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中國太平洋保險(集團)股份有限公司
CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

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

(Stock Code: 02601)

Overseas Regulatory Announcement

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

The announcement is attached hereof for information purpose only.

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

Hong Kong, 26 April 2025

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

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: $[(1+(\text{comprehensive}) \text{ investment yield in the most recent year}) * (1+(\text{comprehensive}) \text{ investment yield in the second most recent year}) * (1+(\text{comprehensive}) \text{ investment yield in the third most recent year})]^{(1/3)} - 1$.

IV. Risk management capabilities

(I) Classification of insurance companies

As per rules on classification of insurance companies in Solvency Regulatory Standards No.12: Solvency-aligned Risk Management Requirements and Assessment, the Company, established on 9 November 2001, is a Category I insurance company. In 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.