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**中國太平洋保險(集團)股份有限公司**

**CHINA PACIFIC INSURANCE (GROUP) CO., LTD.**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 02601)**

### **Overseas Regulatory Announcement**

This overseas regulatory announcement is made pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The announcement is attached hereof for information purpose only.

By Order of the Board  
**China Pacific Insurance (Group) Co., Ltd.**  
**FU Fan**  
*Chairman*

Hong Kong, 27 March 2026

*As at the date of this announcement, the Executive Directors of the Company are Mr. FU Fan and Mr. ZHAO Yonggang; the Non-executive Directors are Mr. HUANG Dinan, Ms. LU Qiaoling, Mr. WANG Tayu, Ms. WANG Yuhua, Mr. CHEN Ran, Mr. ZHOU Donghui and Mr. John Robert DACEY; and the Independent Non-executive Directors are Ms. CHEN Xin, Ms. LAM Tyng Yih, Elizabeth, Ms. LO Yuen Man, Elaine, Mr. CHIN Hung I David and Mr. WONG Hin Wing.*

# Summary of Quarterly Solvency Report (Excerpts)

**China Pacific Property Insurance Co., Ltd.**

**4th Quarter of 2025**

## Company overview and contact information

Company name (Chinese):	中国太平洋财产保险股份有限公司
Company name (English):	China Pacific Property Insurance Company Limited
Legal representative:	CHEN Hui
Registered address:	South Tower, Bank of Communications Financial Building, 190 Middle Yincheng Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, the PRC
Registered capital:	19.948bn yuan
Business license number:	000014
Date opening for business:	November 2001
Business scope:	Property indemnity insurance; liability insurance; credit and guarantee insurance; short-term health and personal accident insurance; reinsurance of the above said insurance; insurance funds investment as approved by relevant laws and regulations; other business as approved by the CIRC.
Business territories:	The People's Republic of China (excluding Hong Kong, Macao and Taiwan)
Contact person:	WANG Yucheng
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## I. Board 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	✓		
SU Shaojun	✓		
CHEN Hui	✓		
CHEN Wei	✓		
SHI Yuehua	✓		
XU Zhen	✓		
Total	6		

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	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
Investment 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<sup>1</sup>

<sup>1</sup> In January 2026, Ms. XU Zhen was appointed to the 8th Board of Directors of China Pacific Property Insurance Co., Ltd., subject to the approval of her director qualification by the NFRA (Jin Fu [2026] No. 8). Concurrently, Mr. ZHANG Yuanhan ceased serving as a director of the company. In March 2026, Ms. Shi Yuehua was elected as an employee representative director of the 8th Board of Directors, following NFRA's approval of her appointment qualification pursuant to Jin Fu [2026] No. 145.

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

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

Mr. ZHANG Yuanhan, born in November 1967, holds a master's degree and is a director of China Association of Actuaries, a member of the Society of Actuaries and American Academy of Actuaries. He has been serving as Director of the Company since March 2018 (approval document: CBIRC [2018] No.68). He previously served as Chief Actuary, Deputy General Manager and Vice President of MetLife Insurance Company Limited (Shanghai), Chief Actuary of Sino Life Insurance Co., Ltd., Deputy General Manager, CFO and Chief Actuary of Sun Life Everbright Life Insurance Co., Ltd., Director of Sun Life Everbright Asset Management Co., Ltd., Director of CPIC AMC, Director and Chief Actuary of CPIC Health, Director and Interim Chief Actuary of CPIC Life, Chief Actuary and Finance Responsible Person of CPIC Group.

Mr. CHEN Hui, born in February 1969, holds a master's degree and the designation of Accountant. He has been serving as director (approval documents: NFRA [2024] No. 753), General Manager of the Company, 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. CHEN Wei, born in April 1967, holds a master's degree and designation of engineer. He has been serving as director of the Company since March 2025 (approval document: NFRA[2025] No. 138). Mr. Chen currently serves as Chief Compliance Officer and Chief Risk Officer of CPIC Group, and Director of CPIC AMC. His previous roles include Chief Representative of CPIC Group London Rep. Office, Director and General Manager of CPIC HK, Board Secretary/General Manager of Strategic Planning Department, Internal Audit Director, Internal Audit Responsible Person, Chief Internal Auditor and Chief Administration Officer of CPIC Group, Board Secretary of CPIC Life, Chairman of the Board of Supervisors of CPIC AMC, General Manager/Director of CPIC Health.

## (2). Supervisors

The Company has published on its official website the Announcement of China Pacific Property Insurance Co., Ltd. on Discontinuation of the Board of Supervisors (2025-ZD-13). Effective from November 2025, the Company no longer has a Board of Supervisors, and the members of the 8th Board of Supervisors automatically ceased to hold office.

## (3) Senior management at head-office level

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

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

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

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

Mr. LI Chao, born in March 1981, holds a master's degree, and has been serving as Deputy General Manager of the Company since September 2024 (approval document:

NFRA [2024] No.626). Prior to this, Mr. LI served as Deputy General Manager of Tianjin Branch, Deputy General Manager (in charge) and General Manager of Small- and Medium-Sized Customer Business Department, General Manager of Corporate Customer Department/Bancassurance Department, General Manager of Heilongjiang Branch, and Assistant General Manager of CPIC P/C.

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

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

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

Mr. YE Mingman, born in October 1975, holds a master's degree. He has been serving as Assistant General Manager of the Company since July 2024 (approval document: NFRA [2024] No. 473). Mr. YE previously served as Director of Market Development

(Individual Customers) of the Company, member of CPC Committee/Assistant General Manager of CPIC P/C Xiamen Branch, Deputy General Manager of Telemarketing Business Unit of the Company, General Manager of CPIC Online Shandong Branch, General Manager of Channels Cooperation Department of the Company, General Manager of Telemarketing Center of the Company, Executive Deputy General Manager, Executive Director and General Manager of CPIC Online, Executive Director and General Manager of CPIC Insurance Agency, and General Manager of the Online Platforms Department of Individual Customers Center of the Company.

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

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

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

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

served as Assistant General Manager and Deputy General Manager of CPIC P/C Jiangxi Branch, General Manager of CPIC P/C Jilin Branch, and General Manager of CPIC P/C Henan Branch.

## 2. Changes to directors, supervisors and senior management of headquarters<sup>2</sup>

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

Position	Predecessor	Incumbent
Chairman of the Board of Supervisors	ZHANG Weidong	-
Supervisor	CAO Junhua	-
Employee Supervisor	RUAN Yuhong	SHI Yuehua
Employee Supervisor	SHI Yuehua	-
Deputy General Manager	SU Zhanwei	-

### (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 Q3 2025	As at the end of Q4 2025	Change	As at the end of Q3 2025	As at the end of Q4 2025	Change (pt)
<b>Subsidiaries</b>						
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%	-
<b>Joint ventures</b>						

<sup>2</sup> In October 2025, Ms. SHI Yuehua was appointed as employee supervisor of the Company following the qualification approval by the National Financial Regulatory Administration(NFRA [2025] No. 593), and Ms. RUAN Yuhong, the former employee supervisor supervisor, ceased to perform duties. Effective from November 2025, the Company no longer has a Board of Supervisors, and the members of the 8th Board of Supervisors automatically ceased to hold office, namely Mr. ZHANG Weidong (Chairman of the Board of Supervisors), Mr. CAO Junhua (Supervisor), and Ms. SHI Yuehua (Employee Supervisor).

Name of companies	Number of shares (10,000)			Percentage of shareholding (%)		
	As at the end of Q3 2025	As at the end of Q4 2025	Change	As at the end of Q3 2025	As at the end of Q4 2025	Change (pt)
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%	-
<b>Associates</b>						
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 Oct. 1 and Dec. 31, 2025, branch offices of the Company received 31 administrative penalties from the insurance regulator, imposing 6.885mn yuan in fines on branches and 1.294mn yuan in fines on individuals, totalling 8.179mn yuan. Misconduct mainly concerned falsification of expenses, falsification of brokerage business for expense-booking, false u/w information in agricultural insurance business and failure to abide by insurance rates, terms and clauses as filed with the regulator.

2. Did the directors, supervisors or senior management receive administrative penalties from financial regulators during the reporting period? (Yes  No )

3. Was there any misconduct or breaches by the company, its directors, supervisors or senior management which triggered judicial proceedings during the reporting period? (Yes  No )

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

### III. Key Indicators

#### (I) Key solvency metrics

Unit: RMB 10,000 yuan

Items	As at the end of Q4 2025	As at the end of Q3 2025	Estimates for next quarter under base scenario
Admitted assets	27,429,323	28,526,356	29,286,745
Admitted liabilities	19,815,017	20,941,711	21,533,879
Actual capital	7,614,306	7,584,644	7,752,866
Tier 1 core capital	6,333,478	6,230,589	6,472,037
Tier 2 core capital	-	-	-
Tier 1 supplement capital	1,280,829	1,354,055	1,280,829
Tier 2 supplement capital	-	-	-
Minimum capital	3,120,253	3,133,176	3,364,879
Minimum capital for quantifiable risks	3,161,417	3,174,511	3,409,199
Minimum capital for control risk	-41,164	-41,335	-44,320
Supplement capital	-	-	-
Core solvency margin	3,213,225	3,097,413	3,107,158
Core solvency margin ratio (%)	203.0%	198.9%	192.3%
Comprehensive solvency margin	4,494,053	4,451,468	4,387,987
Comprehensive solvency margin ratio (%)	244.0%	242.1%	230.4%

#### (II) Liquidity risk indicators

##### 1. Regulatory indicators for liquidity risk

Items		As at the end of/ during Q4 2025	As at the end of/ during Q3 2025
Net cash flows (RMB 10,000)	YTD	299,596	218,409
	FY 2024	-242,847	-242,847
	FY 2023	346,474	346,474
Liquidity Coverage Ratio (%)	LCR1	Next 3 months	112.0%
		Next 12 months	105.3%
	LCR2	Next 3 months	277.1%
		Next 12 months	135.0%
	LCR3	Next 3 months	65.4%

Items		As at the end of/ during Q4 2025	As at the end of/ during Q3 2025
	Next 12 months	77.5%	71.9%
Retrospective adverse deviation ratio of net cash flows from business activities (%)	Over the previous 2 quarters	176.5%	769.2%
	Over the previous quarter	1474.9%	176.5%

## 2. Other indicators of liquidity risk

	Items	As at the end of Q4 2025/YTD	As at the end of Q3 2025/YTD
Liabilities	Net cash flow from operating activities (RMB 10,000)	1,791,324	1,327,940
	Net cash flow from operating activities per 100 yuan in premiums (RMB yuan)	8.9	8.4
	Ratio of cash outflow from business of special types(%)	2.8%	2.8%
	Written premium growth year-on-year(%)	-0.1%	0.1%
Assets	Ratio of cash and liquidity management instruments(%)	2.5%	2.2%
	Quarterly average financing gear(%)	0.5%	1.0%
	Share of domestic fixed income assets with external rating of AA and below(%)	0.3%	0.2%
	Proportion of shares representing over 5% of the stake of listed companies(%)	0.0%	0.0%
	Ratio of fund receivables(%)	9.8%	13.3%
	Ratio of assets of related parties held(%)	3.2%	4.5%

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

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

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

### (III) Key business metrics

Unit: RMB yuan 10,000

Indicators	As at the end of/ during Q4 2025	As at the end of Q4 2025/YDT
Gross written premiums	4,338,701	20,307,015
Net profit	109,692	986,362
Total assets	25,107,342	25,107,342
Net assets	6,884,879	6,884,879
Insurance contract liabilities	14,977,927	14,977,927
Basic earnings per share (RMB yuan)	0.1	0.5
ROE (%)	1.6	15.0
ROA (%)	0.4	4.1
Investment yield (%)	0.6	3.2
Comprehensive investment yield (%)	0.3	4.0
Combined ratio (%)	98.0	97.3
Expense ratio (%)	29.4	25.8
Loss ratio (%)	68.6	71.5
Proportion of commissions & brokerage expenses (%)	8.9	8.5
Proportion of operating & administrative expenses (%)	23.4	17.5
Written premiums	4,570,985	20,969,736
Written premiums of auto insurance	3,191,107	11,714,263
Written premiums of top 5 non-auto insurance business lines	1,169,946	8,033,100
Largest non-auto insurance business line	499,337	2,409,433

Indicators	As at the end of/ during Q4 2025	As at the end of Q4 2025/YDT
Second largest non-auto insurance business line	167,269	2,038,344
Third largest non-auto insurance business line	191,168	1,989,565
Fourth largest non-auto insurance business line	111,217	813,140
Fifth largest non-auto insurance business line	200,955	782,618
Average premium of auto insurance (RMB yuan)	2,732	2,767
Written premiums by channels	4,570,985	20,969,736
Agency	3,225,808	12,663,599
Direct	615,230	5,081,716
Brokerage	729,948	3,224,420
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**

<b>Indicators</b>	<b>YTD</b>
Average investment yield in the past 3 years (%)	3.66
Average comprehensive investment yield in the past 3 years (%)	4.50

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

### **IV. Risk management capabilities**

#### **(I) Classification of insurance companies**

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

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

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

First, we reinforced the risk control and compliance system. The Company convened the 2026 Risk and Compliance Work Conference and Risk and Compliance Senior Professional Qualification Certification Training, systematically enhancing risk control and compliance capabilities to empower frontline operations. At the same time, in response to regulatory and Group requirements, we improved management mechanisms and continuously consolidated the foundation for compliance in our business operation.

Second, conducted an all-around risk screening to identify potential risks and hazards. In accordance with the requirement of Shanghai SASAC on building a comprehensive risk early warning system, we carried out monthly screening of major risks to strengthen risk early warning and early-stage intervention. Following PBOC requirements, we performed monthly risk monitoring, ad hoc reporting on material matters, and semi-annual self-inspections on material matters to mitigate potential risks.

Third, enhanced business continuity management mechanisms. To ensure stable operations and improve its operational resilience, the Company established a Business Continuity Management Committee with reference to the Regulatory Guidelines for Business Continuity of Commercial Banks and related regulatory requirements. This initiative aims to systematically improve the management system for the continuous operation of key business functions and effectively enhance our capability to prevent and respond to business interruption risks.

Fourth, advanced sustainable practices. The Company successfully organised an ESG Best Practices Tour for representatives from international organisations, enterprises, and academia during the Sustainable Global Leaders Conference, systematically showcasing the impact of its ESG strategy, from top-level design to frontline implementation. During the China International Import Expo (CIIE), it launched the "New Energy Vehicle Joint Prevention and Control Platform", marking a transition from "passive response" to "proactive prevention". It also hosted the New Energy Vehicle Ecosystem Development Forum, released relevant industry standards and the "Sanxin" service programme, and worked together with industry partners to build a risk protection and service system for new energy vehicles.

### **(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**

As per Solvency Regulatory Standards No.12: Solvency-aligned Risk Management Requirements and Assessment, and Solvency Regulatory Standards No.18: Solvency Reporting by the former CBIRC, the Company conducted a SARMRA self-assessment in Q4 2025.

During the self-assessment, the Company closely followed the standards as stipulated in the Solvency Regulatory Standards No.12: Solvency-aligned Risk Management Requirements and Assessment, and went through all the items to be reviewed one by one. The exercise was led by the Risk Management Department, which specified the requirement and method of the assessment, and assigned each of the items under assessment to responsible departments; these departments then evaluated their respective items against the prescribed standards and proposed preliminary scores, which were subsequently submitted to the Risk Management Department for consolidation and review. Based on this process, the Company arrived at the final score.

The Company scored 96.98 points at the self-assessment, an improvement from 2024. In 2025, its risk management implemented the principle of "risk

look-through, compliance at primary levels and systematic control", and followed the guideline of "being proactive, precise and sustainable while targeting root causes"; it focused on strengthening digital and AI-driven compliance and risk management, stepped up system-building, with concerted efforts across the "three lines of defense" to help reduce its risk exposure. In capacity-building, the Company comprehensively reviewed and revised its risk management policies, continuously optimised its risk management information system, and conducted risk management training. In risk monitoring, it improved the risk appetite system, strengthened monitoring of key operational areas, and refined the "look-through" risk evaluation of branch offices. In key risk areas, it optimised the catastrophe risk management system and conducted stress testing for climate change physical risk. The Company will continue to improve its risk management policies and processes, ensure their implementation, and further strengthen systematic capacity- building in risk management.

## **V. Information on IRR (differentiated supervision)**

### **(I) Results of IRR in the previous 2 quarters**

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

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

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

#### **1. Operational risk**

In the quarter, the Company strengthened compliance management as per relevant regulatory requirements, and made solid progress in management of operational risk and money-laundering risk, with related risks staying under control. The following was done in operational risk management in Q4: it steadily advanced an enterprise-wide rectification campaign on supplier management; coordinated efforts by the first and second "lines of defense" for systematic control, "look-through" monitoring and ad hoc reviews of 20 key areas in business operation; completed the annual risk and control self-assessment; intensified oversight of rectification and enforced accountability, including via holding one-on-one meetings with relevant business lines and the Internal Audit Center, and issuing risk alerts and warning letters, effectively driving the implementation of corrective actions. In accordance with the requirements of the People's Bank of China Shanghai Head-Office, we conducted a regulatory assessment on money laundering and terrorist financing risks and submitted the report to the regulator as scheduled.

The Company constantly monitored technology-related risk indicators. Quantitative and qualitative analysis indicates that it has maintained a low risk level and handled potential risks in a timely manner, with overall risks under control. It continues to enhance technology risk control through initiatives such as refining policies and rules, establishing mechanisms, strengthening reviews and organising training.

## 2. Strategic risk

There was no occurrence of risk events which may impact the execution of the strategic planning of the Company in this quarter.

The market environment remains complex and challenging, marked by rising geopolitical uncertainties and a growing frequency of extreme weather events. Despite the headwinds, China's economic development stays on track, underpinned by improved quality and more diverse growth drivers. The Central Economic Work Conference held in December reaffirmed the commitment to "seeking progress while maintaining stability and enhancing both quality and efficiency," with pro-growth policies working in concert and creating more opportunities for the insurance sector. Regulators remain focused on high-quality development, providing a clear direction for the industry. With the roll-out of key policy initiatives such as the "New National Ten-Point Guideline" and the "Action Plan for the Property & Casualty Insurance Industry," the industry is moving ahead with a comprehensive reform of auto insurance while advancing an all-around rectification of non-auto business. With these efforts, the sector is poised to follow a path of specialisation, regulatory compliance, and long-term value creation.

The Company maintained its strategic focus amid a complex market environment, steadily advanced the optimisation of its business mix, stepped up the development of the CRM system, promoted technological empowerment, effectively managed risks, and further improved its operating results. Going forward, it will continue to follow changes of the macroeconomic environment as well as developments of government policies, and refine its development strategies in response to changing dynamics of the market and its own business operation, so as to ensure alignment between the corporate strategy, market conditions and its own abilities.

## 3. Reputational risk

During the quarter, there were no severe reputational risk incidents, with the risk overall under control. As per Provisional Regulations on Reputational Risk Management by Banking and Insurance Institutions, Regulations on Reputational Risk Management of China Pacific Insurance (Group) Co. Ltd and Rules on Reputational Risk Management of China Pacific Property Insurance Co. Ltd., as well as other applicable regulatory rules and Group policies, the Company conducted quarterly and ad hoc reputational risk screening and assessments, organised the annual reputational risk training session and annual emergency response drill, and further enhanced reputational risk management at branch office levels. Going forward, when conducting business and PR activities, it will further enhance risk screening and prevention, step up fast response and coordination in

risk-handling, with review and optimisation afterwards, accumulate the “asset” of reputation and strengthen early-stage intervention and closed-loop management of reputational risk, in a bid to forestall the risk more pro-actively.

#### 4. Liquidity risk

To mitigate the liquidity risk, the Company coordinates cash flows from operating, investment and financing activities, pays special attention to large cash outflows arising from major claims, reinsurance bills, taxes, expenses and fixed assets, makes necessary arrangements in a timely manner to ensure sufficient liquidity to meet needs of various payment obligations. In Q4, the Company made funds available to meet needs of large pay-outs like quarterly prepayment into the Mandatory Insurance Security Fund, quarterly prepayment of income tax, reinsurance outgo and purchase & construction of fixed assets, while handling needs for liquidity or applications for payment of branch offices in a timely manner. Moving forward, it will continue to monitor changes to its liquidity status, balance needs for liquidity and enhance its 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 Q4 2025, the comprehensive and core solvency margin ratios of the Company stood at 244.0% and 203.0% respectively, up by 2.0pt and 4.1pt respectively from the previous quarter. Of this, actual capital rose by 0.30bn yuan from the end of the previous quarter, mainly due to impact of net profit and other comprehensive income.

Minimum capital for insurance risk increased by 0.19bn yuan from the end of the preceding quarter, largely because of rise in SA on catastrophe insurance, particularly for earthquakes and typhoons & flooding under domestic commercial property insurance, which led to higher minimum capital requirement. Minimum capital requirement for reserve risk fell from the end of the previous quarter, due to decrease in outstanding reserves after reinsurance.

Minimum capital for market risk dropped by 0.42bn yuan from the end of the previous quarter, mainly due to reduced risk exposure to both domestic and overseas equity securities.

Minimum capital for credit risk fell by 0.05bn yuan from the end of the preceding quarter, largely due to reduced risk exposure to outwardly-ceded business, reduced exposure to personal and corporate debts and lower minimum capital requirement for counter-party default risk.

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

### 3. Analysis of changes to liquidity risk indicators

#### (1) Liquidity coverage ratios (LCR)

As per C-ROSS II standards on liquidity, the liquidity coverage ratios of the Company, i.e., LCR1 and LCR2 in the next 3 months and 12 months under the base and stress scenarios respectively were both above 100%, and LCR3 above 50%, all meeting regulatory requirements. To mitigate liquidity risk, the Company adopts a prudent approach towards cash flow projections from operating activities, with the retrospective adverse deviation ratio of net cash flows from operating activities in the past 2 quarters consistently above the regulatory minimum level of -30%, meeting regulatory requirements. During the year, net cash inflows of the Company amounted to 3.00bn yuan. Of this, net cash inflow from operating activities was 17.91bn yuan; net cash outflow from investment activities was 8.46bn yuan, and net cash outflow from financing activities was 6.44bn 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.