

Summary of Quarterly Solvency Report (Excerpts)

China Pacific Property Insurance Co., Ltd.

1st 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:	YU Bin ¹
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

¹ In March 2025, Mr. GU Yue resigned as chairman of the board of directors of the Company, and Mr. YU Bin assumed the duty as chairman of the Company. Under the Articles of Association of the Company, the legal representative of the Company is chairman of the board of directors, and therefore Mr. YU Bin also performs the duty as legal representative of the Company until such a date when the new legal representative is designated post the approval of the amendments to the Articles of Association of the Company by the regulator.

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I. Board chairman and management statement

The report has been approved by chairman of 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. Basic information

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

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

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

2. De facto controller

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

3. Shareholding information (by descending order of shareholding percentage as of the

end of the reporting period, unit: share)

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

4. Shareholding by directors, supervisors and senior management

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

5. Share transfer

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

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

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

(1). Directors

Mr. YU Bin², born in August 1969, holds a master's degree. He has been serving as Director of the Company since September 2019 (approval document: CBIRC Shanghai [2019] No. 804). 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 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, Deputy General Manager of Underwriting Department of CPIC P/C, Deputy General Manager, 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 Director of Transformation 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). Mr. ZHANG is also the Chief Actuary of CPIC Group, Interim Chief Actuary of CPIC Life and Director of CPIC Health. 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

² In March 2025, the sixth meeting of the eighth board of directors of the company resolved to elect Mr. YU Bin as the Chairman of the 8th Board of Directors of CPIC P/C. Pursuant to relevant laws and regulations, Mr. YU's qualification as Chairman must be subject to approval by the competent regulatory authority.

Co., Ltd., Director of CPIC AMC, Chief Actuary of CPIC Health, Director of CPIC Life 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 of the Company since November 2024 (approval document: NFRA [2024] No. 753). He currently serves as General Manager of the Company. His previous roles include Assistant General Manager and Deputy General Manager of Beijing Branch of CPIC P/C, Deputy 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 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 Compliance Responsible Person, 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

Mr. ZHANG Weidong, born in October 1970, holds a bachelor's degree. He has been serving as Chairman of the Board of Supervisors of the Company since March 2024 (approval document: NFRA[2024] No.139). Mr. ZHANG currently serves as Chief Internal Auditor, General Counsel, Internal Audit Responsible Person of CPIC Group, Chairman of the Board of Supervisors of CPIC Life and Director of CPIC Health. Mr. ZHANG previously served as General Manager of Legal and Compliance Department, head of the Board Office of CPIC Group, Director and Board Secretary of CPIC P/C, Director and Board Secretary of CPIC Life, Director and Board Secretary of CPIC AMC, Risk & Compliance Officer, General Manager of Risk Management Department, Chief

Risk Officer and Compliance Responsible Person of CPIC Group, Director of Changjiang Pension.

Mr. CAO Junhua, born in March 1966, has a Ph.D degree. He has been serving as Supervisor of the Company since May 2021 (approval document: CBIRC [2021] No. 376). Mr. CAO currently serves as General Manager of the Internal Audit Department (East China) of the Internal Audit Centre of CPIC Group, and Supervisor of Pacific Insurance Elderly Care Investment Management Co., Ltd. Previously, he served as head of Secretariat of General Office of CPIC Life, Deputy Section Chief of Board Office of CPIC Group, Assistant General Manager of CPIC P/C Suzhou Branch, Deputy General Manager of Legal & Compliance Department of CPIC P/C Suzhou Branch, head of Specialised Capacity-building Team of Internal Audit Centre of CPIC Group, Deputy General Manager (in charge), General Manager of Audit Department (North China) of Audit Centre of CPIC Group, Deputy Chief of Party Discipline Inspection Team of CPIC Group, and Internal Audit Responsible Person of CPIC AMC.

Ms. RUAN Yuhong, born in April 1970, holds a bachelor's degree, with designation of Account and CPA. She has been serving as Employee Supervisor of the Company since January 2023 (approval document: CBIRC [2023] No. 20). Ms. RUAN currently serves as General Manager of Finance Department of the Company. She previously served as General Manager of Auditing Department, General Manager of Finance Department, Deputy General Manager, and Chairman of Workers' Union of Ningbo Branch of the Company.

(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 and General Manager of the Company since November 2024 (approval documents: NFRA [2024] No. 753 and No. 779 respectively). His previous roles include Assistant General Manager and Deputy General Manager of Beijing Branch of CPIC P/C , Deputy 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 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 Tai An Agricultural Insurance Co. Ltd. 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 Hai'nan Branch, Deputy General Manager, General Manager of Hai'nan 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 Interim Compliance Responsible Person and Interim Chief Risk Officer of the Company since December 2024. Mr. Shi also serves as Director of Tai An Agricultural Insurance Co. Ltd. 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 of Tai An Agricultural Insurance Co. Ltd. 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). Currently, Mr. CHEN also serves as Director of CPIC Anxin Agricultural and CPIC HK. Previously, he served as Deputy General Manager, Finance Responsible Person and Chief Actuary of China Property & Casualty Reinsurance Company Limited, and Finance Responsible Person of the Company. Prior to that, Mr. CHEN worked at the New York Headquarters of Guy Carpenter & Company and the North American Headquarters of Swiss Re.

Mr. SU Zhanwei, born in June 1966, holds a master's degree and has been serving as Deputy General Manager of the Company since June 2022 (approval document: CBIRC

Shanghai [2019] No. 841). Previously, Mr. SU served as Assistant General Manager, Deputy General Manager, and General Manager of CPIC P/C Henan Branch, head of General Administration/Board Office/Office of the Board of Supervisors of the Company, General Manager of Corporate Customer Department/Bancassurance Department, and Assistant General Manager of the Company.

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 Zengbo³, born in December 1975, holds a master's degree. He has been serving as Interim Finance Responsible Person and Interim Board Secretary of the Company since December 2024. Mr. Liu previously served as Deputy General Manager of Strategic Planning & Investor Relations Department, General Manager of Internal Audit Center/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.

³In April 2025, as per approval of appointment qualification by NFRA (approval document: NFRA[2025] No. 203), LIU Zengbo was appointed as Deputy General Manager, Finance Responsible Person and Board Secretary 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 also serves as Director of the Company's Beijing-Tianjin-Hebei Regional Coordinated Development and General Manager of CPIC P/C Beijing Branch. Mr. WU previously served as Assistant General Manager, Deputy General Manager and General Manager of CPIC P/C Shandong Branch.

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 also serves as General Manager of the Online Platforms Department of Individual Customers Center of the Company. 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 Shangdong 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.

Mr. CHENG Yingjie, born in November 1967, holds a master's degree and designation of engineer. He has been serving as Internal Audit Responsible Person of the Company since May 2023 (approval document: CBIRC [2023] No. 277). Previously he served as member of the Party Committee and Deputy General Manager of Liaoning Branch, Party Secretary and General Manager of Heilongjiang Branch, Party Secretary and General Manager of Sichuan Branch of CPIC P/C.

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
Chairman	GU Yue	YU Bin (acting as chairman)
Director	GU Yue	-
Director	-	CHEN Wei

(III) Subsidiaries, joint ventures or associates

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

Name of companies	Number of shares (10,000)			Percentage of shareholding (%)		
	As at the end of Q4 2024	As at the end of Q1 2025	Change	As at the end of Q4 2024	As at the end of Q1 2025	Change (pt)
Subsidiaries						
Pacific Anxin Agricultural Insurance Co., Ltd.	73,206	73,206	-	67.78%	67.78%	-
Joint ventures						
Shanghai Juche Information Technology Co., Ltd.	148	148	-	25.20%	25.20%	-
Zhongdao Automobile Assistance Co., Ltd.	1,280	1,280	-	20.32%	20.32%	-
Shanghai Lexiang Sijin Technology Joint-stock Co. Ltd.	369	369	-	5.36%	5.36%	-
Associates						
CPIC Euler Hermes Credit Insurance Sales Co., Ltd	2,550	2,550	-	51.00%	51.00%	-
Shanghai Binjiang-Xiangrui Investment and Construction Co., Ltd.	1,071	1,071	-	35.70%	35.70%	-

(IV) Breaches

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

Between January 1 and March 31, 2025, branch offices of the Company received 12 administrative penalties from the insurance regulator, with 4.305mn yuan in fines for branches and 1.273mn yuan in fines for individuals, totalling 5.578mn yuan. Misconduct mainly concerned falsification of expenses, falsification of brokerage business for expense-booking and contracting out insurance sales to unlicensed entities.

2. Did the directors, 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 and 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 yuan 10,000

Items	As at the end of Q1 2025	As at the end of Q4 2024	Estimates for next quarter under base scenario
Admitted assets	27,900,778	26,163,634	27,834,631
Admitted liabilities	20,684,701	19,093,834	20,814,740
Actual capital	7,216,076	7,069,800	7,019,891
Tier 1 core capital	5,841,993	5,815,305	5,645,808
Tier 2 core capital	-	-	-
Tier 1 supplement capital	1,374,083	1,254,495	1,374,083
Tier 2 supplement capital	-	-	-
Minimum capital	3,002,477	3,185,183	3,090,804
Minimum capital for quantifiable risks	3,042,087	3,227,204	3,142,242
Minimum capital for control risk	-39,610	-42,021	-51,438
Supplement capital	-	-	-
Core solvency margin	2,839,517	2,630,122	2,555,004
Core solvency margin ratio (%)	194.6%	182.6%	182.7%
Comprehensive solvency margin	4,213,600	3,884,617	3,929,087
Comprehensive solvency margin ratio (%)	240.3%	222.0%	227.1%

(II) Liquidity risk indicators

1. Regulatory indicators for liquidity risk

Items			As at the end of/ during Q1 2025	As at the end of/ during Q4 2024
Net cash flows (RMB 10,000)	YTD		368,292	-242,847
	FY 2024		-242,847	346,474
	FY 2023		346,474	-326,022
Liquidity Coverage Ratio (%)	LCR1	Next 3 months	113.7%	113.0%
		Next 12 months	104.2%	103.4%
	LCR2	Next 3 months	279.5%	264.2%
		Next 12 months	125.0%	131.8%
	LCR3	Next 3 months	85.2%	80.7%
		Next 12 months	74.8%	82.3%
Retrospective adverse deviation ratio of net cash flows from business activities (%)	Over the previous 2 quarters		851.5%	122.6%
	Over the previous quarter		224.8%	851.5%

2. Other indicators of liquidity risk

	Items	As at the end of Q1 2025/YTD	As at the end of Q4 2024/YTD
Liabilities	Net cash flow from operating activities (RMB 10,000)	483,269	1,062,742
	Net cash flow from operating activities per 100 yuan in premiums (RMB yuan)	7.7	5.3
	Ratio of cash outflow from business of special types(%)	1.8%	3.0%
	Written premium growth year-on-year(%)	0.9%	7.1%
Assets	Ratio of cash and liquidity management instruments(%)	2.8%	1.6%
	Quarterly average financing gear(%)	1.8%	1.9%
	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(%)	15.9%	13.4%
	Ratio of assets of related parties held(%)	3.3%	3.9%

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.

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 Q1 2025	As at the end of Q1 2025/YDT
Gross written premiums	6,331,606	6,331,606
Net profit	203,874	203,874
Total assets	23,571,191	23,571,191
Net assets	6,428,265	6,428,265
Insurance contract liabilities	13,824,537	13,824,537
Basic earnings per share (RMB yuan)	0.1	0.1
ROE (%)	3.2	3.2
ROA (%)	0.9	0.9
Investment yield (%)	0.7	0.7

Comprehensive investment yield (%)	0.3	0.3
Combined ratio (%)	96.7	96.7
Expense ratio (%)	24.5	24.5
Loss ratio (%)	72.2	72.2
Proportion of commissions & brokerage expenses (%)	8.0	8.0
Proportion of operating & administrative expenses (%)	12.9	12.9
Written premiums	6,332,164	6,332,164
Written premiums of auto insurance	2,844,284	2,844,284
Written premiums of top 5 non-auto insurance business lines	3,075,793	3,075,793
Liability insurance	1,200,343	1,200,343
Health insurance	738,037	738,037
Agricultural insurance	601,787	601,787
Commercial property insurance	327,767	327,767
Homeowners' insurance	207,860	207,860
Average vehicle premium of auto insurance (RMB yuan)	2,721	2,721
Written premiums by channels	6,332,164	6,332,164
Agency	3,254,504	3,254,504
Direct	2,153,567	2,153,567
Brokerage	924,094	924,094
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 profits, 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 afore-mentioned indicators.

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

Indicators	YTD
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 (NAFR [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 2024, its annual written premiums amounted to 209.853bn yuan; total assets stood at 262.739bn yuan; there are 38 provincial-level branch offices.

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

On 27 March, the Company was granted the "Golden Advisory Award for Risk Management Team" at the 1st Golden Advisory Awards hosted by Xinhua Finance. The main risk management measures taken in this quarter include:

First, formulated and released the Annual Risk Management Priorities. We implemented the guiding principle of "risk look-through approach, front-line compliance and systematic control." In line with the Group's objectives of "enhancing risk prevention and handling, building capability for compliance at branch offices and improving compliance management via AI and digital technology", we adopted the approach of being "proactive, accurate, sustainable and tackling root-causes", stepped up the building of a digital, intelligent risk control and compliance system, with the "3

lines of defense” working together to reduce risks, lower costs, enhance efficiency, and create value for the Company’s sustainable, high-quality development.

Second, continuously optimised our risk management framework and management processes. Based on our realities, we conducted a comprehensive review and revision of the '1+7+N' Risk Management Framework, encompassing the Enterprise Risk Management Policy and relevant policies for major risk categories and implementation rules; amended management policies for outstanding claims of auto and non-auto insurance, enhancing the coordination of the “3 lines of defense” for claims management.

Third, conducted effective risk prevention and mitigation. We conducted risk screening in key areas as per requirements of SASAC (State-owned Assets Supervision and Administration Commission) and CPIC Group; and in compliance with the requirements of the People's Bank of China (PBoC), we conducted monthly and quarterly risk monitoring, and ad-hoc reporting of major events to prevent potential risks.

(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 In the quarter.

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 Q3 and Q4 of 2024.

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) Status of various 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:

First, the Company reviewed its annual operational risk management performance and achievements, formulated the Annual Report on Operational Risk Management, and participated in the testing of the Group's new risk management system, with proposed requirements for improvement in system modules including defect rectification, loss of data, regulatory penalties and accountability in cases of breaches.

Second, continued to enhance the compliance organisational framework, particularly the 2nd line of defense. We established a differentiated indicator system for evaluation of branches, optimized the criteria for setting up full-time / part-time compliance positions at all levels, clearly defining their qualification requirements, job responsibilities and management protocols, and enhanced the professional competency of compliance personnel.

Third, implemented the Group's "Special Campaign to Enhance Compliance Capabilities at Primary Levels" and issued the Notice on Implementing the Group's Requirements for Strengthening Compliance Management at Primary Levels to clarify work requirements and track work progress .

Fourth, conducted study and assessment of key risk areas for case prevention in 2025, which identified 9 priority areas, including mis-selling, claims fraud and fund management, with enhanced control measures. We also conducted a self-assessment of case prevention effectiveness and submitted the "2024 Case Prevention Effectiveness Evaluation Report", revised the Management Measures for Criminal Cases and the Anti-Insurance Fraud Management Measures, and organised a seminar on technology-enabled anti-fraud efforts, which reviewed our achievements in technological empowerment of fraud prevention.

Fifth, in Q1, we conducted a self-review of AML efforts as required by the People's Bank of China (PBoC), and completed the advocacy campaign for the newly amended Anti-Money Laundering Law.

Sixth, in terms of technology risk management, the Company implemented continuous monitoring of key risk indicators including cybersecurity, system operation, IT outsourcing and business continuity, with follow-up response in a timely manner and follow-up self-assessment and rectification focusing on data security. Quantitative and qualitative risk analysis indicated that the overall risk level remains low, with all risks under effective control.

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.

When formulating corporate strategies, we fully considered factors like the market conditions, our risk appetite, capital position and capabilities, while ensuring alignment with the spirit of the Central Financial Work Conference and the Central Economic Work Conference, and latest government policies for insurance and financial services such as the “10-Point Guidelines” and the “5 Financial Priorities”. Our development strategy is based upon a “prudent” risk appetite and is compatible with our risk management culture and capabilities. In Q1, we initiated a review of the implementation status of the strategic plan for 2024 against the 3-Year Development Programme (2024-2026).

The Company enhanced strategic risk management along dimensions of talent management, business management, investment management and overseas management, evaluated the status of the risk in a timely, comprehensive and objective way, and the results will be incorporated into the Risk Management Evaluation Report to be submitted to the management.

Next, the Company will closely follow changes in the market environment and developments in government policies, assess their impact and adjust its strategic planning accordingly, while taking into account its own development needs, so as to ensure the alignment of its business activities and the strategic planning, and the fulfillment of its business objectives.

3. Reputational risk

During the quarter, there were no severe reputational risk incidents, with the risk overall under control. As per Provisional Regulations on Reputational Risk Management by Banking and Insurance Institutions, Regulations on Reputational Risk Management of China Pacific Insurance (Group) Co. Ltd and Rules on Reputational Risk Management of China Pacific Property Insurance Co. Ltd., as well as other applicable regulatory rules and Group policies, the Company completed the 2024 Special Report on Reputational Risk Management, conducted ad hoc risk screening for important occasions such as the Spring Festival, the NPC and CPPCC meeting and the March 15th Consumer Rights Protection Day, held the March 15th Training on Reputational Risk Management to further cascade down relevant pro-active management actions to primary-level branch offices. 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 Q1, the Company made funds available to meet needs of large pay-outs like quarterly prepayment of contribution into the Mandatory Insurance Security Fund, quarterly prepayment of income tax, reinsurance outgo, purchase & construction of fixed assets and interest payment on capital bonds. It also made funds available for large claims payment of non-auto business, while handling needs for liquidity or applications for payment of branch offices in a timely manner. The Company 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 Q1 2025, the comprehensive and core solvency margin ratios of the Company stood at 240.3% and 194.6% respectively, up by 18.4pt and 12.0pt respectively from the previous quarter. Of this, actual capital rose by 1.46bn yuan from the end of the previous quarter, mainly due to impact of net profit and other comprehensive income.

Minimum capital for insurance risk decreased by 2.25bn yuan from the end of the preceding quarter, mainly due to changes to the combined ratio of auto insurance in the previous 6 months, and changes to balance of loans under financing guarantee insurance after reinsurance, minimum capital for premium and reserve risk fell from the end of the preceding quarter.

Minimum capital for market risk rose by 450mn from the end of the preceding quarter, largely due to increased risk exposure of overseas equity securities, which in turn led to higher minimum capital requirement for overseas equity prices.

Minimum capital for credit risk fell by 970mn from the end of the preceding quarter, largely due to decreased risk exposure of premium receivables and debt claims against individuals/companies, which lowered 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 will continue 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. 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%. On a YTD basis, net cash inflows of the Company amounted to 3.68bn yuan. Of this, net cash inflow from operating activities was 4.83bn yuan; net cash outflow from investment activities 0.84bn yuan; net cash outflow from financing activities 0.30bn 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 allocates in its SAA a certain proportion of highly liquid assets to meet liquidity requirements, which enables it to meet short-term cash flow requirements arising from business volatility. It will continue to monitor changes to its liquidity status and enhance risk management capabilities.

Summary of Quarterly Solvency Report (Excerpts)

China Pacific Life Insurance Co., Ltd.

1st Quarter of 2025

Company overview and contact person

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

offices in 5 vice-provincial level municipalities such as Dalian, Qingdao, Ningbo, Xiamen, Shenzhen, where the insurance regulator also has branch offices)

Contact person:	WANG Chang
Office Tel. number:	021-33965272
Email:	wangchang-008@cpic.com.cn

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I. Board chairman and management statement

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

II. Basic information

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

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

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

2. De facto controller

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

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

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

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

4. Shareholding by directors, supervisors and senior management

None during the reporting period.

5. Share transfer during the reporting period

None during the reporting period.

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

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

(1) Directors

As of the end of March 2025, the 8th Board of Directors of the Company has 6 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 serves as Director of the Company, Vice President of CPIC Group and Chairman of CPIC Health. He previously served General Manager of Shaanxi Branch of CPIC Life, General Manager of Strategic Planning Department, Director of Strategic Transformation Office, Transformation Director, and Board Secretary of CPIC Group, Director of CPIC P/C, and Director of Changjiang Pension.

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

Mr. LI Jinsong, born in June 1969, has a master's degree. He has been serving as Director of the Company since July 2024 (approval document: NFRA [2024] No. 479). He currently also serves Executive Director and General Manager of the Company, 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 master's degree and has been serving as Chairman of the Company since December 2024 (approval document: NFRA[2024] No. 856). Mr. ZHAO currently also serves as Executive Director and President of CPIC Group. He previously served as Director of the Strategic Transformation Office of CPIC Life, General Manager of Heilongjiang Branch and Henan Branch, and Human Resources Director of CPIC Life, Vice President of CPIC Group, and Vice Chairman of the Board of Supervisors and Director of Haitong Securities Co., Ltd.

Mr. YUAN Ye, born in November 1972, holds a master's degree. He has been serving as

Director of the Company since September 2024 (approval document: NFRA [2024] No.601). Mr. YUAN currently also serves as Director of President's Office of CPIC Group, Supervisor of CPIC Technology and Chairman of the Board of Supervisors of Shanghai Health and Elderly Care Development 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.

Mr. XIE Weiqing, born in July 1979, holds a master's degree and designation of Senior Accountant (professor-level). He has been serving as Director of the Company since September 2024 (approval document: NFRA [2024] No.602). Mr. XIE currently serves also as Non-executive Director of CPIC Group, General Manager of the Finance Department of Shenergy (Group) Co., Ltd., Executive Director of Shenergy Group Business Service Co., Ltd., Director of Shenergy Co., Ltd., Supervisor of Haitong Securities Co., Ltd. and Non-executive Director of Orient Securities Company Limited. Mr. XIE previously served as Financial Director of the Finance Department of Shanghai Maglev Transportation Development Co., Ltd., Deputy Financial Director, Financial Director, and Deputy Manager of the Finance Department of Shenergy (Group) Co., Ltd., Deputy General Manager of Shenergy Group Finance Company Limited and General Manager of Shenergy Group Business Service Co., Ltd

(2) Supervisors

As of the end of March 2025, the 8th Board of Supervisors of the Company has 3 supervisors:

Mr. ZHANG Weidong, born in October 1970, holds a bachelor's degree. He has been serving as Chairman of the Board of Supervisors of the Company since May 2024 (approval document: NFRA [2024] No.297). Mr. ZHANG currently serves also as Chief Internal Auditor, General Counsel and Internal Audit Responsible Person of CPIC Group, Chairman of the Board of Supervisors of CPIC P/C, Director of CPIC Health. Mr. ZHANG

previously served as Board Secretary and Director of the Company, General Manager of Legal & Compliance Department, head of the Board Office, Risk & Compliance Officer, General Manager of Risk Management Department, Chief Risk Officer and Compliance Responsible Person of CPIC Group, Board Secretary and Director of CPIC P/C, Board Secretary and Director of CPIC AMC and Director of Changjiang Pension.

Mr. ZHANG Lei, born in July 1976, holds a master's degree in economics and designation of senior auditor. He has been serving as Supervisor of the Company (approval document: CBIRC [2021] No. 397) since June 2021. He currently also serves as Deputy Compliance Director, General Manager of Legal and Compliance Department, and head of the Office of Board of Supervisors of the Company. Previously, he served as Deputy Director of Computerised Auditing Division, Deputy Director (in charge), Director of Social Security Audit Division, and Director of Corporate Audit Division of Shanghai Special Representative Office of National Audit Office, Chief Auditor (life insurance) of Audit Technology Department of Audit Center of CPIC Group, Chief Auditor (life insurance) of Digitalised Audit Technology Department of CPIC Group, General Manager of Investment Audit Department of CPIC Group, and Internal Audit Responsible Person of Changjiang Pension.

Ms. ZHOU Lili, born in November 1972, holds a master's degree. She has been serving as Supervisor of the Company since September 2024 (approval document: NFRA [2024] No.603). Ms. ZHOU currently serves as General Manager of the Risk Management Department of CPIC Group and Director of CPIC Capital. Ms. ZHOU previously served as Deputy Head of the Ceded P/C Insurance Section of Reinsurance Department CPIC Group, Senior Manager, Supervising Manager, and Deputy General Manager of Risk Monitoring Department of CPIC Group.

(3) Senior management at head-office level

As of the end of March 2025, the Company has 14 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. WANG Guangjian, born in June 1965, has a master's degree and designation of accountant. He has been serving as Executive Deputy General Manager of the Company since August 2019 (approval document: CBIRC Shanghai [2019] No.637), as Chief Risk Officer of the Company since July 2022 and as Compliance Responsible Person since March 2023 (approval document: CBIRC [2023] No.85). Mr. WANG previously served as Deputy Manager, Manager of the Planning and Finance Department of CPIC Urumqi Branch, Deputy General Manager of Urumqi Branch, Deputy General Manager of Taiyuan Branch, General Manager of Shanxi Branch and General Manager of Shandong Branch of CPIC Life, Assistant to Chairman of the Management Committee of CPIC Life, Deputy General Manager/ Chief Compliance Officer, Chief Risk Officer of CPIC Life, Chairman of the Board of Supervisors of CPIC Life, Executive Director of the Group Business Center of Pacific Medical & Health Management Co., Ltd.

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

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 Interim Chief Actuary of the Company since June 2024. Mr. ZHANG is currently Chief Actuary of CPIC Group, Director of CPIC P/C and Director of CPIC Health. Mr. ZHANG previously served as Chief Actuary of Citi Group

TRV-Citi Insurance headquarters, 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., Chief Risk Officer and Chief Actuary of CPIC Health, Director of CPIC AMC, Finance Responsible Person of CPIC Group and Director of CPIC Life.

Mr. YE Peng, born in March 1972, has a master's degree and holds the designation of Senior Accountant (professor-level) and is a Certified Public Accountant and tax advisor in China. He has been serving as Deputy General Manager of the Company since August 2019 (approval document: CBIRC Shanghai [2019] No.638). He is also Director of CPIC AMC, Changjiang Pension and CPIC Life HK respectively, Executive Director of Beijing Borui Heming Insurance Brokerage Co., Ltd. Mr. YE previously served as Chief Accountant of John Hancock Tian'an Life Insurance Company, Assistant General Manager, CFO, Board Secretary, and Deputy General Manager of Changjiang Pension, and Finance Responsible Person of CPIC Life.

Mr. JIANG Yifeng, born in January 1978, holds a doctoral degree and has been serving as Deputy General Manager of the Company (approval document: NFRA [2024] No.660) since Oct. 2024. Mr. JIANG previously served as Deputy General Manager of Human Resources Department of CPIC Life, General Manager of CPIC Life Ningxia Branch, General Manager of CPIC Life Shaanxi Branch, head of the Office of All-around Transformation of CPIC Group, and General Manager of CPIC Life Zhejiang Branch, Assistant General Manager and Board Secretary of the Company.

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, as General Manager of South China Unit of the Company since August 2021. 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 of CPIC Life.

Ms. TAO Lei, born in September 1977, holds a master's degree and has been serving as Deputy General Manager and Board Secretary of the Company (approval document: NFRA [2024] No.609) since September 2024. Ms.TAO concurrently also serves as Director of CPIC Health. She previously served as Assistant General Manager, Board Secretary, Transformation Director and head of the Office of the Steering Committee for Deepening Transformation of CPIC P/C.

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

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

Mr. 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. Her previous roles include General Manager of the Finance Department of CPIC Life Beijing Branch 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 at CPIC Group, Director of the Fujian Transformation Pilot Base, 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.

Mr. YU Yun, born in June 1965, holds a bachelor's degree. He has been serving as Internal Audit Responsible Person of the Company (approval document: CBIRC [2021] No. 975) since December 2021. He also serves as Deputy Chief Internal Auditor of CPIC Group. Mr. YU previously served as General Manager of CPIC Xinjiang Karamay Central Sub-branch, Manager of the Individual Business Department of CPIC Xinjiang Branch, Assistant General Manager, Deputy General Manager, Deputy General Manager (in charge) and General Manager of CPIC Xinjiang Branch, and General Manager of CPIC Beijing Branch. Prior to that, Mr. YU served as Director of Administration of the Finance Bureau of Karamay City, Xinjiang.

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

Changes to directors:

As approved by the 9th session of the 8th Board of Directors of the Company and as per qualification approval by NFRA (approval document: NFRA[2025] No. 91), Mr. LIU Yuqing began to serve as Assistant General Manager of the Company on 17 Feb. 2025.

(III) Subsidiaries, joint ventures or associates

Company name	Number of shares (10,000 shares)			Shareholding percentage (%)		
	As at the beginning of Q1 2025	As at the end of Q1 2025	Change	As at the beginning of Q1 2025	As at the end of Q1 2025	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 Health Care Management Co. Ltd.	100,000	100,000	-	100.00	100.00	-
CPIC Elderly Care Development (Chengdu) Co. Ltd.	100,000	100,000	-	100.00	100.00	-
CPIC Elderly Care (Hangzhou) Co. Ltd.	100,600	104,100	3,500	100.00	100.00	-
CPIC Elderly Care (Xiamen) Co. Ltd.	90,000	90,000	-	100.00	100.00	-
CPIC Elderly Care (Nanjing) Co. Ltd.	48,356	50,856	2,500	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.	36,500	36,500	-	100.00	100.00	-
CPIC Elderly Care (Suzhou) Co. Ltd.	23,000	25,000	2,000	100.00	100.00	-
Beijing Borui Heming Insurance Agency Co. Ltd.	5,200	5,200	-	100.00	100.00	-
China Pacific Life Insurance (Hong Kong) Company Limited	100,000	100,000	-	100.00	100.00	-
Shanghai Dabao Guisheng Information	1,020	1,020	-	34.00	34.00	-

Technology Co. Ltd.										
Shanghai Rui Yong Jing Property Development Co. Ltd.					983,500	983,500	-	70.00	70.00	-
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 31 March 2025, 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 Q1 2025, China Pacific Life Insurance (Hong Kong) Company Limited reported HKD1.262bn in written premiums, with a net profit of HKD6mn. Its actual capital and minimum capital under HKRBC was HKD593mn and HKD313mn respectively, with a solvency margin ratio of 190%, meeting regulatory requirements.

(IV) Breaches and penalties during the reporting period

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

None during the reporting period.

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

None during the reporting period.

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

During the reporting period, there was no regulatory measure against the Company by the NFRA. However, certain local bureaus of the regulator took regulatory measures against the Company: Ningde Key Sub-branch of Fujian, Shanghai Branch, Suizhou Key Sub-branch of Hubei and Bayan Nur Key Sub-branch of Inner Mongolia each received an administrative penalty. Moreover, Zhanjiang Key Sub-branch of Guangdong, Qujing Key Sub-branch of Yun'nan, Yuxi Key Sub-branch of Yun'nan, Bayan Nur Key Sub-branch of Inner Mongolia, Chifeng Key Sub-branch of Inner Mongolia, and Guangzhou Key Sub-branch of Guangdong each received a Regulatory Notice; Yun'nan Branch received 2 Regulatory Opinion Letters.

III. Key indicators

(I) Key solvency metrics

unit: 10,000 RMB yuan

Indicators	As at the end of the reporting quarter	As at the end of the preceding quarter	Next quarter estimates
Admitted assets	248,223,404	237,867,820	253,067,143
Admitted liabilities	211,672,867	203,316,845	217,711,546
Actual capital	36,550,537	34,550,975	35,355,598
Tier 1 core capital	19,028,981	19,341,827	17,610,390
Tier 2 core capital	4,237,717	2,000,000	4,219,370
Tier 1 supplement capital	13,271,124	13,199,645	13,511,409
Tier 2 supplement capital	12,715	9,503	14,429
Minimum capital	16,566,905	16,431,255	16,886,727
Minimum capital for quantifiable risks	16,796,504	16,658,974	17,120,758
Minimum capital for control risk	-229,599	-227,719	-234,031
Supplement capital	-	-	-
Core solvency margin	6,699,793	4,910,572	4,943,033
Core solvency margin ratio (%)	140%	130%	129%
Comprehensive solvency margin	19,983,632	18,119,720	18,468,870
Comprehensive solvency margin ratio (%)	221%	210%	209%

(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	117%	112%
Next 12 months	105%	104%
LCR under stress scenario (LCR2)		
Next 3 months	1071%	900%

Items	As at the end of /during the reporting quarter	As at the end of /during the preceding quarter
Next 12 months	316%	308%
LCR under stress scenario before asset disposal (LCR3)		
Next 3 months	131%	124%
Next 12 months	76%	83%
Retrospective adverse deviation ratio of net cash flows from operating activities (%)	-20%	49%
Net cash flow YTD (RMB yuan 10,000)	1,767,299	707,382

(III) Other indicators for liquidity risk

unit: 10,000 RMB yuan

Indicators	As at the end of /during the reporting quarter	As at the end of /during the preceding quarter
1. Net cash flow from operating activities	5,776,701	14,238,820
2. Comprehensive surrender ratio (%)	0.48%	1.68%
3-1. Net cash flow from participating accounts	412,177	1,823,031
3-2. Net cash flow from universal accounts	1,414,186	1,328,054
4. Written premiums growth year on year	11.77%	3.27%
5. Ratio of cash and liquidity instruments (%)	1.82%	1.31%
6. Quarterly average financial leverage ratio (%)	7.49%	6.35%
7. Share of domestic fixed income assets rated AA (inclusive) and below (%)	2.46%	2.59%
8. Share of investments in listed stocks with a stake of 5% or above (%)	0.24%	0.26%
9. Share of receivables (%)	0.78%	0.35%
10. Share of related party assets held by the Company (%)	2.56%	2.76%

(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	10,021,597	10,021,597
Net profits	740,569	740,569
Total assets	255,717,863	255,717,863
Net assets	13,862,260	13,862,260
Insurance contract liabilities	218,296,223	218,296,223
Basic earnings per share (RMB yuan)	0.86	0.86
ROE (%)	4.83%	4.83%

ROA (%)	0.29%	0.29%
Investment yield (%)	0.79%	0.79%
Comprehensive investment yield (%)	0.26%	0.26%

Note: Gross written premiums 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, 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.

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

Indicators	Results
Average investment yield in the past 3 years (%)	3.06%
Average comprehensive investment yield in the past 3 years (%)	4.06%

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 2024, its written premiums amounted to 261.1bn yuan, with total assets of 2,481.9bn yuan as of the end 2024, 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 done in Q1 2025 includes: monitored and evaluated the risk status of the Company, with formulation of the Annual Enterprise Risk Management Report, initiating the revision of risk management policies and the annual risk appetite framework/risk limits of the Company.

We will carry out solvency risk management in the following aspects during Q2 2025.

First, issue the updated risk management rules and policies, including those specific to each risk category, followed by strict enforcement.

Second, release the 2025 Annual Risk Appetite, Risk Limits and Key Risk Indicators, with follow-up analysis on a regular basis.

(IV). Information on SARMRA self-assessment

Not applicable during the reporting period.

V. Information on IRR (differentiated supervision)

(I) Results of IRR in the previous two quarters

The feed-back from the regulator concerning the results of the IRR (differentiated supervision) indicated an AA rating of the Company for both Q3 and Q4 of 2024.

(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, defining the primary management responsibility of front-line business for each indicator, and regularly conducting data quality governance. On the other hand, it strengthened rectification and management of under-performing risk indicators. First, monitored changes to the indicators and issued early warning when necessary, formulated and implemented control measures based on characteristics of each indicator; second, used the IRR to communicate indicator management requirements to risk sources and front-line business units to guide them towards increased compliance and basic management; third, stepped up research, prevention and control of specific risks, especially in terms of their causes and trends and dynamics, which would enable the Company to identify underlying patterns, detect potential hazards at an early stage, and implement timely management and mitigation measures.

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

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

1. Methods, processes and results of self-assessment

As part of its work in quarterly IRR, the Company organises, on a quarterly basis, a self-review of operational risk, strategic risk, reputational risk and liquidity risk by relevant departments so as to evaluate the risk status in an objective way. 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 issued the revised version of Regulations on Operational Risk Management and relevant supportive policies in Q4 2024, which further improved the governance framework of operational risk management and relevant work mechanisms. The Company continuously monitored and analysed its operational risk status using management tools such as self-assessment, operational risk data loss recovery and key risk indicators. The Company strived for a matrix-based compliance risk management system, with branches focusing on coordination, vertical functions bearing the primary responsibility, and all departments and positions getting involved. This matrix approach ensures optimal mechanisms for ownership of the objectives and sharing of resources and responsibilities relating to compliance and risk control. The Company continued to increase the use of IT in operational risk control so that operational execution in key areas can be controllable and traceable. The Company takes risk screening seriously: all head-office departments and branches are supposed to carry out various risk assessments from time to time as per regulatory and corporate rules. In Q1 2025, monitoring of key risk indicators and data loss recovery 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 and Emergency Contingency Plan for Major Reputational Risks as per C-ROSS II requirements to further improve the governance structure and work mechanisms of reputational 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 personnel; conducted PR programmes to foster a more favourable media environment. In Q1 2025, the Company monitored, detected and handled 48 reports (original) of adverse publicity on the media, up by 6.6% from the same period of 2024. Of this, there were 14 Level III reports and 34 Level IV reports, representing 29.2% and 70.8% of the total respectively. There were no Level I or II major incidents, indicating manageable

reputational risk. Self-media and social media remained a high-risk area. In terms of content, the share of mis-selling and claims disputes, as well as regulatory administrative penalties was relatively high.

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 strategic objectives, China's economy continued to grow amid stable fundamentals. New government policies and guidelines will be conducive to high-quality development of the insurance industry. However, the life insurance market faces challenges amid industry transformation and secular decline of interest rates. In response to changes of the market environment, the Company stays confident and continues to focus on the core business of insurance, particularly in the context of the "5 Financial Priorities", upholds the business logic of "creating value for customers via suitable products/services delivered by professional sales force" and forges ahead with the Changhang Transformation. It deepened restructuring of the individual customer business to boost development and productivity improvement of the agency force; continued with channel diversification, rolled out value-oriented bancassurance, stepped up work-site marketing and expanded the coverage of inclusive insurance; diversified product/service offerings, enhanced product innovation and presence in health & elderly care sectors; further strengthened ALM and cost control, enhanced capacity-building for compliance and risk management, improved consumer rights protection. Going forward, the Company will forge ahead with the transformation to add impetus to 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 mechanisms for early warning, with the focus shifting from crisis handling to early warning and prevention, which can enhance overall liquidity risk management. 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, core solvency margin ratio of the Company was 140%, with a core solvency margin of 66.99793bn yuan, up by about 10pt from the previous quarter; comprehensive solvency margin ratio of the Company was 221%, with a comprehensive solvency margin of 199.83632bn yuan, up by 11pt the previous quarter. Reasons for change are as follows:

1. As of the end of the quarter, actual capital amounted to 365.50537bn yuan, versus 345.50975bn as of the end of the previous quarter, up by 5.8%, mainly due to:

(1) Core capital increased by 19.24871bn yuan in the quarter as a result of capital market movement and changes to insurance contract liabilities under solvency reporting.

(2) Supplement capital increased by 0.74691bn yuan.

2. As of the end of this quarter, minimum capital amounted to 165.66905bn yuan, versus 164.31255bn as of the end of the previous quarter, up by 0.8%, mainly due to:

(1) During the quarter, minimum capital for life insurance risk rose by 1.53929bn yuan, and that for non-life insurance increased by 80.11mn yuan;

(2) During the quarter, minimum capital for market risk rose by 995.27mn yuan, and of this, that for interest rate risk fell by 7.31813bn yuan, that for equity price risk increased by 1.44187bn yuan, and that for overseas equity price risk increased by

4.03587bn yuan;

(3) During the quarter, minimum capital for credit risk decreased by 1.86696bn yuan, and of this, that for credit spread rose by 126.11mn yuan, and that for default risk of counter-parties fell by 2.36507bn yuan;

(4) Risk diversification effect and loss absorption decreased by 627.59mn yuan, which increased minimum capital requirement accordingly;

(5) Subtraction from minimum capital by control risk rose by 18.80mn yuan from the preceding quarter.

(II) Changes to regulatory liquidity risk indicators

LCR for the next 3 months was 117%, and that for the next 12 months 105%, which can satisfy the minimum requirement of 100%. LCR in the next 12 months under the stress scenario after and before disposal of assets was 316% and 76% respectively, staying solid.

(III) Analysis of changes to IRR

As per notice of the regulator, the Company was rated AA at the IRR for Q4 2024, 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, enhanced rectification of early-warning indicators; at the same time, it pressed ahead with the Changhang Transformation and strived to address various risks via strategic transformation. Going forward, the Company will stay focused on the long term, ensure compliance in its business operation, strengthen risk control and accelerate high-quality development.

Summary of Quarterly Solvency Report (Excerpts)

Pacific Health Insurance Co., Ltd.

1st Quarter of 2025

Company overview and contact information

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

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I. BOARD CHAIRMAN AND MANAGEMENT STATEMENT

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

II. Basic information

(I) Ownership structure and shareholders

1. Ownership structure

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

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

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

3. Shareholding by directors, supervisors and senior management

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

4. Share transfer during the reporting period

Did any share transfer occur during the reporting period?

(Yes ☐ No ☒)

(II) Controlling shareholder or de facto controller

China Pacific Insurance (Group) Co., Ltd.

(III) Directors, supervisors and senior management

1. Directors (7 in total)

Mr. MA Xin, born in April 1973, has a master's degree. He has been serving as Chairman of the Company since January 2021 (approval document: CBIRC [2021] No.4). Mr. MA currently serves as Vice President of CPIC Group and Director of CPIC. 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. ZHANG Weidong, born in October 1970, holds a bachelor's degree. He has been serving as Director of the Company since May 2021 (approval document: CBIRC [2021] No.341). Mr. ZHANG currently serves as Chief Internal Auditor, General Counsel, Internal Audit Responsible Person of CPIC Group and Chairman of the Board of Supervisors of CPIC P/C and CPIC Life respectively. Mr. ZHANG previously served as General Manager of Legal & Compliance Department, head of the Board Office, General Manager of Risk Management Department, Risk & Compliance Officer, Chief Risk Officer, Compliance Responsible Person and Acting Internal Audit Responsible Person of CPIC Group, Director and Board Secretary of CPIC P/C, CPIC Life and CPIC AMC respectively, and Director of Changjiang Pension.

Mr. ZHANG Yuanhan, born in November 1967, holds a master's degree and is a member of Society of Actuaries and American Academy of Actuaries respectively, and Director of China Association of Actuaries. He has been serving as Director of the Company since April 2021 (approval document: CBIRC [2021] No.280). Mr. ZHANG currently serves as Chief Actuary of CPIC Group, Acting Chief Actuary of CPIC Life and Director of CPIC P/C. Mr. ZHANG 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, Chief Actuary of Sun Life Everbright Life Insurance Co., Ltd., Director of Sun Life Everbright Asset Management Co., Ltd, Chief Risk Officer and Chief Actuary of the Company, Director of CPIC AMC, Finance Responsible Person of CPIC Group and Director of CPIC Life.

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 Department of CPIC Group and Director of CPIC Technology. Previously, he served as section head and Assistant General Manager of Information Technology Department of CPIC Group, Assistant General Manager of CPIC P/C Shanghai Branch, General Manager of IT Application Management Department of CPIC Group, General Manager of Information Security and Internal Control Management Department of CPIC Group, deputy head of Digitalisation Office, head of the Preparatory Team of Chengdu R & D Centre and General Manager of IT Design Department of CPIC Group.

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

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 Director of the Company since March 2025 (approval document: NFRA [2025] No.175). She currently serves as Deputy General Manager, Finance Responsible Person, Chief Actuary and Board Secretary of the Company. 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 and Acting Actuarial Responsible Person of the Company.

Ms. TAO Lei, born in September 1977, holds a master's degree. She has been serving as Director of the Company (approval document: NAFR [2025] No. 175) since March 2025. Ms. TAO currently serves as Deputy General Manager and Board Secretary of CPIC Life. Previously, she served as head of the Office of All-around Transformation, head of Transformation, head of the Office of Board of Directors/Board of Supervisors, General Manager of the Development and Planning Department, Board Secretary, and Assistant General Manager of CPIC P/C.

2. Supervisors (3 in total):

Mr. GU Qiang, born in January 1967, holds a master's degree and designation of Senior Accountant. He has been serving as Chairman of the Board of Supervisors of the Company (approval document: CBIRC [2021] No.165) since March 2021. Mr. GU currently serves as Employee Representative Supervisor of CPIC Group, Chairman of the Board of Supervisors of CPIC AMC and Chairman of the Board of Supervisors of Changjiang Pension. Mr. GU formerly was a lecturer at the Department of Finance and Insurance of Shanghai University of Finance and Economics, senior auditor of Pricewaterhouse Da Hua Certified Public Accountants, Manager of the International Business Department of Wanguo Securities Co., Ltd., Vice President and CFO of Shanghai Branch of American International Underwriters, served as Deputy Chief Accountant, CFO, Finance Responsible Person and Deputy General Manager of CPIC P/C, Deputy General Manager and Finance Responsible Person of Anxin Agricultural Insurance Co., Ltd.

Ms. HU Shuangzhu, born in September 1980, holds a master's degree. She is a certified internal auditor, certified information system auditor, financial risk manager, and has CRMA qualification. She has been serving as Supervisor of the Company since August 2016 (approval document: CIRC [2016] No.814). Ms. HU currently serves as Chief Auditor of Internal Control Operation Department, Internal Audit Center of CPIC Group. Previously, Ms. HU served as Senior Manager of PricewaterhouseCoopers Business Consulting (Shanghai) Co., Ltd., Chief Auditor of Internal Audit Business Department and Chief Auditor of Internal Control Technology Department of Internal

Audit Center of CPIC Group.

Ms. XUE Yongxian, born in November 1976, holds a master's degree. She has been serving as Supervisor (employee representative) of the Company (approval document: CIRC [2017] No.161) since February 2017. Ms. XUE currently serves as head of Key Account Business Center of the Company. Previously, she served as Chairman of the Trade Union, General Manager of Shanghai Branch, General Manager of Sales Management Department and General Manager of Individual Life Insurance Cooperation Business Centre 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.

3. Senior management at head-office level (6 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). 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 Compliance Responsible Person of the Company since January 2024 (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.

Mr. SONG Quanhua, born in February 1973, holds a master's degree. He has been serving as Deputy General Manager of the Company (approval document: CBIRC [2021] No.691) since September 2021. He previously served as Deputy General Manager of

CPIC Life Ningbo Branch, General Manager of CPIC Life Dalian Branch, Director of Party Affairs Department, General Manager of New Channel Business Department, General Manager of Corporate Channel Business Marketing Department, Deputy General Manager of Health and Elderly Care Business Center and Deputy General Manager of Group Business Center of CPIC Life, and General Manager of Pacific Medical & Healthcare Management Co., Ltd.

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

Ms. YIN Yanling, born in June 1972, holds a master's degree and is a member of China Association of Actuaries. She has been serving as Finance Responsible Person of the Company since September 2021 (approval document: CBIRC [2021] No.729), serving as Chief Actuary of the Company since August 2022 (approval document: CBIRC [2022] No.532), as Board Secretary of the Company since August 2022 (no approval required) and as Deputy General Manager of the Company since March 2025 (approval document: NFRA [2025] No.160). She became a Director of the Company in March 2025 (approval document: NFRA [2025] No.175). 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 and Acting Actuarial Responsible Person of the Company.

Ms. SUN Min, born April 1977, holds a doctoral degree and the designation of Senior Auditor. She has been serving as Acting Internal Audit Responsible Person of the

Company in December 2024 (pending approval). 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 and Deputy General Manager of Digital Audit Technology Department.

Note: In April 2025, Ms. ZHOU Yanfang began to serve as Director of Changjiang Pension; in April 2025, Mr. WANG Yong began to serve as Supervisor (employee representative) of the Company and Ms. XUE Yongxian ceased to serve as Supervisor (employee representative) of the Company.

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

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

There was no change during the reporting period.

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

None during the reporting period.

III. Main indicators

(I) Solvency margin ratios

unit: 10,000 RMB yuan

Items	As at the end of the reporting quarter	As at the end of the previous quarter	Next quarter estimates
Admitted assets	1,266,846.73	1,208,889.71	1,292,419.68
Admitted liabilities	836,592.70	804,856.48	843,782.10
Actual capital	430,254.03	404,033.23	448,637.58
Tier-1 core capital	331,982.65	308,460.50	333,036.03
Tier-2 core capital	28,894.33	20,919.43	35,222.47
Tier-1 supplement capital	67,276.61	73,653.15	77,818.63
Tier-2 supplement capital	2,100.43	1,000.14	2,560.45
Minimum capital	184,690.32	171,623.68	200,722.63
Minimum capital for quantifiable risks	183,292.54	170,324.79	199,203.51
Minimum capital for control risk	1,397.78	1,298.89	1,519.12
Minimum capital for supplement capital	-	-	-
Solvency margin			
Core solvency margin	176,186.66	157,756.25	167,535.87
Comprehensive solvency margin	245,563.71	232,409.55	247,914.95
Core solvency margin ratio (%)	195	192	183
Comprehensive solvency margin ratio (%)	233	235	224

(II) Regulatory indicators for liquidity risk

Indicators	During the reporting quarter	During the previous quarter on a comparable basis
Actual cash flow (unit:10,000 yuan)	3,191.49	3,776.21
Retrospective adverse deviation ratio of net cash flows from operating activities (%)	-75	37
Overall liquidity coverage ratio under base scenario (next 3 months)(%)	119	114
Overall liquidity coverage ratio under base scenario (next 12 months)(%)	105	105
Overall liquidity coverage ratio under stress scenario - mandatory (next 3 months)(%)	456	485
Overall liquidity coverage ratio under stress scenario - mandatory (next 12 months)(%)	175	201
Overall liquidity coverage ratio under stress scenario - self-assessment (next 3 months)(%)	455	481
Overall liquidity coverage ratio under stress scenario - self-assessment (next 12 months)(%)	217	258
Liquidity coverage ratio before asset disposal under stress scenario - mandatory (next 3 months)(%)	129	164

Liquidity coverage ratio before asset disposal under stress scenario - mandatory (next 12 months)(%)	89	98
Liquidity coverage ratio before asset disposal under stress scenario - self-assessment (next 3 months)(%)	170	217
Liquidity coverage ratio before asset disposal under stress scenario - self-assessment (next 12 months)(%)	148	185

(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 on a comparable basis
Net cash flows from operating activities (unit: 10,000 yuan)	1,232.23	78,937.21
Comprehensive surrender ratio (%)	0.21	0.27
Net cash flows from participating/universal accounts	-	-
Written premiums year-on-year growth (%)	34.68	101.57
Share of cash and liquidity management tools (%)	3.75	3.67
Quarterly average financial leverage ratio (%)	3.11	2.48
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 (%)	21.25	18.11
Share of related party assets held (%)	4.09	5.13

(IV) Key business metrics

Indicators	As at the end of the reporting quarter/during the reporting quarter	unit: 10,000 yuan As at the end of the reporting quarter/YTD
Gross written premiums	237,454.77	237,454.77
Net profits	1,804.60	1,804.60
Total assets	1,009,256.63	1,009,256.63
Net assets	331,508.18	331,508.18
Insurance contract liabilities	499,953.01	499,953.01
Basic earnings per share (yuan)	0.01	0.01
ROE (%)	0.54	0.54
ROA (%)	0.18	0.18
Investment yield (%)	0.89	0.89
Comprehensive investment yield (%)	0.87	0.87

Note: Net profits, 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.

(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 3.33% and 3.58%, respectively.

IV. Risk management capabilities

(I) Company category

The Company was incorporated in December 2014. As of the end of March 2025, its total assets reached 12,795.2525 million yuan, with written premiums amounting to 1,029.0573 million yuan in Q1 2025. 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's efforts to improve risk management in Q1 2025 mainly focused on three aspects: updating risk management systems, risk appetite review & annual risk assessment, and formulating risk management priorities for 2025.

1. The Company evaluated and updated relevant policies and regulations on solvency risk management, including in insurance, market, liquidity, operational, reputational and strategic risk management.
2. The Company reviewed the implementation status of its risk appetite in 2024, reviewed execution of its annual risk management plan, drafted the 2024 Risk Assessment Report and submitted it to the Management Committee for approval.
3. In accordance with risk management priorities for 2025 of the Group, the Company formulated its own priorities for the year, with clearly defined annual targets and plans to

ensure continued risk management efforts.

In Q1 2025, 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 first quarter of 2025.

(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

According to regulatory feedback on IRR results, the Company was rated AAA for Q3 and AA for Q4 of 2024, which met regulatory requirements in solvency, with a low level of operational risk, reputational risk, strategic risk and liquidity risk.

(II) Measures taken or to be taken for improvement

In Q1 2025, 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 enhance operational efficiency while maintaining current operational turnaround and quality, focusing particularly on shortening claims turnaround, handling of insurance frauds and customer complaints. With regard to strategic risk, it maintained stability in senior management turnover and business development. As for reputational risk, it maintained the status of zero media crisis during the reporting period.

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

Liquidity risk: Liquidity risk of the Company mainly stems from claims and maturity

payments on insurance contracts, daily expenditures and investment asset impairment losses. As of the end of Q1 2025, 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 gear ratio and financing activities to ensure sufficient borrowing to ease the pressure on liquidity in the unlikely event of emergencies. Overall, the sources of liquidity outweighed needs for liquidity, indicating a low risk of liquidity gaps.

Operational risk: In terms of compliance and internal control, the Company detected no breaches and received no administrative penalties from the regulator in Q1 2025. 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 Strategic Development Plan and annual business objectives, the Company defined its strategic positioning, paths of implementation and expected results. It has a clear strategic direction, with detailed plans for execution. Guided by its own strategic objectives and those of the Group, the Company will strive for breakthroughs across all KPIs in the next three years to pursue high-quality development. It formulated strategic decisions based on market environment to identify, assess and manage strategic risks by means of target breakdown, business review on a regular basis, analysis of market conditions and its own strengths and weaknesses. In Q1 of 2025, there was no breach of risk limits and no occurrence of strategic risk incidents.

VI. Management analysis and discussions

(I) Solvency Analysis

1. Actual capital

As at 31 March 2025, actual capital of the Company amounted to 4,302.5403 million yuan, an increase of 6.5% from the previous quarter, mainly due to higher contribution from future surplus on insurance policies.

2. Minimum capital

Minimum capital of the Company as at the end of the reporting period was 1,846.9032 million yuan, up by 7.6% from the end of the previous quarter, mainly due to: changes to long-term business mix and business growth, which increased minimum capital requirement for life insurance risk; increase in allocation of long-term government bonds and fair value of equity investments in Q1, which led to higher minimum capital requirement for market risk; maturity of certain NPFI investments, which led to reduced credit risk exposure and lower comprehensive factors for credit risk, and in turn, decrease in minimum capital for credit risk. Of this, minimum capital for life insurance risk was 1,487.4151 million yuan, that for non-life business was 797.4544 million yuan, that for market risk 349.9937 million yuan, that for credit risk 292.3750 million yuan, diversification effect for quantifiable risk was 890.6545 million yuan, and that for control risk was 13.9778 million yuan.

3. Solvency margin ratios

As of 31 March 2025, the Company's core solvency margin was 1,761.8666 million yuan, with a core solvency margin ratio of 195%; comprehensive solvency margin was 2,455.6371 million yuan, with a comprehensive solvency margin ratio of 233%.

(II) Liquidity risk

For the reporting quarter, net cash flow was 32 million yuan, mainly because of increased cash received from operating activities; the difference between actual net cash flow from

operating activities and the estimate was -37 million yuan, with a retrospective adverse deviation ratio of -75%, mainly because of less cash received as retained premiums than estimates. As of the end of Q1 2025, all liquidity coverage ratios under various scenarios and all liquidity indicators were 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.

Summary of Quarterly Solvency Report (Excerpts)

Pacific Anxin Agricultural Insurance Co., Ltd.

1st Quarter of 2025

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:	SONG Jianguo
Registered address	3651 Gonghexin Road, Shanghai, the PRC.
Registered capital	1.08bn yuan
Business license number	00000089
Date 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, Jiangsu Province, Zhejiang Province.
Contact person:	LI Mao
Tel. number:	+86-21-66988703
Cell phone:	18817959847
Email:	limao-005@cpic.com.cn

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I. Board and management statement

Statement by chairman of the board and management

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

II. Basic information

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

1. Ownership structure and change

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

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

2. De facto controller

The Company has no de 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	Shareholding percentage at the end of the reporting period	Shares pledged or in lock-up
China Pacific Property Insurance Co., Ltd.	State-owned	73,205.68	67.78%	0
Shanghai Agricultural Development Co., Ltd.	State-owned	7,718.03	7.15%	0
Shanghai Minhang Asset Investment (Group) Co., Ltd.	State-owned	5,365.19	4.97%	0
Shanghai Nongfa Asset Management Co., Ltd.	State-owned	4,201.72	3.89%	0
Shanghai Fengxian District State-owned Asset Operation Co., Ltd.	State-owned	3,653.35	3.38%	0
Shanghai Baoshan Fiscal Investment Company	State-owned	3,150.84	2.92%	0
Shanghai Jiading Guangwo Asset Management Co., Ltd.	State-owned	2,504.59	2.32%	0
Shanghai Songjiang State-owned Asset Investment Management Group Co., Ltd.	State-owned	2,025.88	1.88%	0
Shanghai Huinong Investment Management Co., Ltd.	State-owned	1,817.99	1.68%	0
Shanghai Qingpu Asset Management Co., Ltd.	State-owned	1,719.37	1.59%	0
Shanghai Jinshan Capital Management Group Co. Ltd.	State-owned	1,640.50	1.52%	0
Shanghai Chongming Asset Operation Co., Ltd.	State-owned	996.86	0.92%	0
Total	— —	108,000.00	100.00%	0
Related party relations among shareholders	None			

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

4. Shareholding by directors, supervisors and senior management

None during the reporting period.

5. Share transfer during the reporting period

None during the reporting period.

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

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

1.1 Directors

As of the end of March 2025, the 4th Board of Directors of the Company has 9 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 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, and Sales Director of CPIC P/C.

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.

Mr. SHI Jian, born in November 1973, holds a bachelor's degree, and has been serving as Executive Director of the Company since September 2021 (approval document: CBIRC [2021] No. 680). Mr. SHI previously served as Deputy General Manager (in charge) of Shanghai Western Operation Management Office of Shanghai Branch of China Life Insurance Company, 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. He also served as Assistant President, Vice President, Board Secretary, Executive Director, President (General Manager) of Anxin Agricultural Insurance Co., Ltd., as well as Deputy Marketing Director and General Manager of Strategic Account Department of CPIC Group, and General Manager of the Company.

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

Shanghai Modern Agriculture Open Training Center, and Director of General Office of Shanghai Agricultural Development Promotion Center.

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

Mr. SHEN Chun, born in August 1971, holds a bachelor's degree. He has been serving as Independent Director of the Company since January 2019 (approval document: CBIRC [2019] No. 44). Mr. SHEN currently serves as Director of Management Committee of Excellent Law Firm, Chairman of Wusong General Branch of Baoshan Committee of China Democratic National Construction Association, member of the Standing Committee of the 9th Baoshan District Political Consultative Conference, Law Enforcement Supervisor of CPC Political and Legal Commission of Baoshan District, Legal Advisor of Government of Baoshan District. Mr. SHEN previously served as deputy head and partner of Shanghai Zhengming Law Firm.

Mr. ZHANG Qiao, born in November 1962, holds a doctoral degree. He has been serving as Independent Director of the Company since December 2022 (approval document: CBIRC [2022] No. 851). Mr. ZHANG currently serves as executive member of the Agriculture Risk Management Council of China, Research Fellow of the National Research Centre on Agriculture and Rural Areas of China Agriculture 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 Sen, born in October 1970, holds a master's degree and membership of Society of Actuaries (SOA). He has been serving as Non-executive Director of the Company since March 2019 (approval document: CBIRC [2019] No. 332). Mr. CHEN currently serves as Deputy General Manager, Finance Responsible Person, and Chief Actuary of CPIC P/C. He previously served as Senior Actuarial Analyst of Finance Department of Swiss Reinsurance Company (USA), Actuary of Analysis Department of Guy Carpenter & Company, Deputy General Manager, Chief Actuary, and Finance Responsible Person of China Property & Casualty Reinsurance Company.

Ms. ZHOU Li, born in March 1979, holds a bachelor's degree and designation of Accountant. She has been serving as Non-executive Director of the Company since

June 2022 (approval document: CBIRC [2022] No. 403). Ms. ZHOU currently serves as Assistant General Manager of Asset Management Centre of Shanghai Pudong State-owned Assets Investment Management Co., Ltd. Previously, she served as Deputy Manager of Finance Department of Shanghai Agricultural Development Asset Management Center, Head of Audit Office of Shanghai Agricultural Development Asset Management Co., Ltd., Manager of General Affairs Department of Agricultural Development Asset Management Center of Shanghai Pudong State-owned Assets Investment Management Co., Ltd.

1.2 Supervisors

As of the end of March 2025, the 4th Board of Supervisors of the Company has 6 supervisors:

Mr. CHEN Yuanliang, born in June 1971, received post-graduate university education, and has been serving as Supervisor (employee representative) and Chairman of the Board of Supervisors of the Company since September 2023 (approval document: NFRA [2023] No. 260). Mr. CHEN also serves as Vice Dean of Tai'an Agricultural Insurance Institute, Market Development Director (sannong) and General Manager of Market Department of Sannong Business Centre of CPIC P/C. Previously he served as General Manager of CPIC P/C Baotou Central Sub-branch, Deputy General Manager of CPIC P/C Inner Mongolia Branch, General Manager of the Agricultural Insurance Business Unit, General Manager of the Agricultural Insurance Market Development Department, and General Manager of the Agricultural Insurance Management Department of CPIC P/C, General Manager of CPIC P/C Xinjiang Branch, and Deputy General Manager of Anxin Agricultural Insurance Co., Ltd.

Ms. ZHANG Wen, born in November 1984, holds a bachelor's degree. She has been serving as Supervisor of the Company since July 2022 (approval document: CBIRC [2022] No. 403). Ms. ZHOU currently serves as Manager of Asset Management Department of Shanghai Kailun Investment Co. Ltd. She previously served as Executive Director, General Manager of Shanghai Xingbo Supplies Co., Ltd., General Manager of Business Development Management Department, Employee Representative Supervisor, and Director of Administration of Shanghai Fengxian SPD Rural Bank, Assistant President and then Deputy President of Shanghai Fengxian Branch of Ningbo Bank.

Mr. ZHANG Rongyao, born in July 1989, holds a master's degree. He started to serve as Director of the Company in January 2025 (approval document: NAFR [2024] No. 885). Mr. Zhang currently is a member of the CPC Committee of Shanghai Jiading Technology Investment (Group) Co., Ltd. and General Manager of Shanghai Huijia Venture Capital Co., Ltd. He previously served as Corporate Communications Manager of the General Management Department, Deputy Director of the Party-People Work Department, head of the Secretary & Supervision Office of the General Management

Department, head of the General Office, and head of the Secretary & Supervision Office of the General Office at Shanghai Jiading State-owned Assets Operation (Group) Co., Ltd.

Ms. YUAN Changming, born in May 1966, holds a master's degree. She has been serving as Supervisor of the Company since April 2024 (approval document: NFRA [2024] No. 237). Ms. YUAN currently is a teacher and associate professor at the School of Management of Shangdong University, and also a certified public accountant of Shangdong SD-Audit Certified Accounts Co., Ltd., a management consultant of Tianju Enterprise Group, and an independent director of MH Robot & Automation Co., Ltd. She was previously a teacher at Bengbu Finance and Trade Vocational School, head of the Finance Section of Shandong Inzone Group Co., Ltd, and a lecturer at Shandong University of Technology. Ms. YUAN was also concurrently an advisor at Shandong Anpurui Agriculture and Animal Husbandry Development Co., and adjunct professor at Shandong Agricultural Management College.

Mr. ZHANG Xiangdong, born in April 1966, holds a bachelor's degree in medicine and designation of agronomist. Mr. ZHANG has been serving as Supervisor of the Company since April 2024 (approval document: NFRA [2024] No. 237). Mr. ZHANG currently serves as Chairman of Shanghai Caoye Agricultural Development Co., Ltd., and Chairman of Shanghai Baida Supermarket Co., Ltd. He is also a special deputy to the People's Congress of Fengxian District, Shanghai, a special member of the Standing Committee of the People's Congress of Fengxian District, and Director of Tai'an Agricultural Insurance Institute. Previously, he was an employee of Shanghai Pharmaceuticals & Health Products Import & Export Corporation, and Corporate Development Manager of Amtek Group (Singapore).

Mr. GUO Zongjie, born in December 1968, holds a bachelor's degree. He became Employee Representative Supervisor of the Company in December 2020 (approval document: CBIRC [2020] No. 860). Mr. GUO is currently head of the Office of the Board of Directors/Office of the Board of Supervisors, head of the Party Building Department, and Director of the Party Committee Office of the Company. Previously, he served as Director of the General Office and Party Committee Office of CPIC P/C Shandong Branch, General Manager of the Intermediary Business Department of CPIC P/C Shandong Branch, and Director of the Administrative Office and General Manager of the Development Planning Department of the Company.

1.3 Senior management at head-office level

As of the end of March 2025, 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 of the Company since March 2025 (approval documents: NFRA [2025] No. 150). 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 Interim Board Secretary 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.

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. Previously, Mr. HUANG served as deputy head of Gaodong Township, head of Heqing Township, Pudong New Area, Shanghai; Deputy Director of Rural Affairs Office of CPC Pudong New Area, Deputy Director of District Agricultural Committee of Pudong New Area, member of CPC Committee of Anxin Agricultural Insurance Co., Ltd. and General Manager of its Shanghai Nanhui Sub-branch, Deputy Party Secretary and Deputy General Manager of Shanghai Branch of Anxin Agricultural Insurance Co., Ltd., member of CPC Committee/General Manager of Agricultural Insurance Market Development Department and General Manager of Agricultural Insurance Business Management Department of Pacific Anxin Agricultural Insurance Co., Ltd.

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

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

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

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

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

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

Position	Predecessors	Incumbents	Remarks
General Manager	SHI Jian	ZHENG Kai	ZHENG Kai began to serve as General Manager of the Company in March 2025 as per approval by NFRA (approval document: NFRA [2025] No.150)
Board Secretary	ZHENG Kai	-	LI Shuhui began to serve as Board Secretary of the Company in Feb.

Supervisor MIAO Huan ZHANG Rongyao Assumed duty as of Jan. 2025

(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

None.

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: yuan

Lines	Item	As of the end of Q1 2025	As of the end of Q4 2024	Next quarter estimates
1	Admitted assets	7,277,619,829	7,108,326,920	7,509,439,735
2	Admitted liabilities	4,061,102,000	3,955,597,541	4,227,756,349
3	Actual capital	3,216,517,829	3,152,729,379	3,281,683,386
3.1	Tier-1 core capital	2,912,114,690	2,868,075,427	2,977,280,247
3.2	Tier-2 core capital	-	-	-
3.3	Tier-1 supplement capital	304,403,139	284,653,951	304,403,139
3.4	Tier-2 supplement capital	-	-	-
4	Minimum capital	950,862,353	939,714,601	991,324,667

4.1	Minimum capital for quantifiable risks	929,800,199	918,899,375	969,366,249
4.1.1	Minimum capital for life insurance risk	-	-	-
4.1.2	Minimum capital for non-life insurance risk	784,602,512	760,568,719	789,202,198
4.1.3	Minimum capital for market risk	429,499,619	442,292,502	476,185,312
4.1.4	Minimum capital for credit risk	270,770,629	272,062,360	297,400,794
4.1.5	Diversification effect for quantifiable risks	451,761,428	453,924,275	485,714,694
4.1.6	Loss absorption for special-type insurance contracts	-	-	-
4.2	Minimum capital for control risk	21,062,155	20,815,225	21,958,419
4.3	Supplement capital	-	-	-
5	Core solvency margin	1,961,252,336	1,928,360,826	1,985,955,579
6	Core solvency margin ratio	306.26%	305.21%	300.33%
7	Comprehensive solvency margin	2,265,655,476	2,213,014,778	2,290,358,719
8	Comprehensive solvency margin ratio	338.27%	335.50%	331.04%

(II) Regulatory indicators for liquidity risk

	Q1 2025		Q4 2024	
Liquidity coverage ratio (LCR)	Next 3 months	Next 12 months	Next 3 months	Next 12 months
LCR1 (LCR under base scenario)	115.99%	103.55%	101.69%	103.06%
LCR2 (LCR under stress scenario)–mandatory	196.63%	111.89%	162.31%	114.17%
LCR2 (LCR under stress scenario)- self-testing	206.25%	128.85%	172.87%	123.86%
LCR3 (LCR under stress scenario before asset disposal)-mandatory	109.17%	81.84%	72.68%	83.07%
LCR3 (LCR under stress scenario before asset disposal)-self-testing	114.70%	97.50%	79.50%	94.90%

Retrospective adverse deviation ratio of net cash flows from operating activities	28.13%	80.58%
Net cash flows YTD in FY2025 (unit: 10,000 yuan)	-987.83	405.07
Net cash flows in FY2024 (unit: 10,000 yuan)	405.07	1,527.95
Net cash flows in FY2023 (unit: 10,000 yuan)	1,527.95	-1,987.50

(III) Other indicators for liquidity risk

unit: yuan

Item	As of the end of/ during Q1 2025	As of the end of/ during Q4 2024
1. Net cash flows from operating activities	-340,579,028	73,438,402
2. Net cash flows from operating activities per 100 yuan in premiums	-74.62	3.66
3. Share of cash outflow for special types of business	0.00%	7.10%
4. Written premiums growth year-on-year	3.39%	1.02%
5. Share of cash and liquidity management instruments	3.53%	1.89%
6. Quarterly average financial leverage ratio	9.15%	3.88%
7. Share of domestic fixed income assets rated AA and below	0.12%	0.12%
8. Share of investments in listed stocks with a stake of 5% or above	0.00%	0.00%
9. Proportion of receivables	18.32%	17.15%
10. Proportion of related party assets held by the Company	0.00%	0.00%

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.

(IV) Key business metrics

unit: yuan

Indicators	As at the end of/ during Q1 2025	As at the end of Q1 2025/YTD
Gross written premiums	503,428,562	503,428,562
Net profits	38,538,467	38,538,467
Total assets	6,161,959,726	6,161,959,726
Net assets	3,145,807,702	3,145,807,702
Insurance contract liabilities	1,907,863,677	1,907,863,677
Basic earnings per share	0.036	0.036
ROE	1.23%	1.23%
ROA	0.83%	0.83%
Investment yield	0.97%	0.97%
Comprehensive investment yield	1.10%	1.10%
Profitability indicators	--	--
1. Combined ratio	--	98.40%
2. Expense ratio	--	21.12%
3. Loss ratio	--	77.28%
4. Proportion of commission and brokerage expenses	--	4.47%
5. Proportion of operating and administrative expenses	--	16.18%
Scale indicators	--	--
1. Written premiums	456,392,934	456,392,934
2. Written premiums of auto insurance	-	-
3. Written premiums of top 5 non-auto insurance business lines	437,042,018	437,042,018

Largest non-auto business line	290,371,092	290,371,092
Second largest non-auto business line	69,729,663	69,729,663
Third largest non-auto business line	42,290,683	42,290,683
Fourth largest non-auto business line	30,889,729	30,889,729
Fifth largest non-auto business line	3,760,850	3,760,850
4. Average vehicle premium of auto insurance	-	-
5. Written premiums by channels	456,392,934	456,392,934
Agency	41,519,316	41,519,316
Direct	386,240,863	386,240,863
Brokerage	28,632,755	28,632,755
Others	-	-

Note: Net profits, 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 afore-mentioned indicators.

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

Average investment yield in the past 3 years	3.81%
Average comprehensive investment yield in the past 3 years	3.67%

IV. Risk management capabilities

(I) Company category

The Company was incorporated in Shanghai in September 2004 as per approval of the former CIRC. In 2024, its written premiums amounted to 2.005bn yuan, and as of the end of 2024, total assets stood at 7.140bn 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

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

In respect of insurance risk, we completed the Annual Analysis Report on Product Clauses and Pricing Rates; reviewed results of the Company's reserve assessment for the previous year and the year before, which showed favourable development and adequacy in reserves; implemented regulatory requirements on precise underwriting/claims in agricultural insurance; launched a "Precise Underwriting/Claims" Demonstration Zone, developed corresponding implementation plans to adopt professional and standardized practices; established procedures for financial management and operation of reinsurance business, implemented a 4-tier decision-making authorization framework for ceded-in business to standardize relevant operational management procedures and refine the reinsurance risk assessment mechanism.

In terms of market risk, we formulated the new Strategic Asset Allocation (SAA)

framework and Annual Asset Allocation Plan based on our updated risk appetite, communicated with our asset managers to finalize the 2025 Investment Guidelines; conducted ALM quantitative assessment and quarterly analysis, including measurement and analysis of impact of market fluctuations on returns of investment portfolios, monitored the matching of cost and benefit, and made forecasts on key risk indicators to ensure compliance with internal and regulatory ALM requirements.

As for credit risk, we formulated the Incentive Programme for Receivables Collection of Q1 2025, established normalised mechanisms for monitoring of receivables and strengthened oversight for collection of delinquent and overdue accounts; reviewed the logic behind recovery of arrears and develop realistic metrics for receivables; monitored and assessed creditworthiness of reinsurance companies; maintained close communication and information-sharing with reinsurance markets, and strengthened monitoring of credit risk of reinsurance counter-parties.

On the side of operational risk, we implemented the Compliance Management Measures for Financial Institutions, and revised Management Measures for Criminal Cases and Anti-Insurance Fraud Management Measures in strict compliance with regulatory requirements; proceeded with the development of the new anti-money laundering (AML) system, completed quarterly AML self-review, with timely rectification based on identified issues; organised quarterly analysis of anti-fraud work by branches and drafted the Quarterly Fraud Risk Analysis Report; strengthened IT risk control and conducted the 2024 IT risk management assessment; continued with consumer rights protection and work review.

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 future claims pay-out on cash flows in a timely manner, so as to ensure sufficient liquidity and stable cash flows; continued to communicate with CPIC AMC to ensure an asset allocation compatible with needs for cash flows; reviewed and optimised the

risk matrix of investment liquidity, continuously monitored and assessed market liquidity and interest rate movements and their impact on liquidation of investment assets; formulated the "2025 Budget Plan for Receivables Management", updating collection requirements in line with the Company's business development strategy; continued with cash flow tracking and forecasting, including premium income and claim payments, while enhancing cash flow management of reinsurance business.

In terms of reputational risk management, we organised virtual participation of the Group's reputational risk management training by both full-time and part-time staff involved in the area, continued to enhance awareness and capability to proactive prevent, control and mitigate reputational risk; organised the March 15th Consumer Rights Protection Advocacy Week, conducted quarterly media risk screening to consolidate the foundation of reputational risk management and improve coordination in media management.

With regard to the strategic risk, we completed the quarterly analysis report on the implementation of the Company's development plan for Q4 2024, and submitted it to the Board of Directors and Board of Supervisors; finalized the 2025 Business Development Strategy Report, and monitored ESG risk events to ensure sustainable, high-quality development of the Company.

The Company conducted risk assessment of the 2025 Business Development Strategy Report, which showed that the report complied with the Company's risk appetite and risk tolerance requirements. It also conducted risk assessment of the 2025 Budget Report, which indicated that the report complied with the Company's risk appetite and risk tolerance requirements.

(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 and AA at the IRR (differentiated supervision) by NFRA (formerly CBIRC) for Q3 and Q4 respectively of 2024. It has briefed the board on IRR results, with follow-up analysis.

As per Solvency Regulatory Standards No.11: Integrated Risk Rating (differentiated supervision) of Solvency Regulatory Standards of Insurance Companies (II) (CBIRC document [2021] No. 51), the IRR (differentiated supervision) results will be in 4 categories, i.e., A, B, C, D, which can be further classified into AAA, AA, A, BBB, BB, and B, both by ascending order of risks.

(II) Measures taken or to be taken for improvement

The Company's integrated risk rating (IRR) for Q4 2024 was AA.

In the reporting quarter, the Company strictly abided by policies of NFRA, PBoC and other related regulatory documents, continued to monitor the key risk indicators, enhanced operational and IT risk management, carried out tracking of key indicators with analysis of causes for change, pushed for rectification, including rectification of regulatory data filing so as to continuously strengthen risk management capabilities.

Priorities going forward: first, strengthen rectification of under-performing operational risk indicators, improve risk early-warning and organise analysis of root-causes and development of corrective measures by relevant department; second, refine the IT management system based on findings of off-site regulatory audit reports; third, improve the governance mechanism for regulatory data filing to ensure the timeliness, completeness and accuracy of submissions.

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

1. Operational risk

1.1 Operational risk status

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

1.2 Methods of operational risk assessment

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

1.3 Process of operational risk assessment

In the quarter, first, the Company conducted an assessment of IRR operational risk status, organised a review by relevant departments of operational risk in mis-selling, fraudulent claims, mis-handling in investment, erroneous financial information disclosure, money laundering, information security and system failures, with follow-up rectification. Second, monitored key indicators of operational risk in light of risk upper limits, management reports and remedial actions, with clear definition of their ownership by departments or branch offices, and may conduct self-review if circumstances require. Third, conducted risk assessment in money laundering, insurance frauds and consumer rights protection when launching new products or new business.

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

Business development of the Company in the past 3 years has been volatile, which calls for intensified effort in market development and product innovation, particularly in areas other than Shanghai. At the same time, we will enhance performance evaluation against KPIs and take multiple measures to ensure healthy, steady premium growth and high-quality development of the Company.

A risk review of the 2025 Report on Business Strategic Plan indicated that the report is in line with the risk appetite of the Company and complies with requirements of risk upper limits.

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 share and handle media information in a timely manner; third, the Company issued the "Risk Early-warning" weekly reports with early-warning 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

Filed sensitive words with the Group. Used Group platform for collection and statistical analysis of media reports containing such sensitive words, 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, net investment income, sales or maturity of investment assets and financing activities. Demand for liquidity mainly stems from cash needed for payment of claims, daily expenditures 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, assess 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.

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 Q1 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 338.27% and 306.26% respectively, maintaining a strong position, up by 2.8pt and 1.1pt respectively from the preceding quarter.

Actual capital was 3.217bn yuan, an increase of 64mn yuan from the previous quarter, mainly due to a net profit and increase in catastrophe reserve for agricultural insurance.

Minimum capital stood at 951mn yuan, an increase of 11mn yuan from the preceding quarter. Of this, minimum capital for insurance risk rose by 24mn yuan, largely due to increase in rolling 12-month premium income, which in turn led to higher minimum capital requirement for premium and reserve risk; minimum capital for market risk dropped by 13mn yuan, mainly due to rise in interest rates and reduced allocation in bond securities, which in turn led to lower capital requirement for interest rate risk; that for credit risk fell by 1mn yuan; risk

diversification effect dropped by 2mn yuan.

(II) Changes to liquidity risk indicators and reasons

As of the end of the reporting quarter, cash and cash equivalents stood at 68.7885mn yuan, a decrease of 9.8783mn yuan from 78.6668mn yuan in the previous quarter. The decline was mainly due to higher cash outflow paid as claims under primary insurance contracts and paid under reinsurance business during the quarter.

LCRs of the next 3 months and next 12 months under base scenarios (LCR1) were 115.99% and 103.55%, respectively.

LCR2s, or LCRs of the next 3 months and next 12 months under stress scenario (mandatory) were 196.63% and 111.89%, respectively.

LCR2s of next 3 months and next 12 months under stress scenarios (self-testing) were 206.25% and 128.85%, respectively.

LCR3s, or LCRs of the next 3 months and next 12 months under stress scenarios before asset disposal (mandatory) were 109.17% and 81.84%, respectively.

LCR3s of the next 3 months and next 12 months under stress scenarios before asset disposal (self-testing) were 114.70% and 97.50%, respectively.

The retrospective adverse deviation ratios of net cash flow from operating activities of the reporting quarter and the previous quarter were 28.13% and 80.58% respectively, close to estimates overall.

Net cash flow YTD was -9.8720mn yuan. That for the previous fiscal year was 4.0507mn yuan, and that for the year earlier was 15.2795mn yuan.

(III) Change to IRR and reasons

According to feedback from NFRA in April, the Company was rated AA at the IRR for Q4 2024, which points to a healthy overall risk status, solid capital positions, stable

business operation and improving cash flows. In particular, the risk status of strategic risk, reputational risk and operational risk stayed normal, with no occurrence of major risk events. In Q1 2025, NFRA concluded that the Company “failed to submit data as required” concerning the pilot programme of “insurance + futures” under the section of “Statistics of Agricultural Insurance” via the statistical information system for innovative business of the regulator. As such, the Company received a downgrade in its IRR rating for Q4 2024. Management of the Company took the matter seriously, convened a meeting to review the cause of the downgrade, conducted rectification, including a campaign to improve the accuracy of regulatory data filing, enhancing mechanisms for data filing, oversight and accountability. The meeting also discussed remedial actions for under-performing metrics in insurance and IT.