Summary of Solvency Report (Excerpts)

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

2026 Interim

Company overview and contact information

Company name (Chinese):	中国太平洋保险（集团）股份有限公司
Company name (English):	CHINA PACIFIC INSURANCE (GROUP) CO., LTD.
Legal representative:	FU Fan
Registered address:	1 Zhongshan Road (South), Huangpu District, Shanghai, PRC.
Registered capital:	RMB9.62 billion
Business license number:	000013
First date for registration:	May 13, 1991
Business scope:	Invest in controlling stakes of insurance companies; supervise and manage the domestic and international reinsurance business of the insurers under its control; supervise and manage the investments by the insurers under its control; participate in international insurance activities as approved.
Contact person：	HUANG Danyan
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I. Board and management statement

The report has been approved by the board of directors. The board and the 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 statements or material omissions; and they severally and jointly accept responsibility for the contents of this report.

1． Voting results by directors

Name of directors	For	Against	Abstain
WANG Tayu	√		
WANG Yuhua	√		
CHEN Xin	√		
CHEN Ran	√		
LAM Tyng Yih, Elizabeth	√		
LO Yuen Man, Elaine	√		
CHIN Hung I, David	√		
ZHOU Donghui	√		
ZHOU Liyun	√		
ZHAO Yonggang	√		
HUANG Dinan	√		
WONG Hin Wing	√		
FU Fan	√		
John Robert Dacey	√		
Total	14		

Note: Mark "√" in corresponding blanks according to opinions of directors.

2． Are there any directors who cannot guarantee or harbor any doubt about the truthfulness, accuracy, completeness or compliance of the contents of this report? (yes□ no■)

II. Basic Information

(I) Shareholding structure, shareholders and change

1. Shareholding structure (unit: share)

	As at the beginning of the reporting period		Increase or decrease (+ or -) in shareholding during the reporting period					As at the end of the reporting period	
	Amount	**Percentage (%)**	**New shares issued**	**Bonus shares**	**Transfer from reserves**	**Others**	**Sub-total**	**Amount**	**Percentage (%)**
1.Ordinary shares denominated in RMB	6,845,041,455	71.15	-	-	-	-	-	6,845,041,455	71.15
2.Domestically listed foreign shares	-	-	-	-	-	-	-	-	-
3.Overseas listed foreign shares (H share)	2,775,300,000	28.85	-	-	-	-	-	2,775,300,000	28.85
4. Others	-	-	-	-	-	-	-	-	-
Total	9,620,341,455	100.00	-	-	-	-	-	9,620,341,455	100.00

2. Top 10 shareholders (unit: share)

Name of shareholders	Percentage of shareholding	Total number of shares held	Increase or decrease (+ or -) of shareholding during the reporting period	Number of shares subject to pledge or lock-up	Type of shares
HKSCC Nominees Limited	28.82%	2,772,801,017	+38,000	-	H Share
Shenergy (Group) Co., Ltd.	14.05%	1,352,129,014	-	-	A Share
Hwabao Investment Co., Ltd.	13.35%	1,284,277,846	-	-	A Share
Shanghai State-Owned Assets Operation Co., Ltd.	6.34%	609,929,956	-	-	A Share
Shanghai Haiyan Investment Management Company Limited	4.87%	468,828,104	-	-	A Share
HKSCC	2.47%	238,020,463	+67,601,239	-	A Share
Shanghai Jiushi (Group) Company Limited	1.52%	146,539,460	-	-	A Share
China Securities Finance Co., Ltd.	1.47%	141,090,934	-129,998,909	-	A Share
Shanghai International Group Corporation Limited	1.01%	97,128,700	-	-	A Share
Yunnan Hehe (Group) Company Limited	0.95%	91,868,387	-	-	A Share
Description of related relations or concerted actions among the aforesaid shareholder	HKSCC Nominees Limited and HKSCC are connected, as the former is a wholly-owned subsidiary of the latter. Shanghai State-Owned Assets Operation Co., Ltd. is a wholly-owned subsidiary of Shanghai International Group, and they act in concert. Based on inquiries of the Company and confirmation of relevant shareholders, other than that, the Company is not aware of any other connected relations or concerted actions among the above-mentioned shareholders.				

Notes:

1. As at the end of the reporting period, the Company did not issue any preferred shares.

2. The shareholding of the top 10 shareholders is based on the lists of registered shareholders provided by China Securities Depository and Clearing Corporation Limited Shanghai Branch (A share) and Computershare Hong Kong Investor Services Limited (H share) respectively. The nature of A

shareholders is the same as the nature of their accounts registered with China Securities Depository and Clearing Corporation Limited Shanghai Branch.

3. The shares held by HKSCC Nominees Limited are held on behalf of its clients. As SEHK does not require such shareholders to disclose to HKSCC Nominees Limited whether the shares held by them are subject to pledge or lock-up period, HKSCC Nominees Limited is unable to calculate, or make actual such data. Pursuant to Part XV of the SFO, a Substantial Shareholder is required to give notice to SEHK and the Company on the occurrence of certain events including a change in the nature of its interest in shares such as the pledging of its shares. As at the end of the reporting period, the Company is not aware of any such notices from Substantial Shareholders under Part XV of the SFO.

4. HKSCC is the nominal holder of shares traded through Shanghai-Hong Kong Connect Programme.

III. Business Operation of Major Member Companies

(I) CPIC Life

CPIC Life achieved steady improvement in key performance indicators and maintained positive momentum in quality and profitability. In the first half of 2026, the subsidiary recorded insurance revenue of 42.722bn yuan, a year-on-year growth of 1.3%; net profits of 23.908bn yuan, a year-on-year growth of 15.7%.

As of the end of June 2026, its comprehensive solvency margin ratio was 209%, down by 19pt from the end of 2025, mainly due to impact of interest rate movements, capital market fluctuation, business development and changes to asset allocation, etc. Of this,

(1) Actual capital amounted to 411.097bn yuan, down by 14.079bn yuan from the end of 2025;

(2) Minimum capital stood at 196.240bn yuan, up by 10.137bn yuan from the end of 2025.

(II) CPIC P/C

In the reporting period, the subsidiary pursued progress while ensuring stable business fundamentals, and strived for high-quality development. It reported 96.987bn yuan in insurance revenue, a year-on-year growth of 0.2%, and net profits of 6.072bn yuan, a growth of 5.9%.

As of the end of June 2026, its comprehensive solvency margin ratio stood at 240%, down by 4pt from the end of 2025, mainly due to impact of interest rate movements, capital market fluctuation, business development and changes to asset allocation, etc. Of this,

(1) Actual capital amounted to 79.857bn yuan, up by 3.714bn yuan from the end of 2025.

(2) Minimum capital 33.268bn yuan, up by 2.065bn yuan from the end of 2025.

(III) CPIC Health

The company focused on building professional operational capabilities, with steady improvement in overall business results. During the reporting period, it realised 2.213bn yuan in insurance revenue, a growth of 30.6%; net profits reached 241mn yuan, up 517.9% year on year.

As of the end of June 2026, its comprehensive solvency margin ratio stood at 204%, down by 14pt from the end of 2025, mainly due to interest rate movements, capital market fluctuation, business development and changes to asset allocation, etc. Of this,

(1) Actual capital amounted to 4.806bn yuan, up by 240mn yuan from the end of 2025;

(2) Minimum capital 2.353bn yuan, up by 259mn yuan from the end of 2025.

(IV) CPIC AMC

As of the end of June 2026, it posted 231.621bn yuan in third-party AuM.

(V) Changjiang Pension

As of the end of June 2026, Changjiang Pension recorded 657.050bn yuan in third-party assets under trustee management; 540.422bn yuan in third-party assets under investment management.

(VI) Other member companies

As of the end of June 2026, total assets of CPIC Technology reached 1.957bn yuan, with net assets of 716mn yuan; total assets of CPIC Property reached 186mn yuan, with net assets of 148mn yuan.

IV. Solvency Statements

Solvency Statements of Insurance Holding Groups

Name：China Pacific Insurance (Group) Co. Ltd.

(30 June, 2026)

unit：10 thousand RMB yuan

Items	No. of lines	As at the end of the reporting period 1	As at the beginning of the reporting period 2
Actual capital	（1）=（2）+（3）+（4）+（5）	58,835,579	59,664,723
Tier 1 core capital	（2）	40,399,282	41,022,736
Tier 2 core capital	（3）	3,838,172	4,037,228
Tier 1 supplement capital	（4）	14,526,358	14,565,702
Tier 2 supplement capital	（5）	71,767	39,057
Minimum capital	（6）=（7）+（21）+（22）	23,112,264	21,844,352
Minimum capital for quantitative risks	（7）=（8）+（9）+（10）+（11）+（12）+（13）－（20）	23,383,469	22,100,804
Minimum capital for parent company	（8）		-
Minimum capital for insurance member companies	（9）	23,383,469	22,100,804
Minimum capital for banking member companies	（10）	-	-
Minimum capital for securities member companies	（11）	-	-
Minimum capital for trust member companies	（12）	-	-
Minimum capital for quantifiable group-specific risks	（13）=（14）+（15）	-	-
Minimum capital for risk contagion	（14）	-	-
Minimum capital for concentration risk	（15）=（16）+（17）+（18）-（19）	-	-

Items	No. of lines	As at the end of the reporting period 1	As at the beginning of the reporting period 2
Minimum capital for concentration risk - counter parties	（16）	-	-
Minimum capital for concentration risk - industry	（17）	-	-
Minimum capital for concentration risk - customers	（18）	-	-
Risk diversification effect	（19）	-	-
Decrease in required capital for risk diversification effect	（20）	-	-
Minimum capital for control risk	（21）	(271,206)	(256,452)
Supplement capital	（22）		
Core solvency margin	（23）=（2）+（3）—（6）× 50%	32,681,322	34,137,789
Core solvency margin ratio	（24）= [（2）+（3）] /（6）× 100%	191%	206%
Comprehensive solvency margin	（25）=（1）—（6）	35,723,316	37,820,372
Comprehensive solvency margin ratio	（26）=（1）/（6）× 100%	255%	273%

Note: Decrease in required capital for risk diversification effect and supplement capital at the group level are yet to be defined by the regulator.

V. Management Analysis and Discussions

(I) Analysis of solvency margin ratio movements during the reporting period

As of the end of June 2026, Group comprehensive solvency margin ratio stood at 255%, down by 18pt from the end of 2025; core solvency margin ratio was 191%, down by 15pt from the end of 2025, mainly due to interest rate movements, capital market fluctuations, business development and changes to asset allocation. Of this,

1) Actual capital amounted to 588.4bn yuan, down by 8.2bn yuan from the end of 2025; core capital 442.4bn yuan, down by 8.2bn yuan from the end of 2025.

2) Minimum capital 231.1bn yuan, up by 12.7bn yuan from the end of 2025.

In short, Group solvency margin ratios stayed solid, all above regulatory minimum levels.

(II) Analysis of changes to IRR and Group risk status during the reporting period

The regulator is yet to carry out Integrated Risk Rating for insurance groups.

In the first half of 2026, the Group maintained sound and stable operation overall with effective implementation of its risk appetite. All the risk indicators remained stable, with overall risks under control. There was no occurrence of risk events with significant impact on its business operation or solvency in the reporting period.

Currently, the international environment remains turbulent and volatile. On the domestic front, China is undergoing a moderate economic recovery amid divergent trends. While market interest rates continue their downward trend and remain at low levels, the equity market has experienced increased volatility, which presents complex challenges in asset-liability management for the insurance industry. Against the backdrop of population ageing, people's demand for risk protection is shifting toward chronic disease management, long-term care and retirement finance. Climate change leads to more frequent and increasingly severe extreme weather events, accelerating the industry's transition from a traditional claims-based model toward comprehensive risk reduction services. Meanwhile, while the wider application of large AI models improves operational efficiency and enhances customer experience, it also gives rise to emerging risks, including risks in data security and algorithmic ethics, which requires further enhancement of risk management capabilities.

In response to these trends and dynamics, the Company adheres to a prudent risk appetite, continue to balance development and security while preventing the major risk, and fully leverage the role of insurance as a "social stabiliser" and a "cushion of economic shocks". First, we will adhere to value-oriented strategies, strengthen the role of risk appetite in guiding business decisions, step up coordination of assets and liabilities via system control, and strengthen our operational resilience across market cycles. Second, we will build a risk management system inherently compatible with our business strategies, step up professional support for business innovation and business model transformation, and deepen the "look-through" risk management of key areas, so as to safeguard high-quality development. Third, we will conduct forward-looking research into risks associated with digitalisation, AI and other emerging sectors, in a bid to improve our ability to identify, assess and address emerging risks, and enhance the overall effectiveness of risk management.

VI. Risk Management Capabilities

(I) Group solvency risk governance

The Company has established a broad-based risk management framework in which all parties involved play their due roles: the Board of Directors bears the ultimate responsibility, management provides direct leadership, risk management departments focus on coordination, and the 3 lines of defence closely work together. The boards of directors of the Group and its subsidiaries are the supreme authority in risk management of the organisations, and bear the ultimate responsibility for their respective risk management systems and status of operation. The board Risk Compliance Committee performs duty in risk management as is vested by the board. In the first half of 2026, the committee convened 3 meetings to review relevant risk management matters and reports.

The Company's Management Committee is mandated to organise and execute the Company's risk management activities. The Company set up the position of Chief Risk Officer, who reports to the board Risk Compliance Committee on risk management measures and risk status of the Company on a quarterly basis. The Management Committee has under it a Working Group of Risk & Compliance and Internal Audit.

The Group has set up the Risk Management Department responsible for coordinating daily work in risk management. All major member companies of the Group have set up Risk Management Departments, which coordinate and implement various decisions made by the management in the field of risk management, and organise, direct and supervise other departments in execution of daily risk management tasks determined by management. All the other functional departments of the Group and subsidiaries and their branches have appointed responsible persons for risk management and set up corresponding positions, who are responsible for the risk management work within their scope of responsibility and communication with the risk management department.

The Group Internal Audit Centre audits, on an annual basis, the status and results of operation of the Group's solvency-aligned risk management system, as well as the status of implementation of risk management policies, and reports to the board.

(II) Risk management strategies and implementation

1. Risk management strategies

The overall risk management strategy of the Company is: in view of its development strategies, organisational structure and business characteristics, to support and promote fulfilment of business objectives and strategic planning of the Company via a sound risk management system, rigorous risk management processes, and scientific risk management mechanisms and tools under the guidance of risk management objectives.

Risk management is a core element of the Company's operation and management. The Company takes a centralised approach to risk management and sets up an overarching risk management framework with centralised design of risk management organisational structure, unified risk management objectives and policies, unified core risk measurement tools, and unified design and development of risk management information systems to guide and supervise the Group's risk management work. While maintaining their independent risk governance and setting up necessary firewalls, each subsidiary is responsible for managing various risks within its business segment in accordance with the basic goals and policies, systems and processes, methods and tools of the Group's risk management.

2.Risk appetite systems and objectives

Based on its rules on risk appetite system, the Company formulates the Group Risk Appetite System, which is reviewed and updated on an annual basis when necessary.

The Company adopts a "prudent" risk appetite, and cautiously manages various risks in its business operation. The Company and its insurance subsidiaries maintain a sufficient level of solvency, and pursue stable profitability and sustained value growth while ensuring appropriate liquidity, maintaining a sound risk management status and market image. It continuously upgrades the risk control system that is compatible with its status as a listed company on SSE, SEHK, and LSE, integrates ESG requirements into the ERM system, with an aim to build risk management capabilities compatible with the Company's vision of "a top-tier insurance and financial services conglomerate with market leadership and international competitiveness".

The Company's risk tolerance includes five core dimensions: maintaining adequate capital, pursuing stable profitability, achieving sustained value growth, ensuring appropriate liquidity, and maintaining a sound risk management status and a good market image. The Company sets overall risk limits and cascades them to its subsidiaries. Based on their respective business characteristics and needs, each subsidiary further breaks down the limits for various risks and applies them to daily business decisions, risk monitoring and early warning to achieve an optimal balance between risk management and business development.

3. Risk management tools

The Company uses a wide range of risk management tools, including risk management information system, comprehensive budgeting, asset-liability management, capital planning and stress testing, etc., to manage the risks within the business scope of the Group and its major member companies. The Group and all its member companies have clearly defined their respective risk management plans and processes, and regularly monitor and supervise their implementation to ensure effective application of the tools.

To be specific, first, the Company set up a risk management information system to monitor key risk indicators and facilitate the transmission of risk-related information and reports between business departments and branches. Second, it adopted comprehensive budgeting management, put in place relevant rules and policies, and formulated scientific business plans to help it achieve the medium- and long-term development objectives based on its overarching strategic plans, risk appetite, goals of sustainable value growth, and by means of budget preparation, implementation, analysis, adjustment and evaluation. The member companies effectively promote the implementation of comprehensive budgeting under the guidance of the Group. Third, in ALM, the Company formulated asset liability management rules, and continuously develops, implements, monitors and refines its asset liability management framework and strategies under its risk appetite and other constraints. Fourth, in terms of capital planning, the Company established a sound capital management system. In compliance with regulatory requirements, it assesses various risks and their capital requirements, putting in place a diversified capital replenishment mechanism to ensure that it is adequately capitalised to withstand risks and meet business development needs. The capital planning of each member company aligns with that of the Group. Fifth, in terms of stress testing, the Company adopted a coordinated stress testing model that is both unified and differentiated, whereby the Group Management Committee takes direct leadership, with clear division of responsibilities and close cooperation between relevant departments and member companies, ensuring highly-efficient implementation. The Group sets out unified objectives, methods and standards of stress testing, carries out stress testing for headquarters and the entire Group; while member companies are responsible for their respective stress testing work, as well as providing the required data and professional opinions as per Group stress testing requirements.

(III) Identification and assessment of Group-specific risks

1.Risk contagion

Risk contagion means that the risk of a member company may spread to other member companies of the same group through internal related party transactions or other means, thus causing unexpected losses to the group or other member companies. CPIC strictly controls related party transactions (RPTs), enhances risk quarantine mechanisms to minimise the risk of contagion.

During the reporting period, relevant measures and their implementation status are as follows:

In terms of related party transaction management, as per relevant regulatory requirements, the Company has in place, and continuously improves long-term mechanisms for RPT management, strengthens internal control and risk management to curb intra-Group risk contagion resulting from RPTs, pushes forward the building of RPT management systems, enhances the accuracy and data-processing capacity of the RPT management process, in a bid to improve full-process, system-driven management. The Company formulated Regulations on Related Party Transactions and its Implementation Rules, established the board Audit and Related Party Transactions Control Committee, set up the cross-departmental Office of Related Party Transactions at management level, with clear definition of relevant management roles and responsibilities. During the reporting period, as per regulatory requirements, the Company continued to optimise risk limit indicators on major RPTs, further standardised RPT data filing and enhanced the overall management of related party transactions.

As for risk quarantine, in strict conformity with regulatory requirements, the Company put in place a risk quarantine system, formulated relevant rules and policies, specified requirements for “risk firewalls” in areas such as corporate management, financial management, fund management, business operation, information management, personnel management, as well as brand & publicity, information disclosure, related party transactions and guarantee management; identified risk contagion routes, established and implemented prudent risk quarantine management mechanisms and measures. During the reporting period, the Company continued to update regulations and policies on risk quarantine management, completed revision of rules in information disclosure and information management; conducted a self-review of risk quarantine in finance and guarantee, with status of risk quarantine management reported to the board and senior management on a regular basis.

2. Risk of opaque organisational structures

It refers to the risk that an insurance group’s shareholding structure, management structure, operational process, business types, etc. are excessively complex and opaque, which may cause losses to the Group. In strict compliance with regulatory requirements, the Company revised and issued Regulations on Management of Opaque Organisational Structures and Policies on Equity Investment Management, reported to the board and senior management regularly on the management status of the risk.

In the first half of 2026, the Company continued to optimise its risk management measures for opaque organisational structures. At the institutional level, we advance the revision of Group management and control policies, further delineate the boundaries of authority and responsibility, dynamically broaden the scope of control matters, and ensure full alignment with both regulatory requirements and internal management needs. In terms of implementation mechanisms, the Company formulated and issued new rules for reviewing the organisational structures of its subsidiaries, and also optimised the review mechanism to strengthen pre-check and enhance the effectiveness of "look-through" management. At the system level, the Company upgraded the Group Financial Consolidation and Member Company Management System, enabling vertical management across member companies and their branches at all levels and effectively enhancing the level of targeted management and control.

The status of the risk in the first half of 2026 is as follows:

As a publicly listed insurance holding group, CPIC maintains clear, transparent shareholding and management structures. There is no breach of limits on levels of shareholding or management hierarchy, nor is there any circumstances such as cross-shareholding or illegal subscription of capital instruments between its insurance member companies and their connected parties or other member companies within the Group.

In terms of organisational function, the Group and each of its subsidiaries have established compatible organisational structures based on their respective strategic planning and business development needs, with a management matrix both vertically along corporate functions and horizontally across business units. There is a clear organisational boundary between the Group and its subsidiaries, which helps to avoid either overlapping of or gaps in functions, or over-centralisation of authority and powers, and contributes to a corporate governance structure that operates with efficiency and checks and balances.

3.Concentration risk

Concentration risk refers to the risk of unexpected losses for an insurance group as a result of aggregation of individual risks or risk portfolios of member companies at the group level.

In terms of organisational support, the board of directors of the Company bears the ultimate responsibility for risk management including that of the concentration risk; the management is responsible for execution of risk management work including in concentration risk; the Company put in place centralised concentration risk management mechanisms led by the Risk Management Department, with collaboration from other functional departments. Departments under the framework implement concentration risk management at the Group level and provide guidance to major member companies on implementation. Major member companies coordinate with the Group in concentration risk management, and develop their own concentration risk management mechanisms for day-to-day implementation.

As for risk management strategy and implementation, in accordance with relevant regulatory requirements, CPIC formulates policies on concentration risk management, regularly identifies, evaluates, monitors and reports on different types of concentration risk along dimensions of transaction counter-parties, underlying industries of investment assets, customers and business, so as to prevent or mitigate material adverse effects of concentration risk on the solvency or liquidity of the Group. The Company formulates and annually updates its risk appetite system, which includes upper limits on concentration risk, to be submitted to the board for approval. It regularly reports to the board and senior management on profile of concentration risk and its status of management. Based on realities of its business operation and its risk profiles, the Company closely monitors the status of concentration risk relating to investment counter-parties and the credit risk and financial situation of its major counter-parties.

In the first half of 2026, in accordance with regulatory guidance, the Group and its major member companies further revised the Risk Upper Limits for concentration risk, and advanced the development of the concentration risk measurement system, as part of their efforts to enhance overall concentration risk management and ensure the effective implementation of the Group's concentration risk management requirements at major member companies.

In terms of risk status, during the reporting period, the overall concentration risk status was in the comfort zone and there was no breach of limits on any dimension. The credit-ratings of the Company’s major investment counter-parties remained stable. There was no occurrence of concentration risk incidents which may pose a material threat to the solvency or liquidity of the Company.

4. Non-insurance risk

The Company implements national strategies and, in line with its 15th Five-Year Plan, pursues development of non-insurance businesses based on the principle of optimising Group-wide resource allocation, enhancing synergies and effectively supporting the development of the core insurance business. To facilitate the implementation of the “Five Financial Priorities” and its own key strategies in health & elderly care and AI, the Company’s deployment of resources in non-insurance areas focuses mainly on health care, elderly care and technology. In the first half of 2026, there were no changes to non-insurance member companies or their classification. The Company’s non-insurance industry portfolio remained largely aligned with its strategies.

In terms of investment by non-insurance member companies, CPIC has established an equity investment management system for non-insurance areas based on equity holdings and corporate governance system. It has set up an investment decision-making committee, which, within the scope of authority delegated to president by the board, is responsible for organising, coordinating and overseeing the implementation of major investments within the Group, as well as making decisions on investments by the Group headquarters and other related important matters. The non-insurance investments are in compliance with both regulatory requirements and internal policies of the Group, and are aligned with the risk appetite and risk limits of the Company in non-insurance areas.

The Company continued to strengthen risk management of its non-insurance businesses. In the first half of 2026, the Company optimised the metrics for the non-insurance segment, produced business analysis reports, and supported the evaluation of non-insurance entities. It conducted special reviews of non-insurance member companies to gain a thorough understanding of their business operations and risk profiles, and to strictly control the contagion of non-insurance risks. The Company strengthened data governance of its member company management system, effectively supporting risk monitoring and regulatory reporting.

(IV). Results of SARMRA assessment

In 2022, the regulator conducted an on-site SARMRA assessment of the Company, and the result was 81.77 points. It consisted of 12.28 points for solvency risk governance, 12.76 for risk management strategies and implementation, 9.88 for risk contagion management, 9.6 for risk management of opaque organisational structure, 10.06 for concentration risk management, 9.27 for non-insurance risk management, 8.35 for other risk management, and 9.57 for capital management.

VII. Integrated Risk Rating

(I) IRR results of the previous 2 quarters

Not applicable. The regulator is yet to carry out Integrated Risk Rating for insurance groups.

(II) Remedial actions taken or to be taken

Not applicable.

Summary of Quarterly Solvency Report

（Excerpts）

China Pacific Property Insurance Co., Ltd.

2nd 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
Office Tel. number：	021-33962680
Cell phone：	13917427405
Email：	wangyucheng-003@cpic.com.cn

CONTENTS

I. Board and management statement

The report has been approved by the board of directors. The board 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.

1. Voting results by directors

Name of directors	For	Against	Abstain
YU Bin	√		
WANG Lu	√		
SU Shaojun	√		
ZHANG Zhiming	√		
CHEN Hui	√		
CHEN Wei	√		
SHI Yuehua	√		
XU Zhen	√		
CHU Yijun	√		
Total	9		

2. Are there directors who cannot warrant that the contents of this report are true, accurate and complete and have fully complied with applicable laws and regulations, or who have raised issues in this regard? (Yes☐no■)

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		Change during the reporting period				As at the end of the reporting period	
	Shares	Percentage (%)	Shareholder injection	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	State-owned	——	92,846,189	0.46	None

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
Management Company Limited					
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. WANG Lu, born in March 1966, holds a master's degree. He has been serving as Independent Director of the Company since May 2026 (approval document: NFRA [2026] No. 248). Mr. Wang currently also serves as Managing Partner of Yalan (Shanghai) Investment Consulting Co., Ltd. Previously, Mr. Wang served as Managing Partner of General Atlantic (Beijing) Investment Consulting Co., Ltd., Vice President of Baidu Online Network Technology (Beijing) Co., Ltd., President and Chief Executive Officer of Walmart Global eCommerce Asia, Global Vice President and China President of CBS Interactive, and China President and Chief Executive Officer of Ziff Davis.

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. ZHANG Zhiming, born in February 1962, holds a doctoral degree. He has been serving as Independent Director of the Company since April 2026 (approval document: NFRA [2026] No. 169). Mr. Zhang is a professor at East China Normal University, and concurrently serves as Independent Director of Wolong Electric Drive Group Co., Ltd. Previously, Mr. Zhang served as editor and associate senior editor at the Editorial Office of Social Sciences in China, Chinese Academy of Social Sciences; associate research fellow and research fellow at the Institute of Law, Chinese Academy of Social Sciences; professor and vice president of National Prosecutors College; and second-level professor and Chair of the Academic Degree Committee at the School of Law, Renmin University of China.

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) of the Company 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 Representative 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 (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 (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.

Mr. CHU Yiyun, born in December 1964, holds a doctoral degree. He has been serving as Independent Director of the Company since April 2026 (approval document: NFRA [2026] No. 197). Mr. Chu currently serves as Distinguished Professor (National Level-II) at the School of Accountancy, Shanghai University of Finance and Economics, and concurrently as Independent Director of Bank of Hebei Co., Ltd., Independent Director of United Overseas Bank (China) Co., Ltd., and Independent Director of Bank of Communications Wealth Management Co., Ltd. Previously, Mr. Chu served as Lecturer and Associate Professor in Accounting at the Department of Accounting, Shanghai University of Finance and Economics.

(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[1], 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

1 In July 2026, as reviewed and approved by the 22nd meeting (ad hoc) of the Company’s 8th Board of Directors, Mr. SONG Jianguo no longer served as Deputy General Manager of the Company.

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[2], 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

2 In July 2026, as reviewed and approved by the 22nd meeting (ad hoc) of the Company’s 8th Board of Directors, Mr. SHI Jian no longer served as Chief Compliance Officer and Chief Risk Officer of the Company.

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 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; Director of CPIC Anxin Agricultural.

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 the 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[3], 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

3 In July 2026, as reviewed and approved by the 22nd meeting (ad hoc) of the Company’s 8th Board of Directors, Mr. LEI Dapeng was appointed as Chief Risk Officer and interim Chief Compliance Officer of the Company.

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 10 November 2025, the Company no longer has a Board of Supervisors, and the members of the 8th Board of Supervisors of the Company 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
Independent director	-	ZHANG Zhiming
Independent director	-	CHU Yiyun
Independent director	-	WANG Lu

(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 Q1 2026	As at the end of Q2 2026	Change	As at the end of Q1 2026	As at the end of Q2 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%	-

Name of companies	Number of shares (10,000)			Percentage of shareholding (%)		
	As at the end of Q1 2026	As at the end of Q2 2026	Change	As at the end of Q1 2026	As at the end of Q2 2026	Change (pt)
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 April 1 and June 30, 2026, branch offices of the Company received 16 administrative penalties from the insurance regulator, who imposed 4.936mn yuan in fines on branches and 1.388mn yuan in fines on individuals, totalling 6.324mn yuan. Misconduct mainly involved falsification of expenses, falsification of brokerage business for expense-booking, granting benefits to insurance applicants other than those specified in insurance contracts, conducting underwriting in regions where it does not have business licenses, and failure to apply insurance terms or premium rates as previously filed with or approved by the regulator, etc.

2.Did directors or senior management of the Company receive any administrative penalties from financial regulators during the reporting period?
(Yes□ No■)

3.Was there any misconduct or breaches by the Company, its directors 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 Q2 2026	As at the end of Q1 2026	Estimates for next quarter under base scenario
Admitted assets	30,374,933	29,648,741	29,967,732
Admitted liabilities	22,389,204	21,728,007	21,889,567
Actual capital	7,985,728	7,920,734	8,078,165
Tier 1 core capital	6,563,272	6,556,037	6,596,058
Tier 2 core capital	-	-	-
Tier 1 supplement capital	1,422,456	1,364,697	1,482,107
Tier 2 supplement capital	-	-	-
Minimum capital	3,326,753	3,335,214	3,389,021
Minimum capital for quantifiable risks	3,370,642	3,379,214	3,433,658
Minimum capital for control risk	-43,888	-44,000	-44,638
Supplement capital	-	-	-
Core solvency margin	3,236,519	3,220,822	3,207,037
Core solvency margin ratio (%)	197.3%	196.6%	194.6%
Comprehensive solvency margin	4,658,975	4,585,520	4,689,144
Comprehensive solvency margin ratio (%)	240.0%	237.5%	238.4%

(II) Liquidity risk indicators

1. Regulatory indicators for liquidity risk

Items			As at the end of/ during Q2 2026	As at the end of/ during Q1 2026
Net cash flows (RMB 10,000)	YTD		225,049	402,914
	FY 2025		299,596	299,596
	FY 2024		-242,847	-242,847
Liquidity Coverage Ratio (%)	LCR1	Next 3 months	118.3%	120.8%
		Next 12 months	111.8%	106.9%
	LCR2	Next 3 months	315.4%	342.4%
		Next 12 months	149.3%	145.6%

Items			As at the end of/ during Q2 2026	As at the end of/ during Q1 2026
	LCR3	Next 3 months	79.3%	94.9%
		Next 12 months	81.3%	81.6%
Retrospective adverse deviation ratio of net cash flows from business activities (%)	Over the previous 2 quarters		511.6%	1474.9%
	Over the previous quarter		588.7%	511.6%

2. Other indicators of liquidity risk

	Items	As at the end of Q2 2026/YTD	As at the end of Q1 2026/YTD
Liabilities	Net cash flow from operating activities (RMB 10,000)	1,162,643	519,838
	Net cash flow from operating activities per 100 yuan in premiums (RMB yuan)	10.2	8.3
	Ratio of cash outflow from business of special types(%)	1.4%	1.3%
	Written premium[4] growth year-on-year(%)	1.4%	-0.5%
Assets	Ratio of cash and liquidity management instruments(%)	3.1%	3.8%
	Quarterly average financing gear(%)	0.04%	0.9%
	Share of domestic fixed income assets with external rating of AA and below(%)	0.2%	0.2%
	Proportion of shares representing over 5% of the stake of listed companies(%)	0.0%	0.0%
	Ratio of fund receivables(%)	12.2%	12.2%
	Ratio of assets of related parties held(%)	2.5%	2.9%

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.

4 Since January 2026, the reporting scope of written premium filed to NFRA has shifted from VAT-included to VAT-excluded, the comparative figures of the previous years have been restated on the VAT-excluded basis.

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.

(III) Key business metrics

Unit: 10,000 RMB yuan

Indicators	As at the end of/ during Q2 2026	As at the end of Q2 2026/YDT
Gross written premiums	5,237,376	11,557,585
Net profit	398,452	607,233
Total assets	26,454,975	26,454,975
Net assets	7,205,771	7,205,771
Insurance contract liabilities	15,712,085	15,712,085
Basic earnings per share (RMB yuan)	0.2	0.3
ROE (%)	5.5	8.6
ROA (%)	1.5	2.4
Investment yield (%)	1.0	1.8
Comprehensive investment yield (%)	0.7	1.7
Combined ratio (%)	93.7	94.7
Expense ratio (%)	24.4	24.4
Loss ratio (%)	69.3	70.4
Proportion of commissions & brokerage expenses (%)	7.4	7.4
Proportion of operating & administrative expenses (%)	16.9	14.9
Written premiums	5,203,248	11,244,189
Written premiums of auto insurance	2,686,344	5,372,053
Written premiums of top 5 non-auto insurance business lines	2,137,858	5,141,962

Indicators	As at the end of/ during Q2 2026	As at the end of Q2 2026/YDT
Largest non-auto insurance business line	377,704	1,660,336
Second largest non-auto insurance business line	822,245	1,395,273
Third largest non-auto insurance business line	607,283	1,344,883
Fourth largest non-auto insurance business line	158,956	378,260
Fifth largest non-auto insurance business line	171,669	363,210
Average premium of auto insurance per vehicle (RMB yuan)	2,823	2,730
Written premiums by channels	5,203,248	11,244,189
Agency	2,855,028	5,899,017
Direct	1,412,636	3,451,973
Brokerage	935,583	1,893,199
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+(comprehensive) investment yield in the most recent year)*(1+(comprehensive) investment yield in the second most recent year)*(1+(comprehensive) 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; as at the year-end, 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 actions were as follows:

First, implementing flood-season disaster prevention and mitigation measures. In line with its strategy of sustainable, high-quality development, the Company formulated the work plan for flood-season disaster prevention and mitigation in 2026, and continuously enhanced its disaster response capabilities as part of its efforts to achieve the integration of “insurance, prevention, reduction, rescue and compensation”.

Second, optimising the risk management system. In light of its actual risk management realities, the Company comprehensively reviewed its risk management framework and made necessary amendments accordingly, including the Regulations on Enterprise Risk Management and risk management regulations for specific risk categories and their implementation rules; it also conducted an assessment of the 2025 Annual Risk Appetite Framework and updated it for 2026.

Third, strengthening the cybersecurity management mechanism. To strengthen its cybersecurity, the Company implemented relevant management actions to prevent cybersecurity risks; in particular, it formulated cybersecurity management policies to further consolidate the foundation for cybersecurity management.

Fourth, deepening industry collaboration and promoting exchanges in work safety liability insurance (WSLI). The Company shared its practical experience in flood-season disaster prevention, mitigation and relief at the 2026 annual meeting on disaster prevention and mitigation for the property and casualty insurance industry, which was hosted by the Insurance Association of China. During the event, it showcased its achievements in building professional capabilities for systematic disaster response. The Company also hosted the "Shanghai Forum on WSLI Risk Reduction Services & 'Work Safety Month' Themed Event", fulfilled its primary responsibility in work-place accident prevention under WSLI, deepened innovation in risk reduction services, and contributed to the operational safety of Shanghai as a mega-city.

(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 Q4 of 2025 and Q1 of 2026.

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

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

1．Operational risk

During the quarter, the Company closely followed the financial regulator's policy on "preventing risks while boosting development", faithfully implemented the work requirements of the Group, upheld the guidelines of "Four Mores and Eight Areas of Effectiveness", and strived to create value in support of sustainable and high-quality development, with operational risk and money laundering risk staying overall under control.

Key measures taken during the quarter included: organising specialised training sessions for personnel involved in operational risk at the head office and branch level, focusing on operational loss data entry, reporting of significant operational risk events, and practical system operation; participating in the Group's specialised operational risk training covering frontier research topics such as operational resilience building and AI-driven digital operational risk prevention; comprehensively reviewing policies and procedures of internal control to optimise the internal control system and continuously strengthen its foundation; advancing system control, starting with implementing the front-line-based deployment of system control solution for agricultural insurance; strengthening risk control and compliance at primary-level branches through field research and experience sharing, and increasing the compliance responsibility of lower-level branches; enhancing systematic capacity-building in legal risk prevention and management through realignment of in-house resources and engagement of third-party input, so as to build a legal risk prevention and control system compatible with the Company's ambition for high-quality development; reviewing the anti-money laundering (AML) internal control system in line with new laws and regulations and making necessary amendments to company rules, embedding mandatory regulatory requirements into key processes, and completing the revision of policies on customer due diligence, large-value and suspicious transactions, as well as special money laundering preventive measures, further consolidating the AML risk management system; organising the revision of the Measures for Cybersecurity Management, issuing implementation rules on multi-level protection scheme (MLPS) and disaster recovery, organising emergency drills in business continuity, cybersecurity and data security, and optimising the technology risk management system.

2. Strategic risk

During the quarter, there was no occurrence of risk incidents which may affect the execution of strategic plans of the Company.

Since the start of this year, China's economy has made steady progress on top of stable fundamentals, exhibiting strong resilience and vitality. The insurance sector 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 the new productive forces, while contributing to improvement of people's livelihoods. With the implementation of the "Expense Consistency" policy, the industry is accelerating its transition towards value- and profit-driven development, with equal emphasis on optimising business mix and improving quality and efficiency.

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, particularly the shift from a product-centered approach towards a customer-centered one. 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 material reputational risk incidents, and the risk overall remained stable and 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 revised policies and rules on reputational risk management, and prepared a series of public opinion hot-spot reports, with issuance of special alerts for potential flood-season risks to corporate functions and branch offices. It launched reputational risk screenings for Q2 and conducted forward-looking assessment of the risk in Q3, and deepened the “look-through” pre-emptive risk management approach. Going forward, when conducting business and PR activities, it will continue with end-to-end process management, build long-term mechanisms, accumulate the reputational capital 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 liquidity risk, the Company coordinates cash flows from operating, investment and financing activities, continuously monitors large cash outflows arising from major claims, reinsurance bills, taxes and purchases of fixed assets, makes necessary arrangement to ensure sufficient liquidity to meet needs of various payment obligations.

In Q2 2026, the Company planned in advance and made funds available to meet needs of large pay-outs like quarterly prepayment into the Mandatory Insurance Security Fund, quarterly prepayment of income tax, annual income tax settlement, reinsurance outgo and purchase & construction of fixed assets; ensured liquidity for major claims payment of non-auto insurance, and processed daily needs for liquidity or applications for payment by branch offices in a timely manner.

In Q3, in addition to the above-mentioned arrangements, the Company will coordinate cash flows and ensure sufficient liquidity for claims payment arising from natural disasters such as torrential rains and floods, and the payment of shareholder dividends. Going forward, it will continue to monitor changes to its liquidity status, accurately assess the balance of liquidity supply and demand, 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 Q2 2026, the comprehensive and core solvency margin ratios of the Company stood at 240.0% and 197.3% respectively, up by 2.6pt and 0.7pt respectively from the previous quarter. Of this, actual capital rose by 0.65bn yuan from the end of the previous quarter, mainly due to impact of net profit, other comprehensive income and profit distribution.

Minimum capital for insurance risk decreased by 0.68bn yuan from the end of the preceding quarter, mainly due to year-on-year decline of auto insurance combined ratio in the preceding 6 months, and sequential improvement compared to that of the preceding 6-month period, which, in turn, reduced the capital requirement for premium risk; the decrease in the balance of loans on financing credit & guarantee insurance also led to lower minimum capital requirement for insurance risk.

Minimum capital for market risk increased by 0.22bn yuan from the end of the previous quarter, mainly due to higher risk exposure to bond securities.

Minimum capital for credit risk rose by 0.70bn yuan from the end of the preceding quarter, largely due to increased risk exposure to outward reinsurance business and premium receivables, which led to higher 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. In the first half of the year, net cash inflows of the Company amounted to 2.25bn yuan. Of this, net cash inflow from operating activities was 11.63bn yuan; net cash outflow from investment activities was 8.15bn yuan, and net cash outflow from financing activities was 1.18bn 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.

2nd 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, Ningbao, 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

CONTENTS

I. Board and management statement

(I). Board and senior management statement

The report has been approved by the board of directors. The board 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). Information on review of the report by the board

1. Voting results by directors

Name of directors	For	Against	Abstain
MA Xin	√		
LVU Changjiang	√		
SU Shaojun	√		
CHEN Zhengguang	√		
ZOU Hong	√		
Li Jinsong	√		
ZHAO Yonggang	√		
YUAN Ye	√		
Total	8		

Note: Mark " √ " in corresponding blanks according to opinions of directors.

2. Are there any directors who cannot guarantee or harbor any doubt about the truthfulness, accuracy, completeness or compliance of the contents of this report? (yes □ no■)

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 June 2026, the 8th Board of Directors of the Company had 8[1] 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. LYU Changjiang, born in December 1965, holds a doctorate degree, and is a professor. He has been serving as Independent Director of the Company since May 2026 (approval document: NFRA [2026] No. 281). Mr. Lyu currently also serves as Deputy Dean of the School of Management at Fudan University, Independent Director of Hua An Fund Management Co., Ltd. and Hikvision Digital Technology Co., Ltd. His previous roles include:

[1] On 30th July 2026, the Company received Approval on Qualification of Mr. MAO Huigang as an Independent Director of China Pacific Life Insurance Co., Ltd. (approval document: NFRA [2026] No.410) by the National Financial Regulatory Administration (NFRA). The NFRA has approved Mr. MAO's qualification to serve as an independent director of the Company.

department head, Deputy Dean and Professor at the School of Business of Jilin University, Independent Director of Sinopharm Holding Co., Ltd., Independent Director of East Money Information Co., Ltd, Independent Director of China Tianying Inc., Independent Director of Zhejiang China Commodities City Group Co., Ltd, Independent Director of Montage Technology Co., Ltd., Independent Director of Servyou Software Group Co., Ltd., and Independent Director of Youngor Fashion Co., Ltd.

Mr. SU Shaojun, born in February 1968, holds a Ph.D. and designation of senior engineer. He has been serving as Director of the Company since December 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. CHEN Zhengguang, born in March 1977, holds a master's degree and the Financial Risk Manager (FRM) designation. He has been serving as Employee Director of the Company since April 2026 (approval document: NFRA [2026] No. 191). Mr. Chen currently also serves as General Manager of the Legal and Compliance Department. He previously served as Senior Project Manager of the Information Technology Department of CPIC Group, General Manager of the Risk Management Department and Director of the Office of the Board of Supervisors of CPIC Life, among others.

Mr. ZOU Hong, born in October 1969, holds a doctorate degree, and is a professor. He has been serving as Independent Director of the Company since May 2026 (approval document: NFRA [2026] No. 292). Mr. Zou currently also serves as Professor of Finance at the Faculty of Business and Economics, The University of Hong Kong. He previously worked as a staff member at the Statistics Bureau of Chengdu Municipal People's Government, Project Manager of the Investment Banking Department of Chengdu Securities Co., Ltd. (now Sinolink Securities Co., Ltd.), Assistant Professor of Finance at the Department of Accounting and Finance, Cardiff Business School, Cardiff University, Assistant Professor of Insurance at the Department of Finance and Insurance, Lingnan

University, Hong Kong, Associate Professor of Finance at the Department of Economics and Finance, City University of Hong Kong, Associate Professor of Finance at the Faculty of Business and Economics, The University of Hong Kong, Independent Director of Bank of Chongqing Co., Ltd., and Independent Director of Ping An OneConnect Credit Reference Services (Hong Kong) Co., Ltd.

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 the President's Office of CPIC Group. 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 Supervisory Board of Shanghai Health and Elderly Care Development Group, and Supervisor of CPIC Technology.

(2) Senior management at head-office level

As of the end of June 2026, the Company had 11 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), and serving as Director of Pacific Medical & Health Management Co., Ltd since July 2021. Mr. Wei also serves as Director and General Manager of Pacific Insurance Elderly Care Investment Co. Ltd. He previously served as Principal 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.

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, Deputy Chief Auditor of CPIC Group and Internal Audit Responsible Person of CPIC P/C.

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 Hospital Affiliated 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 performs the duties of the 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: Effective November 2025, the Company dissolved its Board of Supervisors, and all members of the 8th Board of Supervisors automatically ceased to hold office.

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

(1) Changes to directors

On 8th April 2026, the NFRA issued the approval document regarding the qualification of Mr. CHEN Zhengguang as a Director of China Pacific Life Insurance Co., Ltd. (approval document: NFRA [2026] No. 191), which granted the approval for Mr. CHEN Zhengguang to serve as a Director of the Company.

On 22nd May 2026, the NFRA issued the approval document regarding the qualification of Mr. LYU Changjiang as an Independent Director of China Pacific Life Insurance Co., Ltd. (approval document: NFRA [2026] No. 281), which granted the approval for Mr. LYU Changjiang to serve as an Independent Director of the Company.

On 29 May 2026, the NFRA issued the approval document regarding the qualification of Mr. ZOU Hong as an Independent Director of China Pacific Life Insurance Co., Ltd. (approval document: NFRA [2026] No. 292), which granted the approval for Mr. ZOU Hong to serve as an Independent Director of the Company.

(2) Changes to senior executives

As approved at the 25th (extraordinary) meeting of the 8th Board of Directors, effective from 16 April 2026, Mr. TAI Fuchun ceased to serve as Assistant General Manager of the Company.

(III) Subsidiaries, joint ventures or associates

Company name	Number of shares (10,000 shares)			Shareholding percentage (%)		
	As at the beginning of Q2 2026	As at the end of Q2 2026	Change	As at the beginning of Q2 2026	As at the end of Q2 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.	109,000	110,000	1,000	100.00	100.00	-
CPIC Elderly Care (Xiamen) Co. Ltd.	90,000	90,000	-	100.00	100.00	-

Company name	Number of shares (10,000 shares)			Shareholding percentage (%)		
	As at the beginning of Q2 2026	As at the end of Q2 2026	Change	As at the beginning of Q2 2026	As at the end of Q2 2026	Change
CPIC Elderly Care (Nanjing) Co. Ltd.	68,856	70,200	1,344	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.	54,800	54,800	-	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	-
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 30 June 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. In the first half of 2026, China Pacific Life Insurance (Hong Kong) Company Limited (referred to as "the company" hereinafter) reported HKD4.220bn in written premiums, with a net profit of HKD140mn. Its solvency margin ratio under HKRBC was 474%, meeting regulatory requirements. In June 2026, the company released its 2025 Annual Solvency Audit Report, which indicated a solvency margin ratio of 838%, in line with 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: Chongqing Branch, Shaanxi Ankang Key Sub-branch, Hunan Changde Key Sub-branch, Xinjiang Changji Key Sub-branch, and Xinjiang Karamay Key Sub-branch each received an Administrative Penalty Decision. In addition, Guangxi Guilin Key Sub-branch, Guangdong Branch, Chongqing Qijiang Sub-branch, Beijing Branch, Heilongjiang Mudanjiang Key Sub-branch, and Henan Xuchang Key Sub-branch each received a Regulatory Opinion Letter.

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	292,657,463	287,959,208	299,556,702
Admitted liabilities	251,547,735	246,402,384	259,360,257
Actual capital	41,109,728	41,556,824	40,196,444
Tier 1 core capital	24,264,516	24,461,604	23,617,441
Tier 2 core capital	3,810,515	3,913,952	3,721,676
Tier 1 supplement capital	12,964,834	13,128,354	12,773,531
Tier 2 supplement capital	69,863	52,914	83,796
Minimum capital	19,623,961	19,440,295	20,001,325
Minimum capital for quantifiable risks	19,895,927	19,709,716	20,278,521
Minimum capital for control risk	-271,966	-269,421	-277,196
Supplement capital	-	-	-
Core solvency margin	8,451,070	8,935,261	7,337,792
Core solvency margin ratio (%)	143%	146%	137%
Comprehensive solvency margin	21,485,767	22,116,529	20,195,119

Comprehensive solvency margin ratio (%)	209%	214%	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	135%	129%
Next 12 months	110%	108%
LCR under stress scenario (LCR2)		
Next 3 months	1730%	1778%
Next 12 months	476%	484%
LCR under stress scenario before asset disposal (LCR3)		
Next 3 months	117%	121%
Next 12 months	71%	73%
Retrospective adverse deviation ratio of net cash flows from operating activities (%)	2%	-12%
Net cash flow YTD (10,000 RMB yuan)	1,805,525	921,028

(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	9,746,250	5,270,641
2. Comprehensive surrender ratio (%)	0.66%	0.38%
3-1. Net cash flow from participating accounts	2,255,652	1,035,441
3-2. Net cash flow from universal accounts	1,703,103	1,179,321
4.Written premiums growth year on year	-2.56%	-3.39%
5.Ratio of cash and liquidity instruments (%)	2.22%	1.91%
6.Quarterly average financial leverage ratio (%)	5.50%	6.48%
7.Share of domestic fixed income assets rated AA (inclusive) and below (%)	2.57%	2.52%
8.Share of investments in listed stocks with a stake of 5% or above (%)	0.28%	0.35%
9.Share of receivables (%)	0.73%	0.68%
10.Share of related party assets held by the Company (%)	1.21%	1.56%

(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	6,381,446	16,128,842
Net profit	1,636,802	2,390,762
Total assets	285,799,389	285,799,389
Net assets	18,313,342	18,313,342
Insurance contract liabilities	245,621,710	245,621,710
Basic earnings per share (yuan)	1.90	2.77
ROE (%)	8.90%	13.52%
ROA (%)	0.58%	0.85%
Investment yield (%)	1.09%	1.97%
Comprehensive investment yield (%)	1.66%	2.27%
Value indicators	--	--
Residual margin	37,877,016	37,877,016
New business margin (%)	9.48%	9.32%
New business value	421,425	1,046,954
Scale indicators	--	--
Written premiums	7,221,345	18,661,712
First-year regular premiums written on new policies	1,068,468	2,840,662
First-year regular premiums written on new policies with a coverage period of 10 years or above	984,377	2,690,179
Written premiums on renewed policies	5,043,607	12,662,658
Written premiums by channels	7,221,345	18,661,712
1. Bancassurance channel	1,582,600	3,520,407
2. Agency channel	5,305,765	13,855,506
3. Group channel	301,489	1,230,456
4. Internet	24,195	44,527
5. Others	7,296	10,816
Number of agents as of the end of the reporting period	19	19
Quality indicators		

13-month persistency ratio (%)	95.96%	95.96%
Surrender ratio (%)	0.29%	0.66%
Average premium per policy of the agency channel (yuan)	13,450	16,496
Average premium per agent (yuan)	22,632	62,033
Agent attrition rate (%)	11.81%	16.59%

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	1,314,029
Jin You Ren Sheng whole life (par) A (2014)	Whole life	646,749
Chang Xiang Ban (shengshiban) whole life	Whole life	603,335
Xin Fu Xiang Ban (Hengxiang 25A) whole life (par)	Whole life	570,902
Shengshi Hongyun whole life (par)	Whole life	443,858

(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 Q2 2026 includes: issuing the updated Annual Risk Appetite Framework, Risk Tolerances and Key Risk Indicators, with dynamic calculation of key metrics; continuously improving forward-looking control of risk limits.

In Q3 2026, we will review the operational status of our risk management mechanisms in the first half of the year and, based on the results of risk monitoring, prepare the semi-annual risk management report. At the same time, we will conduct the annual SARMRA self-assessment to evaluate the soundness of rules and the effectiveness of adherence with regard to the Company’s risk management system, and will continuously improve the system based on findings of internal audits, external inspections and self-assessments.

(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 Q4 of 2025 and Q1 of 2026.

(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, strengthening 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 enhanced 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 Q2 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 specialised training on reputational risk management for corporate executives at headquarters level and from branch offices; conducted PR programmes to foster a more favourable media environment. In Q2 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, while China's economy has maintained overall stability, the foundations for sustained economic development are yet to be consolidated; 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. The agency channel stepped up customer segmentation, enhanced systematic capacity-building, strengthened 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, stepped up breakthroughs in its cooperation with SOE banks, with further consolidation of its development foundations; 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, stepped up the promotion of variable products, and deepened presence in health & elderly care sectors; it 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 84.51070bn yuan, with a core solvency margin ratio of 143%, down by about 3pt from the previous quarter; comprehensive solvency margin of the Company was 214.85767bn yuan, with a comprehensive solvency margin ratio of 209%, down by about 5pt from the previous quarter. Reasons for change are as follows:

1. As of the end of the quarter, actual capital amounted to 411.09728bn yuan,

versus 415.56824bn as of the end of the previous quarter, down by 1.1%, mainly due to:

(1) Core capital decreased by 3.00525bn yuan in the quarter as a result of capital market movement, profit distribution and changes to insurance contract liabilities under solvency reporting.

(2) Supplement capital decreased by 1.46571bn yuan.

2. As of the end of this quarter, minimum capital amounted to 196.23961bn yuan, versus 194.40295bn as of the end of the previous quarter, up by 0.9%, mainly due to:

(1) During the quarter, minimum capital for life insurance risk rose by 999.21mn yuan, and that for non-life insurance risk decreased by 31.83mn yuan;

(2) During the quarter, minimum capital for market risk increased by 1.92596bn yuan, and of this, that for interest rate risk rose by 2.53304bn yuan, that for equity price risk increased by 5.69511bn yuan, and that for overseas equity price risk fell by 5.38646bn yuan;

(3) During the quarter, minimum capital for credit risk decreased by 295.44mn yuan, and of this, that for credit spread risk rose by 545.93mn yuan, and that for default risk of counter-parties fell by 925.87mn yuan;

(4) Risk diversification effect and loss absorption increased by 735.79mn yuan, which lowered minimum capital requirement accordingly;

(5) Subtraction from minimum capital by control risk rose by 25.45mn yuan from the preceding quarter.

(II) Changes to regulatory liquidity risk indicators

LCR for the next 3 months was 135%, and that for the next 12 months 110%, which satisfied the minimum requirement of 100%. LCR in the next 12 months under the stress scenario after and before disposal of assets was 476% and 71% respectively, staying solid.

(III) Analysis of changes to IRR

As per notice of the regulator, the Company was rated AA at the IRR for Q1 2026, 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.

2nd 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

Contents

I. BOARD AND MANAGEMENT STATEMENT

The report has been approved by the board of directors. The board 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 jointly and severally accept responsibility for the contents of this report while each of them is directly responsible for contents within their respective scope of responsibilities.

1. Voting results by directors

Name of directors	For	Against	Abstain
MA Xin	√		
SHANG Jiaoyan	√		
MA Boyong	√		
JIANG Yifeng	√		
HE Yadong	√		
Total	5		

Note: Mark " √ " in corresponding blanks according to opinions of directors.

2. Are there directors who can not warrant that the contents of this report are true, accurate and complete and have fully complied with applicable laws and regulations, or who have raised issues in this regard? （yes☐no■）

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, holds 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. 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, and head of the Preparatory Team and General Manager of IT Design Department of Chengdu R & D Centre.

Mr. JIANG Yifeng, born in January 1978, holds a doctoral degree, and has been serving as Director of the Company since May 2026 (approval document: NFRA [2026] No.240). Mr. JIANG currently serves as Deputy Director of Health and Elderly Care of CPIC Group. Mr. JIANG previously served as Assistant General Manager and Deputy General Manager of Human Resources Department of CPIC Life; General Manager of CPIC Life

Ningxia Branch and Shaanxi Branch, respectively; head of the Strategic Transformation Office of CPIC Group; General Manager of CPIC Life Zhejiang Branch, Director of the Party Organization Department, Director of the Party Office, General Manager of Human Resources Department, and General Manager of Southern Training Center of CPIC Life, and Assistant General Manager, Board Secretary and Deputy General Manager of CPIC Life.

Mr. HE Yadong, born in January 1978, holds a master's degree, and has been serving as Director of the Company since May 2026 (approval document: NFRA [2026] No.260). Mr. HE currently serves as General Manager of Legal & Compliance Department (Accountability Office, Consumer Rights Protection Department) of CPIC Group, and Director of CPIC Technology Co., Ltd. Mr. HE previously worked at Zhabei District Court, Shanghai Political and Legal Affairs Commission, and the Shanghai Municipal Committee of the Chinese People's Political Consultative Conference (CPPCC); he also served as Vice President of Shanghai Industrial Dongtan Investment Development (Group) Co., Ltd., Assistant Director of Shanghai Office and Chief Representative of Shanghai Representative Office of Taiping Insurance Group (Hong Kong), Deputy General Manager of Taiping Pension Shanghai Branch, Deputy General Manager of Taiping Property Insurance Shanghai Branch, and Deputy General Manager (in charge) of Legal & Compliance Department (Accountability Office, Consumer Rights Protection Department) of CPIC Group.

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 currently serves as head of the Company’s Health Research Institute. He 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 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 May of 2026, Mr. JIANG Yifeng began to serve as Director of the Company, and Ms. ZHOU Yanfang ceased to serve as Director of the Company.
2. Effective from 21 May of 2026, Mr. HE Yadong began to serve as Director of the Company, and Mr. ZHANG Weidong ceased to serve as Director of the Company.
3. 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.

(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	1,531,147.30	1,404,607.33	1,594,534.41
Admitted liabilities	1,050,556.59	936,911.19	1,108,298.32
Actual capital	480,590.71	467,696.14	486,236.09
Tier-1 core capital	342,350.39	340,035.81	342,235.96
Tier-2 core capital	27,657.20	25,863.58	29,559.62
Tier-1 supplement capital	108,677.81	99,541.79	112,404.14
Tier-2 supplement capital	1,905.31	2,254.96	2,036.37
Minimum capital	235,327.64	217,946.41	248,161.51
Minimum capital for quantifiable risks	233,546.62	216,296.94	246,283.36
Minimum capital for control risk	1,781.02	1,649.47	1,878.15
Minimum capital for supplement capital	-	-	-
Solvency margin			
Core solvency margin	134,679.95	147,952.98	123,634.07
Comprehensive solvency margin	245,263.07	249,749.74	238,074.58
Core solvency margin ratio (%)	157	168	150
Comprehensive solvency margin ratio (%)	204	215	196

(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 net cash flow YTD (unit:10,000 RMB yuan)	14,695.25	-22,448.42
Retrospective adverse deviation ratio of net cash flows from operating activities (%)	-75	17
Overall liquidity coverage ratio under base scenario (next 3 months)(%)	135	117
Overall liquidity coverage ratio under base scenario (next 12 months)(%)	110	105
Overall liquidity coverage ratio under stress scenario - mandatory (next 3 months)(%)	519	482
Overall liquidity coverage ratio under stress scenario - mandatory (next 12 months)(%)	193	174
Overall liquidity coverage ratio under stress scenario - self-assessment (next 3 months)(%)	527	474
Overall liquidity coverage ratio under stress scenario - self-assessment (next 12 months)(%)	239	215
Liquidity coverage ratio before asset disposal under stress scenario - mandatory (next 3 months)(%)	166	121
Liquidity coverage ratio before asset disposal under stress scenario - mandatory (next 12 months)(%)	98	77
Liquidity coverage ratio before asset disposal under stress scenario - self-assessment (next 3 months)(%)	204	168
Liquidity coverage ratio before asset disposal under stress scenario - self-assessment (next 12 months)(%)	160	139

(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 RMB yuan)	26,607.50	18,049.44
Comprehensive surrender ratio (%)	0.53	0.36
Net cash flows from participating/universal accounts	-	-
Written premiums year-on-year growth (%)	23.58	31.02
Share of cash and liquidity management tools (%)	4.68	2.50
Quarterly average financial leverage ratio (%)	0.22	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 (%)	19.69	17.99
Share of related party assets held (%)	4.27	4.82

(IV) Key business metrics

unit: 10,000 RMB yuan

Indicators	As at the end of/during the reporting quarter	As at the end of the reporting quarter/YTD
Gross written premiums	238,659.59	507,861.09
Net profit	18,153.08	24,133.34
Total assets	1,241,429.64	1,241,429.64
Net assets	384,616.03	384,616.03
Insurance contract liabilities	672,068.84	672,068.84
Basic earnings per share (RMB yuan)	0.05	0.07
ROE (%)	4.78	6.45
ROA (%)	1.51	2.02
Investment yield (%)	2.13	3.33
Comprehensive investment yield (%)	1.93	3.54
Residual margin	198,640.55	198,640.55
New business margin (%)	0.81	0.73
New business value	12,017.28	21,237.00
First-year regular premiums written on new policies	26,611.26	51,539.21
First-year regular premiums written on new policies with a coverage period of 10 years or above	25,098.65	48,865.74
Written premiums on renewed policies	44,002.13	81,627.58
Written premiums	133,856.16	268,685.68
1. Bancassurance channel	178.30	266.24
2. Agency channel	-	-
3. Group channel	51,530.12	115,315.95
4. Internet	68,899.94	131,541.18
5. Others	13,247.80	21,562.31
Number of agents as of the end of the reporting period	3	3
13-month persistency ratio (%)	81	81
Surrender ratio (%)	0.31	0.53
Average premium per policy of the agency channel	-	-
Average premiums per agent	-	-
Agent attrition rate (%)	0	0

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. New Business Margin = Day One Gain of new business during the current period ÷ Total sum of premiums under the new business × 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. Information on the top five products and their written premiums during the first half of the year: 1) Individual Long-term Medical Insurance (Rate-adjustable, Internet) (Health Insurance): RMB357.6706mn; 2) Group Medical Insurance Rider (Type A) (Health Insurance): RMB342.0748mn; 3) Internet Fuxing Term Critical Illness Insurance (Health Insurance): RMB308.3621mn; 4) Group Medical Insurance Rider (Type B) (Health Insurance): RMB180.4795mn; 5) Group Supplemental Medical Insurance (Health Insurance): RMB154.9612mn. 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.

5. First-year regular written premiums for new policies, and first-year regular written premiums for new policies with a policy term of 10 years or above, include health insurance with a policy term of no more than one year that contains a guaranteed renewal clause.

6. New business value only includes long-term insurance business.

(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 Q2 2026, its total assets under new accounting standards reached 12,414.2964 million yuan, with written premiums amounting to 2,686.8568 million yuan during the first two quarters of the year. 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

The Company revised and finalised the 2026 annual risk appetite and risk tolerance. Based on its business realities, it adopted a risk-oriented approach and established its 2026 Annual Risk Appetite Framework (RAF) and Risk Upper Limits, with an aim to prevent major, systemic risks. The RAF covers all sorts of risks facing the Company across the entire business processes of insurance business, investment business and operational management, focusing on effective constraints on key business lines or areas.

The Company utilised regulatory evaluations or ratings to identify gaps and step up rectification. It conducted forward-looking assessment and retrospective analysis based on the IRR and other regulatory indicators, cascaded risk management responsibilities down to responsible departments, so as to continuously enhance its overall risk management capabilities.

In Q2 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 Q4 of 2025 and Q1 of 2026, 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 Q2 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 Q2 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 Q2 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. Under the guidance of 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 Q2 of 2026, there was no occurrence of strategic risk incidents.

VI. Management analysis and discussions

(I) Solvency Analysis

1. Actual capital

As at 30 June 2026, actual capital of the Company amounted to 4,805.9071 million yuan, an increase of 2.8% 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 2,353.2764 million yuan, up by 8.0% from the end of the previous quarter, mainly due to: growth in long-term business volume, which led to higher minimum capital requirement for life insurance risk; change to age structure of reinsurance fund receivables, increase in the scale of bank deposits and fluctuation of capital adequacy ratios of certain counter-party banks in Q2, which resulted in higher minimum capital requirement for credit risk. Of this, minimum capital for life insurance risk was 1,941.3893 million yuan, that for non-life business was 924.6371 million yuan, that for market risk 480.9758 million yuan, that for credit risk 351.3307 million yuan, diversification effect for quantifiable risk was 1,103.3704 million yuan, and that for control risk was 17.8102 million yuan.

3. Solvency margin ratios

As of 30 June 2026, the Company's core solvency margin was 1,346.7995 million yuan, with a core solvency margin ratio of 157%; comprehensive solvency margin was 2,452.6307 million yuan, with a comprehensive solvency margin ratio of 204%.

(II) Liquidity risk

In the first two quarters of the year, net cash flow of the Company was 147 million yuan, mainly due to cash inflows from operating activities; in the reporting quarter, the retrospective adverse deviation ratio of net cash flows from operating activities was -75%, largely because of the allocation of 200mn yuan in statutory deposit, which was not planned for and therefore not considered in the cash flow projection of Q1; excluding this factor, the ratio would be -17%; 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, strategic risk, reputational 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.

2nd 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
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

CONTENTS

I. Board and management statement

(I)Statement by board and management

The report has been approved by the board of directors of the Company. The board 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) Voting results by directors

Name of directors	For	Against	Abstain
SONG Jianguo	√		
ZHENG Kai	√		
LIU Xiuhua	√		
XING Zhibin	√		
TIAN Guiming	√		
CHEN Xiaoman	√		
ZHANG Qiao	√		
ZHOU Hua	√		
Total	8		

Note: Mark " √ " in corresponding blanks according to opinions of directors.

There are no directors who cannot guarantee or raise any issues with the truthfulness, accuracy, completeness or compliance of 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 factor 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:10,000shares)**	**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

Names of shareholders	Types of shareholders	Shares held at the end of the reporting period (unit:10,000shares)	Shareholding percentage at the end of the reporting period	Shares pledged or in lock-up
Shanghai Minhang Asset Investment (Group) Co., Ltd.	State-owned	5,365.19	4.97%	5,365.19 (unit:10,000shares) 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 June 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 deputy head 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 School of Insurance, CUFE, Dean of China Institute of Actuarial Science, and a Director of China Association of Actuaries. He previously served as teaching assistant, lecturer, associate professor, Vice Director of the Department of Actuarial Science, and Deputy Dean of the School of Insurance at CUFE, among others. Mr. ZHOU is an Independent Director of PICC Pension Co., Ltd.

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. CHEN Xiaoman, born in August 1954, holds a doctoral degree. He has been serving as Independent Director of the Company since June 2026 (approval document: NFRA [2026] No. 319). Mr. CHEN currently serves as Dean of the Institute for Advanced Studies and Chairman of the Advisory Committee of the School of Data Science of Fudan University, Chairman of Shanghai 860 Technology Co., Ltd., President of Anqing Shanghai Economic and Cultural Promotion Association, and Independent Director of Shanghai Mengchuang Shuangyang Data Technology Co., Ltd. He previously served as a Lecturer, Associate Professor and Professor of the Department of Mathematics of Fudan University, Assistant President, Vice President and Executive Vice President of Fudan University, and Deputy to the 14th Shanghai Municipal People's Congress.

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 Xiuhua, born in August 1974, holds a bachelor's degree. He has been serving as Non-executive Director of the Company since April 2026 (approval document: NFRA [2026] No. 230), and Vice Chairman of the Company since June 2026. Mr. LIU also serves as a member of the Hunan Provincial Committee of the Chinese People's Political Consultative Conference (CPPCC) and Vice President of the Hunan Insurance Association. Mr. LIU previously served as head of the Admin. Office of Hengyang Central Sub-branch, China Pacific Insurance Co., Ltd; Deputy General Manager of Hengyang Central Sub-branch, Tianan Insurance Co., Ltd; Deputy General Manager and General Manager of Hengyang Central Sub-branch, Deputy General Manager of Hunan Branch, General Manager of Telemarketing Shandong Sub-center, and General Manager and Compliance Director of Hunan Branch, CPIC P/C.

1.2 Senior management at head-office level

As of the end of June 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 (as Chief Compliance Officer of the Company since July 2025)and Chief Risk Officer since June 2022 (approval document: CBIRC [2022] No. 403). 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 currently also serves as Spokesperson of the Company. He 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.

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.

Mr. LIN Yang, born in June 1976, holds a master's degree and the professional designation of Intermediate Auditor. He has been serving as Internal Audit Responsible Person of the Company since May 2026 (approval document: NFRA [2026] No. 277). Mr. LIN currently also serves as Deputy General Manager of the Internal Audit Department for Northeast China of CPIC Group, and General Manager of the Internal Audit Department of the Company. Mr. LIN previously served as an Auditor of the Internal Audit Department of CPIC Life; Auditor, Supervising Auditor, Senior Auditor and Deputy General Manager of the Internal Audit Business Department of CPIC Group, and Internal Audit Controller of CPIC Life (HK).

Note: Effective from March 2026, the Company no longer has a Board of Supervisors, and all members of the 4th Board of Supervisors of the Company automatically ceased to hold office.

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

Positions	Predecessors	Incumbents
Independent Director	SHEN Chun	CHEN Xiaoman
Shareholder Director	LIU Zengbo	LIU Xiuhua
Shareholder Director	MAO Xiaojun	TIAN Guiming

Internal Audit Responsible Person	WU Kaibing	LIN Yang

Notes: Mr. MAO Xiaojun served as a Shareholder Director of the Company until 30 June 2026. Mr. TIAN Guiming obtained the qualification to serve as a Director of the Company on 29 June 2026 and commenced his term of office on 1 July 2026.

Mr. TIAN Guiming, born in January 1970, holds a master's degree and is a Certified Public Accountant, Certified Tax Agent, Accountant. He has been serving as Non-executive Director of the Company since July 2026 (approval document: NFRA[2026] No. 354). Mr. TIAN also serves as deputy head of the Finance Management Department of Shanghai Minhang Asset Investment and Operation (Group) Co., Ltd. He previously served as Finance Manager of Shanghai Yangyang Sporting Goods Co., Ltd., Finance Manager of Yangyang Sporting Goods (Suzhou) Co., Ltd., and Finance Manager of Shanghai Mingshi Food Group Co., Ltd.

3． Information on remuneration of directors, supervisors and senior management at head-office level

None.

(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 Q2 2026, branch offices of the Company received 1 administrative penalty from the insurance regulator mainly due to failure to apply insurance terms & clauses and premium rates as approved by or filed with the regulator, with a fine of 120,000 yuan on branches and 20,000 on individuals, and the total being 140,000 yuan.

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 Q2 2026	As of the end of Q1 2026	Next quarter estimates
1	Admitted assets	695,365	666,091	679,806
2	Admitted liabilities	385,322	334,397	371,782
3	Actual capital	310,043	331,695	308,025
3.1	Tier-1 core capital	279,653	303,909	277,635
3.2	Tier-2 core capital	-	-	-
3.3	Tier-1 supplement capital	30,390	27,786	30,390
3.4	Tier-2 supplement capital	-	-	-
4	Minimum capital	94,756	94,128	96,556
4.1	Minimum capital for quantifiable risks	92,657	92,043	94,417
4.1.1	Minimum capital for life insurance risk	-	-	-
4.1.2	Minimum capital for non-life insurance risk	81,234	81,939	83,126
4.1.3	Minimum capital for market risk	39,895	41,027	39,831
4.1.4	Minimum capital for credit risk	24,871	20,627	25,627
4.1.5	Diversification effect for quantifiable risks	43,048	41,324	43,676
4.1.6	Loss absorption for special-type insurance contracts	-	-	-
4.2	Minimum capital for control risk	2,099	2,085	2,139
4.3	Supplement capital	-	-	-
5	Core solvency margin	184,896	209,781	181,079
6	Core solvency margin ratio	295.13%	322.87%	287.54%
7	Comprehensive solvency margin	215,286	237,567	211,469
8	Comprehensive solvency margin ratio	327.20%	352.39%	319.01%

(II) Regulatory indicators for liquidity risk

Items			As at the end of/ during Q2 2026	As at the end of/ during Q1 2026
Liquidity Coverage Ratio (%)	LCR1	Next 3 months	110.6%	112.8%
		Next 12 months	125.2%	120.3%
	LCR2	Next 3 months	184.2%	219.4%
		Next 12 months	139.5%	152.4%
	LCR3	Next 3 months	91.4%	96.0%
		Next 12 months	100.6%	108.9%
Retrospective adverse deviation ratio of net cash flows from business activities			358.2%	61.6%
Net cash flows (RMB 10,000)	YTD		2,987	-558
	FY 2025		2,196	2,196
	FY 2024		405	405

(III) Other indicators for liquidity risk

Item	As of the end of/ during Q2 2026	As of the end of/ during Q1 2026
1. Net cash flows from operating activities(10,000 yuan)	6,347	-8,318
2. Net cash flows from operating activities per 100 yuan in premiums (yuan)	5.0	-17.9
3. Share of cash outflow for special types of business	0.0%	0.3%
4. Written premiums growth year-on-year	2.7%	2.0%
5. Share of cash and liquidity management instruments	3.6%	2.4%
6. Quarterly average financial leverage ratio	3.8%	3.9%
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	13.8%	15.9%
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 Q2 2026	As at the end of Q2 2026/YTD
Gross written premiums	90,314	146,193
Net profit	5,043	10,639
Total assets	601,226	601,226
Net assets	299,536	299,536
Insurance contract liabilities	189,340	189,340
Basic earnings per share (yuan)	0.05	0.10
ROE	1.6%	3.5%
ROA	0.9%	1.8%
Investment yield	1.7%	4.0%
Comprehensive investment yield	-0.2%	2.1%
Profitability indicators		
1. Combined ratio	--	99.0%
2. Expense ratio	--	17.6%
3. Loss ratio	--	81.5%

4. Proportion of commission and brokerage expenses	--	1.2%
5. Proportion of operating and administrative expenses	--	11.0%
Scale indicators		
1. Written premiums	80,726	127,260
2. Written premiums of auto insurance	-	-
3. Written premiums of top 5 non-auto insurance business lines	79,590	123,111
Largest non-auto business line	62,683	91,470
Second largest non-auto business line	9,492	16,218
Third largest non-auto business line	5,522	9,616
Fourth largest non-auto business line	1,445	3,325
Fifth largest non-auto business line	448	2,482
4. Average vehicle premium of auto insurance	-	-
5. Written premiums by channels	80,726	127,260
Agency	2,026	4,553
Direct	76,406	117,478
Brokerage	2,294	5,229
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+(comprehensive) investment yield in the most recent year)*(1+(comprehensive) investment yield in the second most recent year)*(1+(comprehensive) 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 insurance risk, we retrospectively reviewed the results of the Company's reserve assessment for the previous 2 fiscal years, which showed favourable developments; implemented the regulatory requirement for “consistency between filed and actual expenses”, and formulated the 2026 plan for revision of relevant products; carried out risk surveys of insured objects on a regular basis, formulated priorities for risk reduction and response before and after disasters during the flood season, and further improved the risk reduction management system; completed the renewal of agricultural reinsurance treaties and ensured an appropriate treaty mix.

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 premium receivables; 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 Adoption of Special Preventive Measures against Money Laundering, completed the integration of the beneficial owner information inquiry system as per PBoC requirements, and faithfully fulfilled our AML obligations; improved the IT risk management system, established technology risk indicators with monitoring on a regular basis, thereby building a systematic and standardised closed-loop management mechanism; formulated the implementation guidelines for annual performance evaluation of consumer rights protection and enhanced incentives for high performance; continued with the Compliance Lectures series to provide training on key internal policies of the Company.

With regard to the strategic risk, we completed the annual report on the implementation of the Company's development plan for 2025, as well as the quarterly report for Q1 2026; completed the drafting of 2026 business development plan and the report on 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 long overdue accounts.

(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 AAA at the IRR (differentiated supervision) by NFRA (formerly CBIRC) for both Q4 2025 and Q1 2026. 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 business continuity management and overall 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, formulated or revised the Regulations on Technology Risk Management, Policies on Personal Information Protection and Regulations on Adoption of Special Preventive Measures against Money Laundering, among others, with strict enforcement on the ground to effectively control operational risk.

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, formulated the Rules on Identification of Beneficial Owners, and revised the Policies on Data Accountability and Policies 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 327.20% and 295.13% respectively, down 25.2pt and 27.7pt respectively from the preceding quarter, still maintaining a strong position.

Actual capital was 3.100bn yuan, a decrease of 217mn yuan from the previous quarter, mainly due to profit distribution in the quarter.

Minimum capital stood at 948mn yuan, an increase of 6mn yuan from the preceding quarter. Of this, minimum capital for insurance risk fell by 7mn yuan, mainly due to higher turnaround in claims settlement, which led to lower exposure to reserve risk; minimum capital for market risk dropped by 11mn yuan, mainly because of lower exposure to equity price risk and overseas equity asset risk; that for credit risk increased by 42mn yuan, mainly due to an increase in bank deposits, which led to higher exposure to counter-party default risk; risk diversification effect rose by 17mn 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 30mn yuan. Of this, net cash flows from operating activities was 63mn yuan; net cash flows from investment activities 114mn yuan; net cash flows from financing activities -148mn 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 AAA at the IRR (differentiated supervision) for both Q4 2025 and Q1 2026 by NFRA.