,397	351,813	360,921
3	Actual capital	331,695	318,199	310,078
3.1	Tier-1 core capital	303,909	292,880	282,292
3.2	Tier-2 core capital	-	-	-
3.3	Tier-1 supplement capital	27,786	25,320	27,786
3.4	Tier-2 supplement capital	-	-	-
4	Minimum capital	94,128	91,720	97,064
4.1	Minimum capital for quantifiable risks	92,043	89,688	94,914
4.1.1	Minimum capital for life insurance risk	-	-	-
4.1.2	Minimum capital for non-life insurance risk	81,939	78,186	84,744
4.1.3	Minimum capital for market risk	41,027	43,420	41,447
4.1.4	Minimum capital for credit risk	20,627	19,015	21,829
4.1.5	Diversification effect for quantifiable risks	41,324	40,968	42,560
4.1.6	Loss absorption for special-type insurance contracts	-	-	-
4.2	Minimum capital for control risk	2,085	2,032	2,150
4.3	Supplement capital	-	-	-
5	Core solvency margin	209,781	201,160	185,228
6	Core solvency margin ratio	322.87%	319.32%	290.83%
7	Comprehensive solvency margin	237,567	226,480	213,014
8	Comprehensive solvency margin ratio	352.39%	346.93%	319.46%

(II) Regulatory indicators for liquidity risk

Items			As at the end of/ during Q1 2026	As at the end of/ during Q4 2025
Liquidity Coverage Ratio (%)	LCR1	Next 3 months	112.8%	102.2%
		Next 12 months	120.3%	126.5%
	LCR2	Next 3 months	219.4%	215.1%
		Next 12 months	152.4%	140.4%
	LCR3	Next 3 months	96.0%	90.1%
		Next 12 months	108.9%	98.9%
Retrospective adverse deviation ratio of net cash flows from business activities			61.6%	182.9%
Net cash flows (RMB 10,000)	YTD		-558	2,196
	FY 2025		2,196	405
	FY 2024		405	1,528

(III) Other indicators for liquidity risk

Item	As of the end of/ during Q1 2026	As of the end of/ during Q4 2025
1. Net cash flows from operating activities(10,000 yuan)	-8,318	-15,011
2. Net cash flows from operating activities per 100 yuan in premiums (yuan)	-17.9	-7.3
3. Share of cash outflow for special types of business	0.3%	19.5%
4. Written premiums growth year-on-year	2.0%	2.8%
5. Share of cash and liquidity management instruments	2.4%	1.6%
6. Quarterly average financial leverage ratio	3.9%	7.8%
7. Share of domestic fixed income assets rated AA and below	0.6%	0.6%
8. Share of investments in listed stocks with a stake of 5% or above	0.0%	0.0%
9. Proportion of receivables	15.9%	12.6%
10. Proportion of related party assets held by the Company	0.0%	0.0%

Notes:

1. Ratio of cash outflow from business of special types: Ratio of cash outflow from business of special types = (Claim expenses of special-type business + Claim reserves of special-type business) ÷ (Total claim expenses + Total claim reserves) × 100%. Business of special types includes financing guarantee insurance business and non-auto business that accounts for more than 5% of total claim expenses, and the latter refers to non-auto insurance business that incurs, due to catastrophes or major claims, estimated or actual claim expenses after reinsurance exceeding 5% of total non-auto claim expenses of the previous year.

2. Ratio of receivables (%): Ratio of receivables = (Premium receivables + Reinsurance receivables) ÷ Total assets by the end of the reporting period × 100%. Premium receivables, reinsurance receivables and total assets refer to their respective book value as at the end of the reporting period.

3. Ratio of assets of related parties held: Ratio of assets of related parties held = Total investment assets of related parties held ÷ Total assets as at the end of the reporting period × 100%, excluding related-party transactions between the insurance company and the insurance group that it belongs to or between subsidiaries of the insurance group.

(IV) Key business metrics

unit: 10,000 yuan

Indicators	As at the end of/ during Q1 2026	As at the end of Q1 2026/YTD
Gross written premiums	55,878	55,878
Net profit	5,596	5,596
Total assets	567,394	567,394
Net assets	326,089	326,089
Insurance contract liabilities	181,866	181,866
Basic earnings per share (yuan)	0.05	0.05
ROE	1.7%	1.7%
ROA	1.0%	1.0%
Investment yield	2.6%	2.6%
Comprehensive investment yield	2.5%	2.5%
Profitability indicators		
1. Combined ratio	--	98.5%
2. Expense ratio	--	19.3%
3. Loss ratio	--	79.2%

4. Proportion of commission and brokerage expenses	--	1.7%
5. Proportion of operating and administrative expenses	--	14.5%
Scale indicators		
1. Written premiums	46,534	46,534
2. Written premiums of auto insurance	-	-
3. Written premiums of top 5 non-auto insurance business lines	43,521	43,521
Largest non-auto business line	28,788	28,788
Second largest non-auto business line	6,726	6,726
Third largest non-auto business line	4,094	4,094
Fourth largest non-auto business line	2,034	2,034
Fifth largest non-auto business line	1,879	1,879
4. Average vehicle premium of auto insurance	-	-
5. Written premiums by channels	46,534	46,534
Agency	2,527	2,527
Direct	41,073	41,073
Brokerage	2,935	2,935
Others	-	-

Note: 1. All calculation of reserves was based on financial statements; the expense ratio, the loss ratio and combined ratio were based on earned premiums; comprehensive investment yield includes changes in fair value of AFS assets, which is not included in calculation of investment yield.

2. Net profit, total assets, net assets, and insurance contract liabilities listed above were based on Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments revised and promulgated by the Ministry of Finance in 2017, and Accounting Standard for Business Enterprises No. 25 - Insurance Contracts revised and promulgated by the Ministry of Finance in 2020; basic earnings per share, ROE and ROA were calculated in accordance with the formula prescribed by Article 24 of Solvency Regulatory Standards of Insurance Companies No. 18 - Solvency Report, based on results of aforementioned indicators.

(V) (Comprehensive) Investment yields in the past 3 years

Average investment yield in the past 3 years	2.95%
Average comprehensive investment yield in the past 3 years	4.07%

Note: As per Notice on Optimising Standards for Solvency Regulation of Insurance Companies by National Administration of Financial Regulation (NFRA [2023] No. 5), insurance companies shall disclose the average investment yield and average comprehensive investment yield in the past 3 years, based on the formula of: $[(1+(\text{comprehensive}) \text{ investment yield in the most recent year}) \times (1+(\text{comprehensive}) \text{ investment yield in the second most recent year}) \times (1+(\text{comprehensive}) \text{ investment yield in the third most recent year})]^{(1/3)} - 1$.

IV. Risk management capabilities

(I) Company category

The Company was incorporated in Shanghai in September 2004 as per approval of the former CIRC. In FY2025, its written premiums amounted to 2.062bn yuan, and as of the end of 2025, total assets stood at 6.749bn yuan, with 3 provincial-level branch offices. According to Article 6 of Solvency Regulatory Standards of Insurance Companies No. 12: Solvency-aligned Risk Management Requirement and Assessment, it is a Category II insurance company.

(II) The latest result of Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company

The Company scored 76.69 points in the last on-site SARMRA assessment. As per Solvency Regulatory Standards of Insurance Companies No. 12: Solvency-aligned Risk Management Requirement and Assessment of Solvency Regulatory Standards of Insurance Companies (II) (CBIRC Document [2021] No. 51), the final score of the Company was 75.47 points.

(III) Measures taken to improve solvency risk management and the latest status

During the reporting period, the Company took further steps to enhance its risk management. To be specific:

In respect of insurance risk, we retrospectively reviewed the results of the Company's reserve assessment for the previous 2 fiscal years, which showed favourable developments; completed the annual analysis report on product terms and premium rates; reviewed products on sale to enhance product life-cycle management; responded to the freezing disaster earlier this year, implemented risk reduction and strengthened precise claims management; analysed historical operating data of reinsurance treaties and initiated renewal of non-marine treaties.

In terms of market risk, we carried out quantitative assessment and quarterly analysis of ALM, which, among others, measured and analysed the impact of market

fluctuations on investment yields, monitored the matching of costs and returns, with projections of key indicators to meet both regulatory and in-house ALM requirements.

As for credit risk, we developed a regular mechanism for receivable analysis, strengthened the supervision and collection of long-standing overdue accounts; monitored credit risk of investment plans and closely tracked changes in risk exposure; established cross-regional reinsurance cooperation to reduce reinsurance credit risk exposure.

On the side of operational risk, we formulated the Regulations on Identification of Beneficial Owners, advanced the integration of the beneficial owner information inquiry system as per PBoC requirements, and faithfully fulfilled our AML obligations; held the annual meeting on awareness of network and data security; formulated the annual key tasks for consumer rights protection and continued to advance the development of the consumer protection system; launched the Compliance Lectures programme to provide training on new regulatory requirements and internal policies.

With regard to the strategic risk, we completed the quarterly analysis report on the implementation of the Company's development plan for Q4 2025; initiated preparation of the assessment report on the 2025 business development plan and report on the development of green insurance for 2025; monitored ESG risks to help ensure sustainable, high-quality development of the Company.

For reputational risk management, we circulated Weekly Risk Alert Reports among relevant personnel to help detect and mitigate potential risks; conducted quarterly review of potential risk triggers to cement the foundation of reputational risk management and improve coordination in public opinion management.

With regard to liquidity risk, we continued to optimise cash flow projection modelling, enhanced retrospective review of net cash flows from operating activities, conducted review of cash flow budgets; tracked the status of claims, evaluated the impact of claims prepayment on cash flows in a timely manner to ensure liquidity; continued to communicate with CPIC AMC to ensure an asset allocation compatible with needs for cash flows; continuously monitored and assessed market liquidity and interest rate movements and their impact on liquidation of investment assets; formulated plans for annual receivables collection and specified requirements, continued to improve fund turnover and risk control; strengthened cash flow management from reinsurance and followed up on fund settlement of major reinsurance treaties.

(IV) Status of SARMRA self-assessment

Not applicable during the reporting period.

V. Integrated risk rating (differentiated supervision)

(I) IRR results of the previous two quarters

The Company was rated AA at the IRR (differentiated supervision) by NFRA (formerly CBIRC) for both Q2 and Q3 of 2025. It has briefed the board on IRR results, with follow-up tracking and analysis.

(II) Measures taken or to be taken for improvement

In the reporting quarter, the Company continuously monitored key indicators, stepped up IT technology risk management and data governance, and further enhanced its risk management capabilities in strict compliance with requirements of the NFRA and PBOC, as well as other industry regulations.

(III) Findings of self-assessment of operational, strategic, reputation and liquidity risks

1. Operational risk

1.1 Operational risk status

In the quarter, the Company strictly complied with regulatory requirements, proceeded steadily with the identification, assessment, control and mitigation of operational risk, with the risk staying within acceptable levels. First, it formulated rectification plans for various defects newly discovered in audits, carried out rectification with regular status follow-up, urged relevant parties to complete rectification according to the submitted plan; second, updated database of operational risk losses, with analysis and evaluation of such losses via risk management systems; third, amended and issued policies including Management Rules of Regulations and Rules on Data Security, and ensured their strict implementation to control operational risks.

1.2 Methods of operational risk assessment

Conducted self-review by business lines and reporting of major operational risk events as per Solvency Regulatory Standards of Insurance Companies No.11.

1.3 Process of operational risk assessment

In the quarter, first, the Company conducted an assessment of IRR operational risk status, organised a review by relevant departments of operational risk in mis-selling, fraudulent claims, mis-handling in investment, erroneous financial information disclosure, money laundering, information security and system failures, with follow-up rectification. Second, monitored key indicators of operational risk in light of risk

upper limits, management reports and remedial actions, with clear definition of their ownership by departments or branch offices. Third, conducted quarterly risk self-assessment in money laundering and insurance frauds. Fourth, in the event of major changes, it would carry out an impact assessment. Fifth, revised the Protocols on Over-the-Counter Services of Business Outlets and the Rules on Accountability for Operations and Management, among others, to promote compliance in operations by branches at all levels and all employees.

1.4 Results of operational risk assessment

The review detected no serious flaws which may trigger operational risk. The monitoring of risk upper limits also indicated that the status of operational risk of the Company was in the comfort zone.

2.Strategic risk

2.1 Status of strategic risk

The strategic risk facing the Company mainly includes the following:

First is potential risks arising from high concentration of business in Shanghai. Second is the potential strategic risk arising from differentiated business geographies for agricultural insurance of CPIC P/C.

2.2 Methods of strategic risk assessment

Evaluation of market environment of industry strategic risk, the risk in formulation of strategic planning of the Company and the risk in its implementation, as per Solvency Regulatory Standards of Insurance Companies No.11 and related IRR indicators.

2.3 Process of strategic risk assessment

Collected and analysed information on a regular basis, enhanced review of the implementation status against budgets formulated at the year beginning, and communicated the gaps by business geographies/ business lines to company middle and senior management.

2.4 Results of strategic risk assessment

The Company will continue to step up business development and product innovation, with a focus on urban agriculture. It will explore a standardised model for urban agricultural insurance business via policy & needs analysis, duplication of product innovations, dynamic risk management and ecosystem collaboration, adopt a step-by-step approach and drive profitable, sustainable and resilient business growth.

3.Reputational risk

3.1 Status of reputational risk

In the reporting quarter, the Company organised a screening of reputational risk, which showed that public opinion of the Company was stable, and there was no risk of media crisis.

3.2 Methods of reputation risk assessment

During the quarter, first, we monitored online media through the Group's monitoring platform, with statistical analysis of sensitive words; second, organised efforts by the spokesperson and brand specialists to implement the Group's brand management policies and to collect and handle media information in a timely manner; third, the Company issued the "Risk Early Warning" weekly reports with risk alerts to senior management and part-time reputational risk management staff to effectively prevent potential risks. We also conducted a company-wide screening of potential reputational risks, further enhanced reputational risk management capabilities, promoted the establishment of a full-process, closed-loop risk management system, so as to create a favourable environment for the Company's sustainable, healthy and stable development.

3.3 Process of reputational risk assessment

Leveraged the Group platform for collection and statistical analysis of sensitive words on the Internet or in media reports, which would enable early responses or mitigation measures.

3.4 Results of reputational risk assessment

During the reporting period, adverse publicity of the Company stayed under control, and there was no occurrence of reputational risk or events which may trigger the risk.

4. Liquidity risk

4.1 Status of liquidity risk

The Company derives liquidity mainly from cash received as premiums, and from investment and financing activities. Demand for liquidity mainly stems from cash needed for claims payment, daily expenditures, investment and dividends distributed to shareholders.

As a specialised agricultural insurance firm, it mainly faces liquidity risk in the following areas:

First is the time lag in settlement of agricultural insurance premium receivables by governments. The subsidy for agricultural insurance would normally be accrued in advance and settled in the next year. Thus, the time lag has an impact the Company's cash flows. To address this, it vigorously conducted communications with government agencies in charge of agriculture and finance at various levels, seeking to optimise the process of fiscal subsidy transfers so that it could receive the fund at an early date and mitigate the risk arising from receivables.

Second is the catastrophe risk. The insurance business of the Company is mainly in the Yangtze River Delta, which is an area vulnerable to natural disasters like typhoons. As such, the Company formulates contingency plans for claims payment, assesses its impact on cash flows, ensures coordination with cash flows

from investment and financing activities so as to ensure the sufficiency and security of liquidity.

Third is reinsurance settlement. Part of the Company's inward reinsurance business has a relatively long settlement cycle, with terms for periodic full settlement. Therefore, the time lag in settlement of insurance premiums payable may have impact on its cash flows. The Company will enhance management, formulate budgets according to terms of contracts including sums and time of payment, to ensure sufficient liquidity.

Moreover, the Company stays focused on ALM, closely follows liquidity indicators such as the share of securities sold under repurchase and the share of liquid assets to ensure an asset allocation and availability of financing instruments that can match needs for cash flows in the short- and medium-term term.

As at the end of Q4 2025, LCR under the base scenario (LCR1) for the next 12 months and LCR under the stress scenario (LCR2) for the next 12 months were both above 100%, indicating a sound status in liquidity risk.

4.2 Methods of liquidity risk assessment

Calculated liquidity coverage ratios, retrospective adverse deviation ratios of net cash flows from operating activities, with projection of net cash flows and stress testing of cash flows as per Solvency Regulatory Standards No. 13.

4.3 Process for liquidity risk assessment

On a quarterly basis, the Finance Department formulates comprehensive budgets for operating and investment activities in light of the strategic and business plans of the Company, projects cash flows on a rolling basis to evaluate their impact on liquidity.

4.4 Results of liquidity risk assessment

Assessment based on regulatory indicators and cash flow stress testing indicated sufficient liquidity to meet needs of the Company.

VI. Management analysis and discussions

(I) Changes to solvency margin ratios and reasons

As of the end of the quarter, the comprehensive and core solvency margin ratios of the Company was 352.39% and 322.87% respectively up by 5.5pt and 3.5pt respectively from the preceding quarter, maintaining a strong position.

Actual capital was 3.317bn yuan, an increase of 135mn yuan from the previous quarter, mainly due to rise in net profits in the quarter.

Minimum capital stood at 941mn yuan, an increase of 24mn yuan from the preceding quarter. Of this, minimum capital for insurance risk rose by 38mn yuan,

mainly due to growth in premiums, which led to an increase in minimum capital for premiums and reserve risk; minimum capital for market risk dropped by 24mn yuan, mainly because of lower minimum capital for equity price risk and overseas equity asset risk; that for credit risk increased by 16mn yuan, mainly due to higher premium receivables, which led to an increase in minimum capital for counterparty default risk; risk diversification effect rose by 4mn yuan.

(II) Changes to liquidity risk indicators and reasons

As per C-ROSS II standards on liquidity, the liquidity coverage ratios of the Company, i.e., LCR1 and LCR2 in the next 3 months and 12 months under the base and stress scenarios respectively were both above 100%, and LCR3 above 50%, all meeting regulatory requirements. The Company adopts a prudent approach towards cash flow projections from operating activities, with the retrospective adverse deviation ratio of net cash flows from operating activities in the past 2 quarters consistently equal to or above the regulatory minimum level of -30%. In 2026, net cash flows of the Company on a YTD basis amounted to -6mn yuan. Of this, net cash flows from operating activities was -83mn yuan; net cash flows from investment activities 414mn yuan; net cash flows from financing activities -336mn yuan. To mitigate liquidity risk, the Company attaches importance to daily cash flow management, coordinates cash flows from operating, investment and financing activities to ensure sufficient liquidity to meet needs of surrenders, claims and other benefit payments. Besides, the Company, under SAA, allocates a certain proportion of its investment assets to highly liquid assets to meet liquidity requirements, which enables it to meet short-term cash flow requirements arising from business volatility. It will continue to monitor changes to its liquidity status and enhance risk management capabilities.

(III) Change to IRR and reasons

The Company was rated AA at the IRR (differentiated supervision) for both Q2 and Q3 2025 by NFRA.