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Sunshine Insurance Group Company Limited

陽光保險集團股份有限公司

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

(Stock Code: 6963)

UNAUDITED INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025

The Board of Directors of Sunshine Insurance Group Company Limited (the “**Company**”) hereby announces the unaudited interim results of the Company and its subsidiaries for the six months ended June 30, 2025. This results announcement, containing the full text of the 2025 interim report of the Company, complied with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) in relation to information to accompany preliminary announcements of interim results.

Both the Chinese and English versions of this results announcement are available on the websites of the Company (www.sinosig.com) and the Hong Kong Stock Exchange (www.hkexnews.hk). The Company's 2025 interim report will also be published on the above-mentioned websites of the Company and the Hong Kong Stock Exchange in September 2025, and will be delivered to the holders of H shares who requested the corporate communications of the Company in printed form.

By order of the Board

Sunshine Insurance Group Company Limited

陽光保險集團股份有限公司

SHU Gaoyong

Joint Company Secretary

Hong Kong, August 22, 2025

As at the date of this announcement, the Board of Directors of the Company comprises Mr. ZHANG Weigong, Mr. LI Ke and Mr. PENG Jihai as executive Directors; Mr. CAI Qiwu, Mr. WANG Jingwei, Mr. CHEN Yong, Ms. QIAN Yiqun and Mr. HOU Huisheng as non-executive Directors; and Mr. LIU Zhanqing, Ms. JIA Ning, Mr. WU Xiaoqiu, Mr. HONG Qi and Mr. XU Ying as independent non-executive Directors.

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Definitions

“Articles of Association”	the articles of association of Sunshine Insurance Group Company Limited
“Board” or “Board of Directors”	the board of Directors of our Company
“Board of Supervisors”	the board of Supervisors of our Company
“CBIRC”	China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會), a regulatory authority formed via the merger of CBRC and CIRC according to the Notice of the State Council regarding the Establishment of Organizations (國務院關於機構設置的通知) (Guo Fa [2018] No. 6) issued by the State Council on March 24, 2018, and, if the context requires, includes its predecessors, namely CBRC and CIRC
“CBRC”	China Banking Regulatory Commission (中國銀行業監督管理委員會), which was merged with the CIRC to form CBIRC according to the Notice of the State Council regarding the Establishment of Organizations (國務院關於機構設置的通知) (Guo Fa [2018] No. 6) issued by the State Council on March 24, 2018
“China” or “PRC”	the People’s Republic of China, for the purpose of this report and for geographical reference only and except where the context requires, references in this report to “China” or “PRC” do not include Hong Kong, Macau and Taiwan
“CIRC”	China Insurance Regulatory Commission (中國保險監督管理委員會), which was merged with the CBRC to form the CBIRC according to the Notice of the State Council regarding the Establishment of Organizations (國務院關於機構設置的通知) (Guo Fa [2018] No. 6) issued by the State Council on March 24, 2018
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company” or “our Company”	Sunshine Insurance Group Company Limited (陽光保險集團股份有限公司), a joint stock company established on June 27, 2007 under the laws of the PRC with limited liability, and if the context requires, includes its predecessors prior to the incorporation of the Company
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules

"Director(s)"	the director(s) of our Company
"Domestic Unlisted Shares"	ordinary shares in the share capital of our Company with nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi by PRC natural persons or entities established under PRC laws
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "our Group", "we" or "us"	our Company and its subsidiaries
"H Share(s)"	overseas listed foreign shares in the share capital of our Company with nominal value of RMB1.00 each, which have been listed and traded on the Hong Kong Stock Exchange with effect from December 9, 2022
"HK\$" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Offer Shares"	the 14,501,000 H Shares offered by the Company for subscription pursuant to the Hong Kong Public Offering
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the offer price on the terms and conditions described in the Prospectus, as further described in the section headed "Structure of the Global Offering" in the Prospectus
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
"International Offer Shares"	the 1,135,651,500 H Shares offered by our Company pursuant to the International Offering
"International Offering"	the offer of the International Offer Shares by the international underwriters at the offer price outside the United States to non-US persons in offshore transactions in accordance with Regulation S, as further described in "Structure of the Global Offering" in the Prospectus

Definitions

“Latest Practicable Date”	August 22, 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this report prior to its publication
“Listing”	listing of our H Shares on the Main Board
“Listing Date”	December 9, 2022, the date on which dealings in our H Shares first commence on the Stock Exchange
“Listing Rules” or “Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“National Financial Regulatory Administration”	The National Financial Regulatory Administration (國家金融監督管理總局), a regulatory authority formed on the basis of the former CBIRC according to the Notice of the State Council regarding the Establishment of Organizations (國務院關於機構設置的通知)(Guo Fa [2023] No. 5) issued by the State Council on March 20, 2023, and if the context requires, includes its predecessor (i.e. CBIRC)
“Prospectus”	the prospectus of the Company dated November 30, 2022 issued in connection with the Global Offering and the Listing
“Regulation S”	Regulation S under the US Securities Act
“Reporting Period”	for the six months ended June 30, 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC. The currency for the amounts included in this report, unless otherwise stated, is RMB

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary shares in the capital of our Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s)
“State Council”	the State Council of the People’s Republic of China (中華人民共和國國務院)
“subsidiary(ies)”	has the meaning ascribed to it in section 15 of the Companies Ordinance
“Sunshine AMC”	Sunshine Asset Management Corporation Limited (陽光資產管理股份有限公司), a joint stock company established on December 4, 2012 under the laws of the PRC with limited liability, in which the Company directly and indirectly held approximately 80% equity interest as of the Latest Practicable Date
“Sunshine AMC (HK)”	Sunshine Asset Management (HK) Limited, a company with company registration completed on January 22, 2021 in Hong Kong with limited liability, in which Sunshine AMC and Sunshine Life held its 75% and 25% equity interest, respectively, as at the Latest Practicable Date
“Sunshine Life”	Sunshine Life Insurance Corporation Limited (陽光人壽保險股份有限公司), a joint stock company established on December 17, 2007 under the laws of the PRC with limited liability, in which the Company held 99.9999% equity interest as at the Latest Practicable Date
“Sunshine P&C”	Sunshine Property and Casualty Insurance Company Limited (陽光財產保險股份有限公司), a joint stock company established on July 28, 2005 under the laws of the PRC with limited liability, in which the Company held approximately 100% equity interest as at the Latest Practicable Date
“Sunshine Surety”	Sunshine Surety Insurance Company Limited (陽光信用保證保險股份有限公司), formerly known as Sunshine Yurong Credit and Guarantee Insurance Company Limited (陽光渝融信用保證保險股份有限公司), a joint stock company established on January 11, 2016 under the laws of the PRC with limited liability, in which the Company held approximately 87.33% equity interest as at the Latest Practicable Date

Definitions

“Supervisor(s)”	the member(s) of our Board of Supervisors
“US” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US dollars”	US dollars, the lawful currency of the United States

Corporate Information

REGISTERED NAME

Legal Chinese Name:

陽光保險集團股份有限公司

Abbreviation in Chinese:

陽光保險

Legal English Name:

Sunshine Insurance Group Company Limited

Abbreviation in English:

SUNSHINE INS

REGISTERED OFFICE

3001-3008, Sunshine Insurance Building
No. 66 Lanzhi 2nd Road
Haizhu Community, Yuehai Street, Nanshan District
Shenzhen, PRC
(Postal code: 518054)

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40/F, Dah Sing Financial Centre
248 Queen's Road East
Wanchai, Hong Kong

PLACE OF LISTING OF SHARES

The Stock Exchange of Hong Kong Limited

CLASS OF SHARES

H Shares

STOCK NAME

SUNSHINE INS

STOCK CODE

6963

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

Corporate Information

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INVESTOR RELATIONS DEPARTMENT

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LEGAL REPRESENTATIVE

Mr. ZHANG Weigong

SECRETARY TO THE BOARD

Mr. NIE Rui

AUTHORIZED REPRESENTATIVES

Mr. PENG Jihai

Mr. SHU Gaoyong

JOINT COMPANY SECRETARIES

Mr. SHU Gaoyong

Mr. LAU Kwok Yin

AUDITOR

Ernst & Young

(Certified Public Accountants and Registered Public Interest Entity Auditor)

HONG KONG LEGAL ADVISOR

Clifford Chance

PRC LEGAL ADVISOR

Commerce & Finance Law Offices

UNIFIED SOCIAL CREDIT CODE

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Results Highlights

Unit: RMB in millions, except for percentages

	June 30, 2025/ January – June 2025	December 31, 2024/ January – June 2024	Increase/decrease
Total assets	625,563	581,790	7.5%
Total liabilities	563,360	518,377	8.7%
Total equity	62,203	63,413	(1.9%)
Net assets per share (RMB/share) ⁽¹⁾	4.85	5.40	(10.1%)
Insurance revenue	32,441	31,488	3.0%
GWPs	80,814	76,462	5.7%
Net profit	3,481	3,212	8.4%
Net profit attributable to equity owners of the parent	3,389	3,143	7.8%
Earnings per share (RMB/share) ⁽¹⁾	0.29	0.27	7.8%
Weighted average return on equity ⁽²⁾	5.7%	5.2%	0.5pt

Note 1: Based on the data attributable to equity owners of the Company. The percentage of increase or decrease in earnings per share and net assets per share is calculated based on the data before rounding.

Note 2: Weighted average return on equity equals net profit attributable to equity owners of the parent for the period divided by the weighted average net assets attributable to equity owners of the parent.



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Management Discussion and Analysis

I. BUSINESS OVERVIEW

In the first half of 2025, the Company adhered to the people-centered value orientation, stayed true to its entrepreneurial original aspiration, and maintained strategic focus. With a scientific and prudent approach, the Company anticipated the potential impact of the long-term downward trend of interest rate. Guided by the development philosophy of “seeking progress amidst quality”, the Company diligently advanced the “New Sunshine Strategy (新陽光戰略)”, thereby achieving overall steady operations and balanced growth. Core capabilities such as value creation, customer management and technological innovation were effectively enhanced, further solidifying the foundation for the company’s high-quality development and high-value growth.

In terms of value creation capabilities, Sunshine Life focused on consolidating the foundation of profit sources and asset-liability matching as its core tasks, continuously strengthening the management of the “three margins (三差)”, deepening the implementation of the “One Body, Two Wings (一身兩翼)” strategy, and resolutely advancing the transformation of product structure and sales team. Meanwhile, Sunshine P&C took the “Mortality Table Project” as the key initiative, constantly improving the capabilities in risk pricing, resource allocation, and cost management.

In terms of asset allocation capabilities, the Company adhered to the principles of long-term stability and cycle resilience, leveraging the characteristics and advantages of insurance funds as “long-term capital”, continuously optimizing the allocation of assets, and enhancing the capability of scientific and dynamic matching of assets and liabilities.

In terms of customer management capabilities, the Company improved the hard strengths of the quality and efficiency of fundamental services, while elevating the soft power of sensing and understanding customer needs. For individual clients, the Company focused on designing and developing whole-life-cycle insurance products, particularly silver economy products, to build a portfolio of offerings and services with distinctive Sunshine characteristics. For corporate clients, the Company steadfastly advanced its “Partnership Action”, intensifying efforts to improve risk mitigation service capabilities in non-auto mobile insurance businesses.

In terms of scientific and technological innovation capabilities, the Company comprehensively deepened its transformation of digital intelligence, continuously improved the application capabilities of large models, and drove AI-powered scenario redesign, process reengineering, and application breakthroughs across key business areas, thereby accelerating the accumulation and utilization of data assets, and injecting strong momentum into the high-quality development of its core insurance operations through data intelligence.

Management Discussion and Analysis

(I) Results of operations

In the first half of 2025, the Company maintained a steady growth in business, and continuously enhanced the capability of value creation. The gross written premiums (“GWP_s”) were RMB80.81 billion, representing a year-on-year increase of 5.7%, and the insurance revenue reached RMB32.44 billion, representing a year-on-year increase of 3.0%. The net profit attributable to equity owners of the parent was RMB3.39 billion, representing a year-on-year increase of 7.8%. The embedded value of the Group was RMB128.49 billion, up 11.0% from the end of the previous year. As at the end of June 2025, the Group had 30.116 million active customers⁽¹⁾.

The operation of life insurance⁽²⁾ achieved steady progress with quality growth, while advancing simultaneously in value creation and structural optimization, and continuously strengthening its value development capabilities and resilience.

- The GWPs were RMB55.44 billion, representing a year-on-year increase of 7.1%. The value of new business was RMB4.01 billion, representing a year-on-year increase of 47.3% on a comparable basis⁽³⁾;

- The embedded value of life insurance was RMB106.20 billion, up 13.8% from the end of the previous year. The Contractual service margin was RMB56.08 billion, representing an increase of 10.3% from the end of the previous year;
- The Company deepened the linkage between assets and liabilities, and consolidated the foundation of profit sources to drive the dual growth in value and profitability. The Company systematically optimized the business mix in order to effectively reduce liability costs and significantly enhance management capabilities of interest rate risks. Through continued implementation of refined operational management, the Company achieved sustained reduction in operating costs and continuous improvements in operational efficiency;
- The Company optimized the structure of the sales team, further strengthening the professional competency and comprehensive sales capabilities of individual insurance agents. The educational profile of traditional sales teams was enhanced, so that the elite sales force achieved steady growth in active personnel while maintaining a high productivity level.

Note 1: The active customers refer to the applicants and insureds who hold at least one valid insurance policy at the point of time of the statistics, excluding free policies. In the event that the applicants and insureds are the same person, they shall be deemed as one customer. The number of customers of subsidiaries does not add up to the total number of customers of the Group because of the de-duplication process for customers who purchase multiple products.

Note 2: Life insurance business refers to the business of Sunshine Life.

Note 3: For growth rate on a comparable basis, the value of new business for both the current period and the same period last year are derived from an assumed 4.0% investment return and 8.5% risk discount rate as at the end of 2024.

The structure of the property and casualty insurance⁽¹⁾ business continued to optimize with steady improvement in profitability.

- The original premium income (OPI) was RMB25.27 billion, representing a year-on-year increase of 2.5%;
- The proportion of non-automobile insurance premiums was 50.6%, representing a year-on-year increase of 4.5 percentage points; the proportion of household auto premiums to the automobile insurance was 65.3%, representing a year-on-year increase of 3 percentage points;
- The underwriting combined ratio⁽²⁾ was 98.8%, representing a year-on-year decrease of 0.3 percentage point, and the underwriting profit was RMB0.29 billion, representing a year-on-year increase of RMB0.09 billion.

We adhered to the long-term investment strategy to achieve stable returns.

- Fully leveraging insurance funds' unique advantages of large scale, long duration, and high stability, we implemented multi-dimensional optimizations on asset allocation and deepened the integrated management of assets and liabilities. With a firm commitment to strategic core asset allocation, we pursued long-term and stable investment returns capable of withstanding economic cycles. The Group's total investment assets amounted to RMB591.86 billion. In the first half of the year, we achieved a total investment income of RMB10.7 billion, with an annualised total investment yield of 4.0% and an annualised comprehensive investment yield of 5.1%.
- Adhering to a market-oriented approach with focus on products and services, we actively competed in the market by leveraging innovative strategies, models and products, while delivering refined customer services. By strengthening our integrated asset management capabilities, we drove the steady growth in third-party business operations. The third-party AUM of Sunshine AMC amounted to RMB222.41 billion.

Note 1: Property and casualty insurance business refers to the business of Sunshine P&C.

Note 2: Underwriting combined ratio under the New Accounting Standards for Insurance Contracts = (insurance service expenses + (allocation of reinsurance premiums paid – amount recovered from reinsurer) + (net insurance finance expenses for insurance contracts issued – net reinsurance finance income for reinsurance contracts held) + changes in premium reserves)/insurance revenue.

Management Discussion and Analysis

We deepened breakthroughs in AI application innovation and accelerated full-scale digital intelligence transformation.

We closely followed AI trends and continuously enhanced our large model capabilities. By advancing both our “Robotics Initiative (機器人工程)” and “Data Engineering Program (數據工程),” we unlocked scenario-based value across core business areas including sales, customer service, and management. Through process deconstruction and model optimization, we leveraged AI applications to improve quality, reduce costs, and increase efficiency.

- Sales Field:** By deploying sales-assistance robots and AI customer management assistants while implementing data empowerment programs, we achieved measurable improvements in operation efficiency by delivering precise customer profiling, optimally matched product solutions, and enhanced service scripts to the sales staffs. The customer satisfaction of AI customer management assistant reached 95%.
- Service Field:** We transformed customer service through intelligent solutions by enhancing our AI-powered service robots and expanding smart service capabilities. Our intelligent services handled 65% of remote service processes without human intervention while achieving 82% customer satisfaction. Through our newly developed claims service robot, we combined smart applications with process reengineering and innovatively applied the robotic services to enterprise WeChat-based claim scenarios. This approach significantly improved service efficiency while reducing operational costs.
- Management Field:** We comprehensively laid out the construction of intelligent agents in multiple scenarios including management of the “three margins (三差)”, financial management, investment management, procurement and inventory management, customer management, intelligent pricing, claims management, branch operation management, auditing, and AI-assisted coding.

We served the national development and people’s livelihoods, practiced responsible stewardship, and promoted the green transformation.

- **Support the real economy and serve national strategies.** In the first half of 2025, the Company offered RMB35 trillion in risk coverage for the real economy, and the investment balance exceeded RMB480 billion. Focusing on solutions to alleviate challenges faced by small and micro enterprises, we delivered nearly RMB1.2 trillion in their risk coverages. We comprehensively safeguarded the Rural Revitalization through providing RMB83 billion in agricultural insurance, rural coverage, farmer health protection and other risk protection, thereby reinforcing food security, boosting rural industries and protecting farmers’ health and wellbeing. We continued to enhance the social equity by continuously expanding accessible

insurance solutions. We precisely extended coverage to key demographic groups including new urban residents, persons with disabilities, and elderly populations, providing RMB16 trillion in inclusive protection through critical illness insurance, “Huiminbao (惠民保)” public health insurance, long-term care insurance, and poverty prevention insurance, with approximately RMB2 billion in claims paid to nearly 600,000 beneficiaries. In serving high-level opening-up policy, we provided risk coverage of RMB73.9 billion for 336 “Belt and Road Initiative” projects across 63 partner countries and regions. We significantly enhanced our insurance safeguards for the tech sector, providing approximately RMB37 billion in comprehensive coverage spanning the entire innovation value chain—from research and development to commercialization and market application.

Management Discussion and Analysis

- **Fulfill social responsibility and co-create a harmonious society.** By fully leveraging the Company's advantages of insurance and healthcare resources, we actively organized and participated in public welfare initiatives including education aid, elderly support, and poverty relief. In the first half of 2025, the Company mobilized 5,029 volunteers, with a total of 13,399 hours for voluntary service. As of the end of June 2025, Sunshine Insurance built 77 "Universal Love (博愛)" schools in 25 provinces across the country, and trained a total of 23,291 rural doctors through the continuous promotion of the "Plan to Promote Competence of 10,000 Rural Doctors (萬名村醫能力提升計劃)". We sincerely cared for our employees and agents, with an accumulated amount of RMB640 million paid for parent-supporting subsidies and benefiting more than 70,000 parents of employees.
- **Deepen green development and implement low-carbon operation.** We seized green development opportunities through our dual-engine strategy of insurance and investment, continuing to expand our green products. In the first half of 2025, we provided nearly RMB7.5 trillion of green insurance coverage for 3.05 million corporate and individual clients, with claim payments totaling approximately RMB2.7 billion. We increased investments to support green industry development and low-carbon transition initiatives, with our sustainable investment portfolio exceeding RMB64 billion - including over RMB22 billion allocated specifically to certified green projects. Moreover, in order to support the sustainable development, we operationalized the low-carbon transformation, by strengthening workplace energy conservation and emission reduction management and promoting green office initiatives via comprehensive educational programs, thereby guiding full staff participation in environmental protection implementations. We also deepened digital adoption and expanded e-service penetration, thereby systematically decreasing our operational energy consumptions.

(II) Key financial indicators*Unit: RMB in millions, except for percentages*

	June 30, 2025/ January – June 2025	December 31, 2024/ January – June 2024	Increase/decrease
Total assets	625,563	581,790	7.5%
Total liabilities	563,360	518,377	8.7%
Total equity	62,203	63,413	(1.9%)
Equity attributable to owners of the parent	55,837	62,082	(10.1%)
Total revenues	45,119	42,449	6.3%
Net profit	3,481	3,212	8.4%
Net profit attributable to equity owners of the parent	3,389	3,143	7.8%
Earnings per share (RMB/share) ⁽¹⁾	0.29	0.27	7.8%
Weighted average return on equity ⁽²⁾	5.7%	5.2%	0.5pt

Note 1: Based on the data attributable to equity owners of the Company. The percentage of increase or decrease in earnings per share is calculated based on the data before rounding.

Note 2: Weighted average return on equity equals net profit attributable to equity owners of the parent divided by the weighted average net assets attributable to equity owners of the parent.

Management Discussion and Analysis

(III) Other financial and business data

Unit: RMB in millions, except for percentages

	June 30, 2025/ January – June 2025	December 31, 2024/ January – June 2024	Increase/ decrease
The Group			
Insurance revenue	32,441	31,488	3.0%
Insurance service expenses	28,253	27,620	2.3%
Investment assets	591,863	548,579	7.9%
Net investment yield (annualised) ⁽¹⁾⁽⁴⁾⁽⁵⁾	3.8%	4.0%	(0.2pt)
Total investment yield (annualised) ⁽²⁾⁽⁴⁾⁽⁵⁾	4.0%	3.8%	0.2pt
Comprehensive investment yield (annualised) ⁽³⁾⁽⁴⁾⁽⁵⁾	5.1%	5.3%	(0.2pt)
Life insurance			
Insurance revenue	8,627	8,024	7.5%
Insurance service expenses	4,973	4,962	0.2%
Contractual service margin	56,078	50,854	10.3%
Property and casualty insurance			
Insurance revenue	23,753	23,457	1.3%
Insurance service expenses	23,218	22,630	2.6%
Underwriting combined ratio ⁽⁶⁾	98.8%	99.1%	(0.3pt)

Note 1: Net investment income consists of interest revenue from fixed-income financial assets, dividend income from equity financial assets, operating lease income from investment properties, share of profits and losses of associates and joint ventures, interest revenue from securities purchased under agreements to resell and interest revenue from demand deposits.

Note 2: Total investment income refers to the sum of net investment income, realised gains/(losses) and gains or losses from fair value changes, less impairment loss on investment assets.

Note 3: Comprehensive investment income refers to the sum of total investment income, changes in the fair value of financial assets at fair value through other comprehensive income, and share of other comprehensive income of associates and joint ventures. It excludes the RMB1,021 million changes in the fair value of debt instruments at fair value through other comprehensive income for Sunshine Life for the period from January to June 2025. The historical data for the period from January to June 2024 have been adjusted accordingly.

Note 4: The calculation of net, total, and comprehensive investment yield follows the Modified Dietz method, excluding fair value changes in debt instruments classified under FVOCI for Sunshine Life, and deducting securities sold under repurchase agreements from the denominator. The historical data for the period from January to June 2024 have been adjusted accordingly.

Note 5: In the calculation of the annualised investment yield, only the interest revenue from fixed-income financial assets, dividend income from equity financial assets, operating lease income from investment properties, share of profits and losses of associates and joint ventures, interest revenue from securities purchased under agreements to resell and interest revenue from demand deposits have been annualised.

Note 6: Underwriting combined ratio = (insurance service expenses + (allocation of reinsurance premiums paid – amount recovered from reinsurers) + (net insurance finance expenses for insurance contracts issued – net reinsurance finance income for reinsurance contracts held) + changes in premium reserves)/insurance revenue.

Unit: RMB in millions, except for percentages

	June 30, 2025/ January – June 2025	December 31, 2024/ January – June 2024	Increase/decrease
Embedded value of the Group	128,486	115,758	11.0%
Sunshine Life's value of half year's new business ⁽¹⁾	4,008	2,722	47.3%
Comprehensive solvency ratio (%) ⁽²⁾			
– The Group	233	227	6pt
– Sunshine Life	216	206	10pt
– Sunshine P&C	247	233	14pt

Note 1: The value of new business for both the current period and the same period last year are derived from an assumed 4.0% investment return and 8.5% risk discount rate as at the end of 2024.

Note 2: The minimum regulatory requirement for comprehensive solvency ratio is 100%.

Management Discussion and Analysis

(IV) Main items on consolidated statements with change of over 30% and reasons

Unit: RMB in millions, except for percentages

Balance sheet items	June 30, 2025	December 31, 2024	Change	Major reasons
Financial assets at amortised cost	4,732	2,411	96.3%	Increase in the allocation of trust schemes and debt investment schemes
Term deposits	21,759	9,917	119.4%	Increase in the allocation of term deposits
Securities purchased under agreements to resell	20,461	5,300	286.1%	The needs for liquidity management
Cash at bank and on hand	10,797	6,706	61.0%	The needs for liquidity management
Securities sold under repurchase agreements	15,099	22,939	(34.2%)	The needs for allocation of investment assets and liquidity management
Non-controlling interests	6,366	1,331	378.3%	Impact of the issuance of perpetual bonds by Sunshine Life

Unit: RMB in millions, except for percentages

Income statement items	January – June 2025	January – June 2024	Change	Major reasons
Investment income	6,349	4,463	42.3%	Mainly due to the increase in dividend income and realised gains
Net insurance finance expenses for insurance contracts issued	(7,136)	(4,258)	67.6%	Mainly due to the increase in market value of investment assets corresponding to the business measured by the variable fee approach
Expected credit losses	(474)	(814)	(41.8%)	Mainly due to the impairment provision of investment assets

II. ANALYSIS OF INTERIM RESULTS

Sunshine Life

(I) Business Analysis

In 2025, the life insurance industry continues to advance its in-depth transformation. Anchored in the main theme of high-quality development, Sunshine Life solidly implemented the “New Sunshine Strategy” and accelerated breakthroughs in core capabilities. Steady progress was made in transformation and upgrading, with deepened asset-liability synergy, significantly enhanced resilience in value-driven development, and markedly improved stable profitability. In the first half of 2025, Sunshine Life recorded the GWPs of RMB55.44 billion, representing a year-on-year increase of 7.1%; the value of half year’s new business was RMB4.01 billion, representing a year-on-year increase of 47.3% on a comparable basis. As of June 30, 2025, Sunshine Life had 11.625 million active customers.

1. Business Operation

In the first half of 2025, Sunshine Life thoroughly implemented its diversified development strategy, comprehensively accelerating its transformation and upgrading through synergistic multi-business initiatives. Operational efficiency continued to improve, with a notable enhancement in value creation capabilities. The Company steadily advanced the transformation of its product structure and effectively reduced liability costs, laying a solid foundation for long-term sustainable development.

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Individual insurance business	15,341	13,685	12.1%
First-year premiums	3,437	3,872	(11.2%)
Renewal premiums	11,904	9,813	21.3%
Bancassurance business	35,436	34,013	4.2%
First-year premiums	12,873	13,581	(5.2%)
Renewal premiums	22,563	20,432	10.4%
Other business⁽¹⁾	4,663	4,058	14.9%
GWPs	55,440	51,756	7.1%
First-year premiums	19,008	19,605	(3.0%)
Renewal premiums	36,432	32,151	13.3%

Note 1: Other business include the group insurance, telemarketing, online sales, insurance agencies and insurance brokers.

Management Discussion and Analysis

(1) Individual insurance business

The individual insurance sector strengthened high-quality development and transformation, steadfastly advanced “One Body, Two Wings” strategy, deepened the differentiated management model, and accelerated the innovation in worksite marketing expansion, to build sustained value growth engine. We further intensified the efforts to transform the sales force, with enhanced capabilities in diversified product sales, and drove the optimization of business structure through the dual-product strategy of “variable returns + risk protection”. In the first half of 2025, the GWPs from the individual insurance business amounted to RMB15.34 billion, a year-on-year growth of 12.1%, of which, first-year premiums amounted to RMB3.44 billion, with the proportion of products with variable returns and protection products exceeding 50%. The average number of agents per month was 50 thousand, a year-on-year decrease of 4.3%, and productivity per active agent⁽¹⁾ amounted to RMB28 thousand, maintaining a high level.

In terms of traditional sales-force, we continued to consolidate the foundation for development, by enhancing the operational management capabilities of grassroots branches and comprehensively improving the productivity and efficiency of traditional sales teams. We remained committed to quality recruitment and training, continuously improving the competency of our core sales force. We further implemented the “three/five/seven (三/五/七)” product and service configuration scheme, supported by intelligence sales tools, to enhance the professional capabilities of our teams. In the first half of 2025, the productivity per active agent amounted to RMB24 thousand, and the productivity per active new agent amounted to RMB18 thousand.

In terms of elite team, Sunshine Life adhered to the high-standard talent selection mechanism and deepened the development of refined customer operation system. By establishing diversified client acquisition channels and providing customized service solutions, we comprehensively enhanced sales force activity levels while maintaining high productivity performance. In the first half of 2025, the overall quality of the elite team remained excellent, with nearly 50% holding bachelor’s degrees or higher and over 90% possessing associate degrees or above. The average number of active agents per month increased by 4.7% year-on-year, and the productivity per agent is over 2 times that of the traditional sales-force.

Note 1: The productivity per agent of individual insurance refers to the ratio of average monthly first-year standard premiums to average monthly active agents. First-year standard premiums=FYRPs with a coverage term of more than one year × a conversion coefficient + single premiums with a coverage term of more than one year × 0.1 + premiums of short-term insurance with a coverage term of one year or below × 1.0. The conversion coefficient for regular premiums with a payment term of more than one year and less than ten years can be calculated using years of payment divided by 10, and the conversion coefficient for regular premiums with a payment term of more than ten years is 1.0. Active agent of individual insurance refers to the agent who has standard first-year premiums no less than RMB1,000 in that month.

In terms of worksite marketing, Sunshine Life positioned personal pension insurance business as a breakthrough point for growth. Through continuous optimization of the project operation mechanisms and refinement of the customer management system, we achieved significant expansion in B2B partnership scale and sustained improvement in B2C client conversion efficiency. This dual-engine strategy – simultaneously strengthening institutional partnerships and retail client acquisition – effectively accelerated the improvement of value contribution capabilities. In the first half of 2025, the GWPs amounted to RMB430 million, representing a year-on-year increase of 58.3%.

(2) Bancassurance business

The bancassurance sector continued to deepen value-driven development strategy, steadfastly advancing business transformation and upgrading, and achieving significant optimization in product structure. By cultivating a diversified channel network and strengthening the depth of bank partnerships, we continuously forged a specialized sales force, and effectively enhanced the team's adaptability to business transformation, thereby reinforcing our differentiated

competitive advantages. In the first half of 2025, the bancassurance business as a whole demonstrated a steady growth. The GWPs amounted to RMB35.44 billion, a year-on-year growth of 4.2%. Among this, the first-year premiums amounted to RMB12.87 billion. The proportion of products with variable returns in the first-year regular premiums was 27.1%, a year-on-year growth of 11.0 percentage points. The number of active branches and outlets increased by 7.6% year-on-year, and the average number of active agents increased by 2.1% year-on-year, with the productivity per active agent⁽¹⁾ of RMB153 thousand.

(3) Other business

Group insurance, telemarketing, online sales, insurance agencies and insurance brokers generated synergistic effects insurance agencies and insurance brokers scenario-based deployment and tailored product strategies. By cultivating innovative customer acquisition channels and diversifying our product portfolio, we substantially enhanced the capabilities of value creation and cross-channel collaboration. In the first half of the year, the GWPs from other business amounted to RMB4.66 billion, a year-on-year increase of 14.9%.

Note 1: The productivity per active agent of bancassurance refers to the ratio of average monthly first-year regular standard premiums in the reporting period to average monthly active agents; the standard for active agents of the bancassurance business refers to the agents whose first-year regular standard premiums in the current month are greater than RMB0.

Management Discussion and Analysis

2. Customer Management

In the first half of 2025, Sunshine Life continued to deepen the strategic implication of “Caring Sunshine” and fully launched the “Customer Demand Perception Plan”. Through a team of customer experience officers, we implemented extensive surveys on the customer needs. Based on the results of in-depth customer insights, we refined the customer segmentation management system, and enhanced the deployment of products and service ecosystems, thereby optimizing the customer service experiences. In the first half of the year, the operation of mid-to-high net worth customers demonstrated a steady advancement. The number of customers with in-force policies of first-year standard premiums of RMB150,000 and above increased by 20.5%, and the number of customers with in-force policies of first-year standard premiums of RMB50,000 and above increased by 17.5%.

Sunshine Life seized the opportunities presented by the new economic cycle and the aging population to comprehensively upgrade its product strategy layout. In the pension finance sector, through innovative product design and diversified personal pension product portfolio, we expanded coverage for elderly policyholders, and precisely matched the retirement protection needs of the silver-haired demographic. In the health protection segment, we focused on coverage for innovative drugs and specialty drugs outside the National Medical Insurance Catalogue, better meeting customers’ differentiated protection needs in the context of healthcare reform. We optimised and upgraded our wealth management product offerings,

by establishing a portfolio of 13 products in four major categories, thereby accelerating the expansion of the product portfolio with variable returns to meet customers’ diversified wealth management needs in the new economic cycle.

Sunshine Life adhered to a customer-centric approach, continuously enhancing the “Caring Sunshine” service system by establishing a tiered evaluation standard for service products based on four criteria of value, characteristics, practicality and usability (四性), comprehensively upgraded service design and quality control requirements, and strengthened the capability to provide integrated lifestyle solutions, while consistently improving customer satisfaction with our service offerings. In the home-based elderly care sector, we built an all-scenario Sunshine home-based elderly care service ecosystem, using the senior-friendly, easy-to-use “Xiaoyang Smart Screen (小陽智能屏)” as the operating platform to provide customers with instant, comprehensive and reassuring health and lifestyle services, now covering 233 cities in 31 provincial-level regions nationwide. In healthcare sector, we established a closed-loop, full-cycle management system spanning “prevention-diagnosis-rehabilitation” to effectively address critical healthcare challenges including resource accessibility and service continuity. In the education sector, we systematically integrated premium domestic and international educational resources to create a dual-track model combining “overseas study and domestic academic advancement”, establishing a comprehensive education service system covering all academic stages from early childhood through higher education.

3. Product Management

(1) Analysis by business type

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Life insurance	49,437	45,599	8.4%
– Traditional	42,652	37,501	13.7%
– Participating	6,695	8,003	(16.3%)
– Universal	90	95	(5.3%)
Accident insurance	229	259	(11.6%)
Health insurance	5,774	5,898	(2.1%)
GWPs	55,440	51,756	7.1%

(2) Information of the top five products

Unit: RMB in millions

Ranking	Name	Type	GWPs from January to June 2025	Major sales channel
1	Sunshine Life Insurance Zhen Xin Bei Zhi Whole Life (陽光人壽臻鑫倍致終身壽險)	Traditional life insurance	14,865	Bancassurance
2	Sunshine Life Insurance Zhen An Bei Zhi Whole Life (陽光人壽臻安倍致終身壽險)	Traditional life insurance	4,441	Bancassurance
3	Sunshine Life Insurance Zhen Yue Bei Zhi Whole Life (陽光人壽臻悅倍致終身壽險)	Traditional life insurance	3,271	Bancassurance
4	Sunshine Life Insurance Sunshine Rise B Whole Life (陽光人壽陽光升B款終身壽險)	Traditional life insurance	3,244	Individual insurance
5	Sunshine Life Insurance Jin Ji Li D Endowment (陽光人壽金吉利D款兩全保險)	Traditional life insurance	3,175	Bancassurance

Management Discussion and Analysis

4. Premium persistency ratio

	January – June 2025	January – June 2024	YOY
13-month premium persistency ratio (%)	96.2	96.4	(0.2pt)
25-month premium persistency ratio (%)	95.6	89.8	5.8pt

5. Premiums in the top ten regions

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Guangdong	3,852	3,875	(0.6%)
Chongqing	3,836	3,339	14.9%
Zhejiang	3,378	2,678	26.1%
Beijing	3,141	2,387	31.6%
Shenzhen	3,079	3,319	(7.2%)
Hubei	2,989	2,554	17.0%
Shandong	2,667	2,480	7.5%
Anhui	1,876	1,643	14.2%
Fujian	1,832	1,808	1.3%
Hebei	1,831	1,695	8.0%
Subtotal	28,481	25,778	10.5%
Subtotals of other regions	26,959	25,978	3.8%
GWPs	55,440	51,756	7.1%

6. Science and Technology Application

In the first half of 2025, Sunshine Life deeply implemented the “Technological Sunshine” strategy, positioning technological innovation as the core engine to drive high-quality development and transformation. We comprehensively deepened the integrated application of cutting-edge technologies such as AI and big data across all scenarios of the insurance business, using digital empowerment to drive leaps in operational efficiency and breakthroughs in business model innovation, and continuously building a new smart insurance ecosystem.

(1) Sales empowerment

Sunshine Life accelerated the digital and intelligent upgrade of sales scenarios, driving the professional transformation of the sales-force from a “product-oriented” to a “customer demand-oriented” approach through the in-depth application of AI, big data and other technologies. The Company comprehensively upgraded the proprietary “Customer Household Protection Needs Advisory System (客戶家庭保障需求建議系統)”, leveraging dynamic data analytic capabilities to capture real-time changes in customer needs, and accurately identify personalised coverage gaps across

all life stages, thereby expanding customer service touchpoints, while empowering sales teams to deliver hyper-personalized, tailored advisory services through deep customer insights.

Sunshine Life deepened the application of AI technology in customer management scenarios, and fully optimised the intelligent production capabilities of the “Content Center (內容中心)”, to build a smarter and more efficient digital marketing ecosystem. By leveraging technologies such as AI-powered copywriting and intelligent video editing, the Company efficiently produced marketing materials in various formats, including videos, graphics, texts, presentations and posters, to precisely tailored toward diverse sales scenarios, and therefore significantly enhanced the content operation efficiency and customer management capabilities of the frontline teams.

(2) Customer service

Sunshine Life continued to advance the development of its digital service ecosystem, comprehensively enhancing customer experience through innovations in online and intelligent scenarios. In the first half of 2025, the “My Home Sunshine (我家陽光)” APP completed the launch and optimisation of 30 core functions, achieving dual upgrades in service granularity and platform operation capabilities. The platform introduced scenario-based innovative applications such as “Intelligent Underwriting Assistant (智能核保助手)”, “AI Time Machine (AI時光機)” and “Community AI Assistant (社群AI幫手)”, bringing customers a more immersive and engaging interactive service experience; it also continued to iterate online interactive activities such as “Insurance Monopoly (保險大富翁)” and “Super Member Day (超級會員日)”, effectively enhancing user stickiness and

company reputation. As at the end of June 2025, the total number of registered users of the “My Home Sunshine” APP exceeded 6.192 million, representing an increase of 7.3% from the end of the previous year.

To address the pain points in policy services for the silver-haired group, such as cumbersome offline procedures and obstacles in using intelligent tools, the Company implemented age-friendly digital transformation through fintech solutions. The newly launched “Sunshine Cloud Counter (陽光雲櫃面)” intelligent service platform established a zero-distance, barrier-free, yet human-centric remote service model, comprehensively covering core business scenarios such as policy maintenance, complaints handling, and claims investigations, thereby significantly enhancing financial service accessibility for silver-haired customers while concretely safeguarding their financial consumer rights.

(3) Risk management and control

Sunshine Life enhanced the business quality control and fraud prevention capabilities by deepening the application of data intelligence technology in the field of risk control. On one hand, we continuously optimised and expanded external healthcare data partnerships, strengthened risk control in the underwriting and claims processes, and achieved precise identification of high-risk insurance policy; on the other hand, by leveraging third-party data resources, we established a medical invoices authentication mechanism, monitored invoice tampering in real time, and provided timely alerts for high-risk insurance policy. In the first half of 2025, the risk control system successfully intercepted 2,597 high-risk policies, effectively curbing fraudulent activities such as false applications, concealed conditions, and insurance fraud.

Management Discussion and Analysis

(II) Profit Source Analysis

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Insurance service results	3,524	3,048	15.6%
Including: Insurance revenue	8,627	8,024	7.5%
Insurance service expenses	(4,973)	(4,962)	0.2%
Investment results	2,364	3,562	(33.6%)
Including: Total investment income ⁽¹⁾	8,934	7,228	23.6%
Others⁽²⁾	(2,966)	(3,844)	(22.8%)
Net profit	2,922	2,766	5.6%

Note 1: Total investment income refers to the sum of net investment income, realised gains/(losses) and gains or losses from fair value changes, less impairment loss on investment assets. Net investment income consists of interest revenue from fixed-income financial assets, dividend income from equity financial assets, operating lease income from investment properties, share of profits and losses of associates and joint ventures, interest revenue from securities purchased under agreements to resell and interest revenue from demand deposits.

Note 2: Others include other income, finance costs, other operating and administrative expenses and income tax.

Insurance revenue

Insurance revenue from Sunshine Life increased by 7.5% over the same period last year to RMB8,627 million in the first half of 2025, primarily due to the expansion of business scale. Among them, the contractual service margin (CSM) release was RMB2,304 million, and the non-financial risk adjustment release was RMB227 million.

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Insurance revenue	8,627	8,024	7.5%
Non-premium allocation approach	7,839	7,153	9.6%
Premium allocation approach	788	871	(9.5%)

Insurance service expenses

In the first half of 2025, the insurance service expenses from Sunshine Life amounted to RMB4,973 million, remaining flat compared to the same period of last year.

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Insurance service expenses	4,973	4,962	0.2%
Non-premium allocation approach	4,236	4,086	3.7%
Premium allocation approach	737	876	(15.9%)

Investment results

In the first half of 2025, investment results from Sunshine Life was RMB2,364 million, representing a decrease of 33.6% over the same period of last year. Among them, total investment income was RMB8,934 million, representing an increase of 23.6% over the same period of last year, primarily due to the fluctuation in the capital market.

Net profit

Primarily as a result of the foregoing, net profit from Sunshine Life was RMB2,922 million in the first half of 2025, representing an increase of 5.6% over the same period of last year.

Management Discussion and Analysis

Sunshine P&C

(I) Business Analysis

In the first half of 2025, Sunshine P&C adhered to a developmental tone of “stability first, quality over speed” and continued to accelerate the innovative layout in key areas of the financial sectors’ “five priorities (五篇大文章)” with steady growth in the premium volume, continuous optimization in the business structure and consistent strengthening in the profitability. The OPI was RMB25.27 billion, representing a year-on-year increase of 2.5%. Among them, the OPI of non-automobile insurance increased by 12.5% year-on-year, accounting for 50.6% of the total premium, and representing a year-on-year increase of 4.5 percentage points. The underwriting combined ratio was 98.8%, representing a year-on-year decrease of 0.3 percentage point and the underwriting profit⁽¹⁾ was RMB0.29 billion, representing a year-on-year increase of RMB0.09 billion.

Note 1: Under the New Accounting Standards for Insurance Contracts, underwriting profit = insurance revenue – insurance service expenses – allocation of reinsurance premiums paid + amount recovered from reinsurer – net insurance finance expenses for insurance contracts issued + net reinsurance finance income for reinsurance contracts held – changes in premium reserves.

Unit: RMB in millions, except for percentages

Original premium income	January – June 2025	January – June 2024	YOY
Automobile insurance	12,495	13,290	(6.0%)
Non-automobile insurance	12,777	11,362	12.5%
Accident and short-term health insurance	5,213	4,344	20.0%
Guarantee insurance	2,462	1,825	34.9%
Liability insurance	1,860	2,140	(13.1%)
Cargo insurance	1,157	1,276	(9.3%)
Others ⁽¹⁾	2,085	1,777	17.3%
Total	25,272	24,652	2.5%

Note 1: Others mainly include commercial property insurance, agricultural insurance, engineering insurance, special risk insurance, hull insurance, homeowner insurance and credit insurance.

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Underwriting profit	289	203	42.4%
Underwriting expense ratio ⁽¹⁾	29.9%	32.7%	(2.8pt)
Underwriting loss ratio ⁽²⁾	68.9%	66.4%	2.5pt
Underwriting combined ratio	98.8%	99.1%	(0.3pt)

Note 1: Underwriting expense ratio = (amortization of acquisition expenses + maintenance expenses)/insurance revenue.

Note 2: Underwriting loss ratio = (settled loss + changes in outstanding loss reserves + gain/loss on loss contracts + (allocation of reinsurance premiums paid – amount recovered from reinsurer) + (net insurance finance expenses for insurance contracts issued – net reinsurance finance income for reinsurance contracts held) + changes in premium reserves)/insurance revenue.

1. Business by insurance type

Unit: RMB in millions, except for percentages

January – June 2025	Original premium income	Insured amount	Insurance revenue	Insurance service expenses	Underwriting profit	Underwriting combined ratio
Automobile insurance	12,495	12,821,981	13,151	12,731	256	98.1%
Non-automobile insurance	12,777	65,600,846	10,602	10,487	33	99.7%
Accident and short-term health insurance	5,213	50,907,978	3,359	3,256	79	97.7%
Guarantee insurance	2,462	168,184	2,656	2,598	18	99.3%
Liability insurance	1,860	7,429,942	1,783	1,884	(91)	105.1%
Cargo insurance	1,157	2,100,307	1,153	1,151	(11)	101.0%
Others	2,085	4,994,435	1,651	1,598	38	97.7%

(1) Automobile insurance

Sunshine P&C continued to optimize and upgrade application of automobile insurance intelligent mortality table (車險智能生命表), constantly improving the capabilities of risk pricing and scientific allocation of resources. We developed a dedicated mortality table for new energy vehicle insurance, implemented development strategies for the four key scenarios of “OEMs, dealers, platforms and retail policies”, deepened channel transformation and upgrading and strengthened the effective integration of claims management and risk pricing, thereby further optimizing the business structure of automobile insurance and significantly enhancing quality control capabilities and underwriting profitability. In the first half of 2025, the OPI from automobile insurance was RMB12.50 billion, representing a year-on-year decrease of 6.0%. Among this, the proportion of household auto premiums increased by 3.0 percentage points year-on-year and the proportion of new energy vehicle insurance premiums increased by 2.1 percentage points year-on-year. The underwriting combined ratio was 98.1%, representing a year-on-year decrease of 1.6 percentage points and the underwriting profit was RMB0.26 billion, representing a year-on-year increase of RMB0.21 billion.

Management Discussion and Analysis

(2) Non-automobile insurance

Sunshine P&C focused on delivering the financial sectors' "five priorities (五篇大文章)", further advancing the development and application of non-automobile data mortality table and the systematic establishment of the "Partnership Action (夥伴行動)". By enhancing product and service innovation, strengthening specialized management of high-risk business, and reinforcing the structured sales system and talent development platform for non-auto mobile insurance, we continuously improved the Company's capacity to serve the real economy and safeguard people's livelihoods, while solidifying the foundation for high-quality development in the non-auto mobile insurance sector. In the first half of 2025, the OPI of non-automobile insurance was RMB12.78 billion, representing a year-on-year increase of 12.5%. The underwriting combined ratio was 99.7% and the underwriting profit was RMB33 million.

Accident and short-term health insurance

Sunshine P&C actively integrated into the construction of the national multi-level healthcare system, continuously promoted the coordinated development of social insurance and commercial insurance, and further expanded the coverage areas and sectors of policy-oriented health insurance business. Adhering to product innovation-driven strategies, we innovatively upgraded multiple Pro versions of short-term health insurance products to precisely meet the needs of mid-to-high income customer segments, enabling them to flexibly customize various protections according to their requirements. Such efforts continuously strengthened the momentum for high-quality development. In the first half of 2025, the OPI of accident and short-term health insurance was RMB5.21 billion, representing a year-on-year increase of 20.0%. The underwriting combined ratio was 97.7% and the underwriting profit was RMB79 million.

Guarantee insurance

Sunshine P&C actively responded to national policies of supporting the development of small and micro enterprises, and focused on the risk protection needs of various operating entities such as platform merchants, travel agencies, electricity retailers, and construction enterprises. Through innovative solutions like guarantee insurance replacing performance bonds, we effectively reduced financial burdens and operational costs for enterprises, supporting their sustainable and healthy growth. At the same time, we maintained a prudent development strategy for financial guarantee insurance, continuously tightening the risk exposure, while enhancing the capabilities of risk pricing and risk management, by optimizing the business structure and reducing the outstanding loan balances at period-end. In the first half of 2025, the OPI of guarantee insurance was RMB2.46 billion, representing a year-on-year increase of 34.9%. The underwriting combined ratio was 99.3%.

Liability insurance

Sunshine P&C continued to expand the business presence in fields such as production safety, green and low-carbon, social governance, while enhancing industrial research and product innovation for emerging tech sectors including low-altitude economy, new energy, advanced equipment manufacturing, and artificial intelligence. We consistently enhanced the pricing models and application coverage of non-automobile data mortality table, continuously deepened the implementation of "insurance + technology + service" model, and conducted targeted remediation of high-risk business sectors, thereby steadily enhancing the capabilities of industry-specific risk management and further optimizing the quality of liability insurance portfolio. In the first half of 2025, the OPI of liability insurance was RMB1.86 billion, representing a year-on-

year decrease of 13.1%. However, due to the long-tail effect from certain high-risk business, the underwriting combined ratio was 105.1%, representing a year-on-year increase of 2.4 percentage points.

Cargo insurance

Sunshine P&C continued to strengthen support in areas such as Chinese-made vehicles transported by Chinese logistics and cross-border e-commerce, and actively facilitated Chinese enterprises to expand globally. We deepened cooperation with e-commerce platforms, iteratively upgrading return shipping insurance products, and precisely meeting the diverse needs of different consumers in return and exchange scenarios. Meanwhile, we enhanced control over high-risk business sectors and continuously improved our service quality. In the first half of 2025, the OPI of cargo insurance was RMB1.16 billion, representing a year-on-year decrease of 9.3%. The underwriting combined ratio was 101.0%, representing a year-on-year decrease of 4.6 percentage points.

2. Customer Management

In the first half of 2025, Sunshine P&C continued to deepen the insights into customer needs, streamlined our customer service system and fulfilled our service motto of “making our services the reason customers choose Sunshine.”

In terms of individual customers, we continued to upgrade the differentiated customer segment management system. By establishing a “six-dimension” customer profiling system, and developing a comprehensive service evaluation model based on the four criteria of value, characteristics, practicality, and usability (四性), we built an end-to-end intelligent closed-loop service system covering “consultation → underwriting → claims → engagement → service”, enabling precise identification of core customer needs and the continuous

optimization of “hyper-personalized (千人千面)” service solutions. We conducted multi-dimensional evaluations and iterative upgrades through telephone follow-ups, online reviews, and customer experience officers, maintaining a customer satisfaction score consistently above 9 out of 10 for high-frequency services. At the same time, we innovatively launched multiple Pro versions of short-term health insurance products in response to customer preferences, accelerating the conversion of standalone auto insurance customers into comprehensive coverage policyholders. In the first half of 2025, the proportion of personal auto insurance customers purchasing non-auto mobile insurance products reached 60.9%, representing a year-on-year increase of 5.4 percentage points.

In terms of group customers, we continued to deepen the implementation of the “Partnership Action (夥伴行動)” risk management service, by establishing an ABCD grading system for evaluating overall service capability and an L1–L4 competency framework to assess technical expertise, thereby further enhancing the Company’s risk management service capabilities and service quality. In the first half of 2025, we provided comprehensive risk management services spanning L1-L4 levels to 18,000 corporate customers. Among them, we achieved breakthroughs in the L4-level scenario-based and integrated risk management service capabilities in the hotel sector and the general warehousing sector, and cumulatively delivered 302 cases of customized professional risk management projects at the L2–L3 levels. At the same time, we innovatively launched a risk mitigation model for general warehousing sector, featuring “professional consulting + technology-based monitoring + insurance safeguarding”, and combining “engineer + patrol” and “engineer + IoT-based inspection”, and therefore helped our customers reduce potential risks through safety technology consultation and IoT-based monitoring services.

Management Discussion and Analysis

3. Premiums in the Top Ten Regions

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Henan	2,732	2,554	7.0%
Shandong	2,701	2,791	(3.2%)
Hubei	2,110	2,115	(0.2%)
Zhejiang	1,803	1,747	3.2%
Hebei	1,716	1,663	3.2%
Guangdong	1,183	1,320	(10.4%)
Jiangsu	1,013	999	1.4%
Sichuan	878	813	8.0%
Anhui	838	844	(0.7%)
Liaoning	695	632	10.0%
Subtotal	15,669	15,478	1.2%
Subtotal in other regions	9,603	9,174	4.7%
Total	25,272	24,652	2.5%

4. Application of Science and Technology

In the first half of 2025, Sunshine P&C remained committed to AI and data-driven transformation as our core strategy, driving comprehensive intelligent upgrades across sales, service, and management operations.

(1) Sales support

We continued to iteratively upgrade the mobile sales management platform, the “All-in-one for P&C (全能保)” app, launching an AI-powered auto insurance smart quoting feature to enable automated collection and completion of underwriting information, intelligent quote generation with flexible adjustments, and rapid policy issuance for individual customers and batch quotations for group auto insurance. The quotation efficiency for batch policy issuance operations was boosted by over three times. We also pioneered a non-auto mobile insurance recommendation engine using multimodal LLM architecture, which was tailored for auto mobile policyholders’ families, to precisely address needs across outpatient/inpatient coverage, accident protection, household property insurance and account safeguard, thereby delivering hyper-personalized bundled solutions.

(2) Customer service

We continued to deepen the development and application of a unified online service portal for individual customers, focusing on being “time-saving, effort-saving, and worry-free”, by iteratively upgrading service functions and system processes. The portal intelligently identifies customer intentions and recommends the optimal service channel. We developed a claims service robot to achieve “one-time group entry for completion of the entire process (一次進群、全流程辦結)”. The online service penetration rate for individual customers further increased, while service efficiency and quality continuing to improve. Among these, the claims service robot, leveraging “intelligent applications + process reengineering”, achieves intelligent interaction and automated group creation with claimants via the Enterprise WeChat. By utilizing semantic and image recognition technologies, it automates document collection and provides real-time updates on claims progress, significantly enhancing service speed and reducing average customer processing time.

(3) Management empowerment

We continued to upgrade the automobile insurance intelligent mortality table and developed a dedicated mortality table pricing system for new energy vehicles. By analyzing four sales scenarios of individual customers, OEMs, dealers and platforms, we applied causal inference models and automated modeling to formulate differentiated mortality table strategies, enabling the rapid deployment across multi-scenario business models. We continued to advance the intelligent claims system, focusing on personal injury loss assessment scenarios. By integrating the medical knowledge graph and the minor injury identification model, we achieved an 88.3% accuracy rate in automated claims assessment. We upgraded our intelligent claims risk control system by utilizing proprietary AI algorithms and external data partnerships to strengthen rule-based oversight and risk mitigation, enabling precise detection of fraud and leakage risks, thereby effectively reducing claims leakage.

Management Discussion and Analysis

(II) Profit Source Analysis

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Insurance revenue	23,753	23,457	1.3%
Insurance service expenses	(23,218)	(22,630)	2.6%
Net reinsurance expenses from reinsurance contracts held ⁽¹⁾	(5)	(271)	(98.2%)
Net insurance finance expenses for insurance contracts issued and others ⁽²⁾	(241)	(353)	(31.7%)
Underwriting profit⁽³⁾	289	203	42.4%
Underwriting combined ratio	98.8%	99.1%	(0.3pt)

Note 1: Net reinsurance expenses for reinsurance contracts held = allocation of reinsurance premiums paid – amount recovered from reinsurers.

Note 2: Net insurance finance expenses for insurance contracts issued and others = net insurance finance expenses for insurance contracts issued – net reinsurance finance income for reinsurance contracts held + changes in premium reserves.

Note 3: Underwriting profit = insurance revenue – insurance service expenses – net reinsurance expenses for reinsurance contracts held – net insurance finance expenses for insurance contracts issued and others.

Insurance revenue

In the first half of 2025, the insurance revenue of Sunshine P&C was RMB23,753 million, representing an increase of 1.3% over the same period of last year, primarily due to an increase in the insurance revenue as a result of the expansion of the premiums volume of non-automobile insurance business.

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Insurance revenue	23,753	23,457	1.3%
Automobile insurance	13,151	13,303	(1.1%)
Non-automobile insurance	10,602	10,154	4.4%

Insurance service expenses

In the first half of 2025, the insurance service expenses of Sunshine P&C amounted to RMB23,218 million, representing an increase of 2.6% over the same period of last year, primarily due to the increase in claims resulting from the expansion of the volume of non-automobile insurance business and the increase in loss ratio of accident and health insurance business.

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	YOY
Insurance service expenses	23,218	22,630	2.6%
Automobile insurance	12,731	13,010	(2.1%)
Non-automobile insurance	10,487	9,620	9.0%

Underwriting profit

In the first half of 2025, the underwriting profit of Sunshine P&C was RMB289 million, representing an increase of 42.4% over the same period of last year, and its underwriting combined ratio was 98.8%, representing a decrease of 0.3 percentage point over the same period of last year, which was primarily due to an improvement of 2.8 percentage points in expense ratio over the same period of last year.

Management Discussion and Analysis

Asset Management

The Company upholds the philosophy of long-term value investment, fully considers the impact of the new accounting standards, and continuously deepens the match of assets and liabilities. By harnessing the full-range investment qualifications and diversified investment capabilities, we maintain a clear strategic focus on developing the asset portfolio that aligns with the characteristics of insurance liabilities and spans across macroeconomic cycles. Furthermore, we keep enhancing our investment research capacity, and effectively improve our judgment of market trends. Meanwhile, we carry out tactical asset allocation scientifically and flexibly under the premise of strict investment risk management to create long-term, stable and sustainable investment performance for insurance funds.

(I) Our Group's investment assets

In the first half of 2025, the Company continued to actively serve national development strategies, gave full play to the unique advantages of large scale, long term and high stability of insurance funds, and optimized the allocation of assets in multiple dimensions.

In terms of equity investment, the Company adhered to the concept of long-term, value-oriented investment, and strengthened the bottom-line thinking and a core return orientation to build a portfolio balancing income generation with strong resilience against risks. Since 2021, the Company has strategically allocated assets in the secondary market to high-yield dividend stocks and other targets with stable financial returns, thereby solidifying core portfolio income. Beginning in 2024, this strategy was extended to the primary market, focusing on stable-yield assets with strong sustainability to further strengthen the portfolio foundation. Through deepened industry research and innovation in product

structures and partnerships, the Company ensured that the portfolio maintained high return stability and robust risk resilience. In addition, the Company enhanced the depth and timeliness of macroeconomic research, establishing a standing market research team to conduct specialized analysis. Taking advantage of opportunities arising from market pullbacks, the Company selectively increased equity positions and optimized portfolio structure.

In terms of fixed-income investment, in line with the annual asset allocation plan, the Company prudently allocated ultra-long-term bonds to steadily optimize the maturity structure in terms of cost and yield. To address the challenges posed by a downward shift in the long-term interest rate anchor, we established a dedicated treasury yield research team at year-start to enhance forward-looking rate cycle projections and stress testing capabilities. During temporary peaks in interest rates in 2025, the Company tactically accelerated allocations to ultra-long-term bonds. At the same time, the Company actively identified high-quality non-standard and credit products to enhance the yield of the core fixed-income holdings.

In the same period, the Group was approved to establish a private fund company, further facilitating the entry of long-term capital into the market and providing comprehensive support for the development of both the capital market and the real economy.

As of June 30, 2025, the Group's total investment assets reached RMB591.86 billion, representing an increase of 7.9% from the end of the previous year. The total investment income amounted to RMB10.70 billion, reflecting a year-on-year increase of 28.5%, while the comprehensive investment income reached RMB16.33 billion, representing a year-on-year increase of 9.2%.

1. Investment portfolio

Unit: RMB in millions, except for percentages

	June 30, 2025		Change in percentage from the end of the previous year	Change in amount from the end of the previous year
	Amount	Percentage		
Fixed-income financial assets	410,318	69.4%	(2.9pt)	3.4%
Term deposits	21,759	3.7%	1.9pt	119.4%
Bonds	315,371	53.3%	(4.4pt)	(0.4%)
Wealth management products ⁽¹⁾	50,945	8.6%	(0.8pt)	(1.4%)
Other debt investments ⁽²⁾	22,243	3.8%	0.4pt	19.6%
Equity financial assets	129,447	21.8%	0.0pt	8.3%
Stocks	83,717	14.1%	1.8pt	23.9%
Equity funds	5,605	0.9%	(0.1pt)	6.4%
Wealth management products ⁽¹⁾	31,959	5.4%	(1.8pt)	(18.8%)
Other equity investments ⁽³⁾	8,166	1.4%	0.1pt	11.5%
Investments in associates and joint ventures	11,414	1.9%	0.0pt	9.3%
Investment properties	9,426	1.6%	(0.2pt)	(2.9%)
Cash and cash equivalents and others⁽⁴⁾	31,258	5.3%	3.1pt	160.4%
Investment assets (total)	591,863	100.0%	–	7.9%

Note 1: Wealth management products mainly include trust schemes from trust companies, products from insurance asset management companies, wealth management products from commercial banks and private equity funds.

Note 2: Other debt investments mainly include statutory deposits, bond funds and money market funds.

Note 3: Other equity investments mainly include unlisted equities, preferred shares and equity perpetual bonds.

Note 4: Cash and cash equivalents and others mainly include cash and short-term time deposits and securities purchased under agreements to resell.

Management Discussion and Analysis

(1) By investment category

Bonds investment. Given interest rates fluctuating at low levels, the Company continued to optimize bond structure, and lengthened the asset duration through allocation of long-term government bonds based on asset-liability matching principle. As of June 30, 2025, bond investments accounted for 53.3% of the total investment assets, representing a decrease of 4.4 percentage points from the end of the previous year; among them, government bonds accounted for 71.2% of the bond investments, representing an increase of 3.1 percentage points from the end of the previous year. The Company continued to improve credit risk management and post-investment management system, and explored high-quality investment targets under strict risk control. Overall, the issuers of the Company's bond investments are of strong financial strength, and hence the credit risk is well managed. Approximately 98.8% of domestic bonds (excluding government bonds and policy bank bonds) held by the Company received a credit rating of AA+ or above by external rating agencies, of which, approximately 95.1% received a credit rating of AAA or above. All overseas bonds held by the Company were investment-grade bonds.

Fixed-income wealth management products. As of June 30, 2025, the fixed-income wealth management products held amounted to RMB50.95 billion, accounting for 8.6% of the total investment assets. 95.4% of the debt investment schemes and trust schemes held by the Company received credit ratings of AAA. In terms of industry distribution, the underlying projects were spread across sectors including infrastructure, non-banking finance, real property, manufacturing, utilities and other industries. For the risk management of fixed-income wealth management products, the Company adheres to the principle of substantive risk management and control, and strictly manages the credit risk throughout the full life cycle of the products, including asset allocation, sector and product selection.

Equity financial assets. As of June 30, 2025, the Company's investment in equity financial assets amounted to RMB129.45 billion, accounting for 21.8% of the total investment assets and remaining the same as the end of the previous year, of which the investment in stocks and equity funds accounted for 15.0% of the total investment assets, representing an increase of 1.7 percentage points from the end of the previous year. The Company proactively manages equity investments driven by in-depth researches, actively explores investment opportunities, and prioritizes value stocks with high dividend yield and high-quality growth stocks with sustainable performance.

(2) By investment purpose

Unit: RMB in millions, except for percentages

	June 30, 2025		December 31, 2024	
	Amount	Percentage	Amount	Percentage
Financial assets at fair value through profit or loss	142,050	24.0%	137,579	25.1%
Financial assets at fair value through other comprehensive income	364,901	61.7%	360,005	65.6%
Financial assets at amortised cost and others ⁽¹⁾	84,912	14.3%	50,995	9.3%
Investment assets (total)	591,863	100%	548,579	100%

Note 1: Financial assets at amortised cost and others mainly include financial assets at amortised cost, cash and short-term time deposits, term deposits, securities purchased under agreements to resell, statutory deposits, investments in associates and joint ventures and investment properties.

2. Investment income

Unit: RMB in millions, except for percentages

	January - June 2025	January - June 2024	Changes
Net investment income ⁽¹⁾	9,787	8,947	9.4%
Realised gains/(losses)	95	(946)	N/A
Gains or losses on changes in fair value	1,565	1,551	0.9%
Impairment loss on investment assets	(749)	(1,224)	(38.8%)
Total investment income⁽²⁾	10,698	8,328	28.5%
Changes in other comprehensive income	5,631	6,628	(15.0%)
Comprehensive investment income⁽³⁾	16,329	14,956	9.2%
Net investment yield (annualised) (%)⁽¹⁾⁽⁴⁾⁽⁵⁾	3.8	4.0	(0.2pt)
Total investment yield (annualised) (%)⁽²⁾⁽⁴⁾⁽⁵⁾	4.0	3.8	0.2pt
Comprehensive investment yield (annualised) (%)⁽³⁾⁽⁴⁾⁽⁵⁾	5.1	5.3	(0.2pt)

Management Discussion and Analysis

Note 1: Net investment income consists of interest revenue from fixed-income financial assets, dividend income from equity financial assets, operating lease income from investment properties, share of profits and losses of associates and joint ventures, interest revenue from securities purchased under agreements to resell and interest revenue from demand deposits.

Note 2: Total investment income refers to the sum of net investment income, realised gains/(losses) and gains or losses from fair value changes, less impairment loss on investment assets.

Note 3: Comprehensive investment income refers to the sum of total investment income, changes in the fair value of financial assets at fair value through other comprehensive income, and share of other comprehensive income of associates and joint ventures. It excludes the RMB1,021 million changes in the fair value of debt instruments at fair value through other comprehensive income for Sunshine Life from January to June 2025. The historical data for the period from January to June 2024 have been adjusted accordingly.

Note 4: The calculation of net, total, and comprehensive investment yield follows the Modified Dietz method, excluding fair value changes in debt instruments classified under FVOCI for Sunshine Life, and deducting securities sold under repurchase agreements from the denominator. The historical data for the period from January to June 2024 have been adjusted accordingly.

Note 5: In the calculation of the annualised investment yield, only the net investment yield such as the interest revenue from fixed-income financial assets, dividend income from equity financial assets, operating lease income from investment properties, share of profits and losses of associates and joint ventures, interest revenue from securities purchased under agreements to resell and interest revenue from demand deposits have been annualised.

In the first half of 2025, the Company achieved a net investment income of RMB9.79 billion, representing a year-on-year increase of 9.4%, and a total investment income of RMB10.70 billion, representing a year-on-year increase of 28.5%. The Company recorded a comprehensive investment income of RMB16.33 billion, representing a year-on-year increase of 9.2%. The Company's annualised net investment yield was 3.8%, the annualised total investment yield was 4.0%, and the annualised comprehensive investment yield was 5.1%.

(II) Third-party assets under management

Sunshine AMC is responsible for the entrusted management of investment assets for the Group's insurance funds. It also provides third-party clients with the professional asset management, investment advisory, and related services to facilitate the stable growth of the asset value through development of asset management issuance products and special account. As of June 30, 2025, Sunshine AMC achieved the assets under management ("**AUM**") amounting to RMB737.68 billion, representing a decrease of 0.9% from the end of the previous year, among which, the third-party AUM amounted to RMB222.41 billion.

Unit: RMB in millions, except for percentages

	June 30, 2025	December 31, 2024	Changes
Assets under management entrusted to			
Sunshine AMC	737,680	744,606	(0.9%)
Including: AUM entrusted by Group	515,273	476,643	8.1%
Including: AUM entrusted by third party	222,407	267,963	(17.0%)

In the first half of 2025, amid a complicated and ever-changing market environment, Sunshine AMC insisted on enhancing its asset management capabilities in the fields of asset allocation, investment research, risk management and technological advancement. At the same time, based on market demand and relying on the dual-drive of products and services, Sunshine AMC continued to strengthen its core competitiveness through new strategies, new models and new products, strongly supporting the steady development of third-party businesses. The debt-related business gave full play to the advantage of a source of long-term funds, accurately served the national strategies, and increased investment in key areas such as supply-side reform, coordinated development of Beijing-Tianjin-Hebei, the people’s comfortable living and the “Belt and Road Initiative”. With excellent comprehensive strength, the Company won the title of “Golden Pixiu Award – Gold Medal for Insurance Asset Management Company of the Year”, and was selected into the IPE Global Asset Management Top 500 for three consecutive years, ranking 228th globally and 42nd in China in 2025.

Management Discussion and Analysis

III. ANALYSIS ON SPECIAL ITEMS

(I) Liquidity Analysis

1. Gearing Ratio

	June 30, 2025	December 31, 2024
Gearing Ratio ⁽¹⁾	90.1%	89.1%

Note 1: gearing ratio = total liabilities/total assets

2. Statement of Cash Flows

Unit: RMB in millions, except for percentages

	January – June 2025	January – June 2024	Increase/decrease
Net cash inflows from operating activities	30,227	20,342	48.6%
Net cash outflows from investing activities	(7,276)	(24,881)	(70.8%)
Net cash outflows from financing activities	(3,479)	(7,704)	(54.8%)

3. Liquidity Analysis

The Group manages the liquidity of the group company and its subsidiaries. As a holding company, the cash flow of the group company is mainly derived from dividends and other investment income of its subsidiaries.

The Group's major sources of capital include premium income, interests and dividend income, and cash inflows from the selling or maturing of investment assets, etc. The demand for working capital mainly includes the reimbursement or payment of insurance contracts, withdrawals, reductions or other forms of early termination of insurance contracts by policyholders, dividends paid to shareholders, and cash payments for daily expenses.

The Group's cash and bank deposits provide the Group with liquid resources to meet its cash disbursement needs. As of the end of the Reporting Period, the Group had cash and cash equivalents of RMB31.46 billion and term deposits of RMB21.76 billion. In the case of interest loss, substantially all of the Group's term bank deposits are available. In addition, the Group's investment portfolio also provides the Group with liquidity resources to meet unforeseen cash disbursement needs. As of the end of the Reporting Period, the book value of the Group's fixed-income financial assets investment was RMB410.32 billion and the book value of equity financial assets investment was RMB129.45 billion.

The Group believes that it has sufficient working capital to meet its foreseeable working capital needs.

(II) Solvency

The Group and each of its insurance subsidiaries prepare and report solvency data in accordance with the Regulatory Rules on the Solvency of Insurance Companies (II) (《保險公司償付能力監管規則(II)》) issued by the CBIRC and the Circular on Optimization of Solvency Supervision Standard for Insurance Companies (《關於優化保險公司償付能力監管標準的通知》) issued by the National Financial Regulatory Administration.

As of June 30, 2025, the comprehensive solvency ratio and the core solvency ratio of the Group and each of its insurance subsidiaries were significantly higher than the regulatory requirements, and their capital positions were sufficient and sound.

The table below sets forth the solvency data of the Group and its main insurance subsidiaries as at the dates indicated:

Unit: RMB in millions, except for percentages

	June 30, 2025	December 31, 2024	Increase/Decrease
The Group			
Core capital	100,480	89,726	12.0%
Actual capital	136,835	128,630	6.4%
Minimum capital	58,780	56,619	3.8%
Core solvency ratio (%)	171	158	13pt
Comprehensive solvency ratio (%)	233	227	6pt
Sunshine Life			
Core capital	77,008	65,483	17.6%
Actual capital	107,384	98,630	8.9%
Minimum capital	49,781	47,844	4.0%
Core solvency ratio (%)	155	137	18pt
Comprehensive solvency ratio (%)	216	206	10pt
Sunshine P&C			
Core capital	15,146	13,792	9.8%
Actual capital	21,124	19,547	8.1%
Minimum capital	8,554	8,379	2.1%
Core solvency ratio (%)	177	165	12pt
Comprehensive solvency ratio (%)	247	233	14pt

Note 1: Core solvency ratio = core capital/minimum capital; comprehensive solvency ratio = actual capital/minimum capital.

Note 2: The minimum regulatory requirements for core solvency ratio and comprehensive solvency ratio are 50% and 100% respectively.

Management Discussion and Analysis

(III) Asset Charge

Some subsidiaries of the Group sold and repurchased securities in the market due to liquidity management needs. During the transactions, the securities held by subsidiaries of the Group will be used as collateral for transactions. As of the end of the Reporting Period, bonds with a carrying value of RMB18.75 billion were pledged as collateral for debt repurchase transactions entered into by the Group in the interbank market and bonds with a carrying value of RMB8.69 billion were pledged as collateral for transactions entered into by the Group in the exchange market.

(IV) Bank Borrowings and Bonds Payable

As of the end of the Reporting Period, the aggregate balance of bank borrowings of the Group was RMB0.14 billion, excluding the bonds issued by some subsidiaries of the Group and the securities sold under repurchase agreements of its investment business. The aggregate balance of bonds payable of the Group was RMB19.67 billion. The bonds payable by the Group are set out in Note 19 to the consolidated financial statements of this report.

(V) Risk of Exchange Rate Fluctuations

The vast majority of the Group's assets and liabilities are denominated in Renminbi, but some of its assets and liabilities are denominated in Hong Kong dollars, US dollars and other foreign currencies. The fluctuations of the value of RMB relative to such currencies give rise to foreign exchange risk. We controlled the adverse impact of exchange rate fluctuations by strengthening the management of asset liability matching of different currencies and controlling foreign exchange positions. The sensitivity to foreign exchange risk is calculated

based on the net exposure to fluctuations in exchange rates by assuming that a simultaneous and uniform depreciation of 10% against the Renminbi of all foreign currency denominated financial assets and financial liabilities would cause a decrease in equity before tax of RMB1.67 billion and a decrease in profit before tax of RMB0.90 billion as compared with the first half of 2025. If the above currencies appreciate by the same proportion, the appreciation will have an inverse effect of the same amount on equity before tax and profit before tax.

(VI) Contingent Liabilities

Given the nature of insurance business, in the ordinary course of its business, the Group is involved in various estimates, contingencies and legal proceedings, including as plaintiff and defendant in litigation and as applicant and respondent in arbitration. The adverse effects of the above disputes mainly include claims of insurance policies and others. The Group has made provision for possible losses, including provisions for claims such as insurance policies, when management has consulted counsel (if any) and is able to make a reasonable estimate of the outcome of the above litigation. No provision shall be made for audits, contingencies or legal proceedings where the outcome cannot be reasonably predicted and management considers that the likelihood of failure is low. As of the end of the Reporting Period, with respect to the above pending litigation, the management believes that the obligations arising from the final ruling will not have a material adverse impact on the financial position and operating results of the Group.

IV. MAJOR EVENTS

(I) Connected Transactions

1. Continuing Connected Transactions

Provision of Investment Management Services by Sunshine AMC to the Group

On December 12, 2024, the Company and Sunshine AMC entered into the entrusted investment management services framework agreement (the **“Entrusted Investment Management Services Framework Agreement”**), with term from January 1, 2025 to December 31, 2027, pursuant to which, the Group shall entrust Sunshine AMC and its subsidiary Sunshine AMC (HK) to manage part of investment assets and Sunshine AMC and its subsidiary Sunshine AMC (HK) shall manage the entrusted assets in accordance with the Entrusted Investment Management Services Framework Agreement, specific entrusted investment management agreements, relevant laws, regulations, regulatory requirements as well as the investment guidelines formulated by the Group. In addition, Sunshine AMC and its subsidiary Sunshine AMC (HK) shall provide investment advisory services to the Group in connection with direct equity investments and real estate investments and other investment matters. The Group shall pay investment management fees, advisory service fees and other service fees to Sunshine AMC and its subsidiary Sunshine AMC (HK). Sunshine AMC is our non-wholly owned subsidiary and pursuant to the requirement of Rule 14A.16(1) of the Hong Kong Listing Rules, Sunshine AMC and its subsidiary Sunshine AMC (HK) are connected subsidiaries of the Company, and therefore constitute connected persons of the Company. As a result, the transactions under the Entrusted Investment Management Services Framework Agreement constitute our continuing connected transactions under Chapter 14A of the Hong Kong Listing Rules.

2. Subscription of Private Fund Units

On June 17, 2025, after consideration and approval at the general meeting of the Company, it was agreed that Sunshine Life, a subsidiary of the Company, would invest in the pilot private securities investment fund (the **“Pilot Fund”**). The total scale of the Pilot Fund is RMB20 billion, which shall be fully invested and subscribed by Sunshine Life. The fund is a contractual open-ended fund, and its name shall be subject to the name filed with the Asset Management Association of China. The duration of the Pilot Fund is 10+N years, and the initial duration is 10 years, which can be extended according to the fund contract. The fund manager shall be established and wholly owned by Sunshine AMC. Pursuant to the requirement of Rule 14A.16(1) of the Hong Kong Listing Rules, Sunshine AMC and the fund manager are connected subsidiaries of the Company and connected persons of the Company, and therefore, the subscription of the Pilot Fund units by Sunshine Life constitutes our connected transaction under Chapter 14A of the Hong Kong Listing Rules.

Details of the Group’s related party transactions are set out in the consolidated financial statements and Note 24. Save for the connected transactions and continuing connected transactions disclosed in this report, there are no related party transactions that constitute connected transactions or continuing connected transactions that are required to be announced or approved by independent Shareholders under Chapter 14A of the Hong Kong Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Hong Kong Listing Rules in respect of the connected transactions and continuing connected transactions of the Company.

Management Discussion and Analysis

(II) Material Contracts and Their Implementation

Investment is one of the core business activities of the Company. The Company mainly adopts the model of entrusted investment management. Sunshine AMC, as the manager within the Sunshine Insurance, and its subsidiary Sunshine AMC (HK) are entrusted to manage most of the investment assets. The Company also cooperates with professional investment management institutions such as fund companies as external managers to complete the diversified pattern of entrusted investment management. The Company sets different investment strategies and performance benchmarks through different account liability attributes and risk-return characteristics of broad asset class to enhance the stability of returns while reasonably diversifying investment risks. Under the entrusted investment management contracts entered into with Sunshine AMC, the Company guides and supervises investment managers' investment behaviors through investment guidelines, dynamic tracking, performance evaluation and other measures, and adopts targeted risk management measures according to the characteristics of different investment assets.

During the Reporting Period, except as otherwise disclosed in this report, there were no other material contractual matters required to be disclosed by the Company.

(III) Material Litigation and Arbitration

During the Reporting Period, the Company had no material litigation or arbitration.

(IV) Major Acquisition and Investment

During the Reporting Period, the Company had no major acquisition or investment.

V. PROSPECTS

(I) Market Environment

Since the beginning of this year, China's economy has continued to improve steadily and rebound steadily, domestic demand has continued to pick up, and the resilience of economic growth has been further enhanced. Supervision actively guides the high-quality development of the industry, the dynamic interest rate adjustment mechanism is formally implemented, and the policy of "unified commission fees in reporting and underwriting (報行合一)" is continuously deepened, which promotes the industry to prevent risks, adjust the structure, improve the management and service level, and accelerate the process of high-quality development. In the second half of the year, with the accelerated development of new quality productive forces, the effective release of silver-haired economic potential and the continuous improvement of residents' awareness of insurance protection, the development space of the insurance industry will be further opened. In the long run, China's insurance market still has huge growth potential driven by factors such as steady economic operation, residents' wealth accumulation, deepening population aging and rapid iterative upgrading of science and technology.

(II) Development Outlook

The Company will stick to the mission of "bring more sunshine to people", always adhere to the "customer-centered" philosophy, actively engage in the "five priorities (五篇大文章)" in financial sector, constantly enhance the core competitiveness of Sunshine around the strategic goal of "high-quality development and high-value growth", accompany customers with the warmth of "Caring Sunshine" of "love and responsibility", build development strength with solid and effective "Valuable Sunshine", and realize leap-forward development with "Technological Sunshine" of data intelligence.

Under the guidance of high-quality development, Sunshine Life will continue to promote transformation and upgrading, accelerate the building of core competencies, and strive to improve the stability of operation and the sustainability of value development in the face of market changes. In terms of individual insurance, Sunshine Life will deepen the development strategy of the “One Body, Two Wings (一身兩翼)”, comprehensively promote differentiated operation, highlight the characteristics and advantages of different development models, stabilize the team base, consolidate the construction of professional capacities, and steadily promote the transformation of product structure. In terms of bancassurance, Sunshine Life will focus on stable advantages and business transformation, continuously improve customers’ operation capabilities and diversified sales capabilities, accelerate the breakthrough of diversified channels and potential markets, cultivate new growth points and stabilize market competitive advantages. Sunshine Life will continue to strengthen the asset-liability linkage management and the management of profit sources, continuously optimize operating costs to improve operating efficiency, and optimize and balance the structure of profit sources. Sunshine Life will deepen the implementation of the “three/five/seven (三/五/七)” product system, strengthen the breakthrough of products and services for key customer groups such as the elderly, and create differentiated customer operation competitive advantages.

Sunshine P&C will adhere to the developmental tone of “stability first, quality over speed”, uphold value and engage in lean operations. With the “three mortality tables” and the “Partnership Action” as fundamental tools, we will continue to improve the precise pricing of products and the scientific allocation of resources, focus on deepening the construction of the exclusive management system for new energy vehicle insurance, improving the capability of “Partnership Action” service model, building an non-automobile organized sales system, upgrading the provincial centralized management model for claims settlement and deeply applying the whole scene of digital intelligence, continuously enhance the stable profitability of auto insurance and consolidate the foundation for non-automobile high-quality development, and continuously improve the quality and efficiency of serving the real economy and the level of serving people’s livelihood security.

In terms of the investment segment, we will adhere to the concept of long-term investment and value investment, deeply integrate into the national development strategy, and rely on the advantages of patient capital to build an asset allocation system that is highly suitable for the characteristics of insurance liabilities and has the resilience to cross the cycle, so as to drive the long-term steady appreciation of assets, effectively empower the insurance main business and support the Company’s strategic development. In terms of the asset management sector, we will always anchor the main line of “value development”, continue to forge core competitiveness through strategic innovation, model upgrading and product iteration, deeply cultivate customer services, strengthen technological empowerment, and strive to create a sustained and stable return on investment for customers.

Embedded Value Report

I. BACKGROUND

In order to provide investors with an additional tool to understand the Company's economic value and business results, we have prepared the results of embedded value and value of new business in accordance with the "Actuarial Practice Standard: Assessment Standard for Embedded Value of Life Insurance" published by the China Association of Actuaries in November 2016 ("CAA [2016] No. 36") (thereafter referred to as "the EV Assessment Standard"), as well as general accepted actuarial principles and relevant laws and regulations. We have engaged KPMG Advisory (China) Limited Beijing Branch to review the reasonableness of the valuation methodology, the valuation assumptions as well as the valuation results of embedded value and value of new business of the Company as of June 30, 2025.

The embedded value is an actuarial estimation of the economic value of an insurance company based on a set of assumptions for future. It does not include any value attributed by future new business sales. The embedded value of the Group is defined as the sum of:

- The adjusted net worth of Sunshine Insurance Group; and
- Sunshine Insurance Group's share in Sunshine Life's value of in-force business after cost of capital.

The adjusted net worth of Sunshine Insurance Group is defined as the Group's net asset value based on the China Accounting Standards, inclusive of net-of-tax adjustments for differences between the carrying value and market value of certain assets, together with net-of-tax adjustments for differences between policy liabilities under China Accounting Standards and policy liabilities under the EV Assessment Standard.

Sunshine Life's value of in-force business and value of half year's new business is defined as the present value of projected after-tax distributable interest emerging in the future from the existing business as at the valuation date, and from the sales of new business in the 6 months prior to the valuation date, respectively. The distributable interest is determined based on policy liabilities and required capital valued under the EV Assessment Standard.

Sunshine Life uses the traditional deterministic discounted cash flow methodology for determining its value of in-force business and value of new business. This methodology makes implicit allowance for the cost of investment guarantees and policyholder options, asset and liability mismatch risk, credit risk, the risk of operating experience fluctuation, and for the economic cost of capital through the use of risk discount rate.

The evaluation of embedded value and new business value is based on current assumptions, which are subject to uncertainty. The evaluation results may change significantly with changes in key assumptions. The actual experience in the future may differ from the assumptions presented in this report; therefore, investors should exercise caution when using the evaluation results for investment decisions.

Please note that the values in some of the tables in this report may not be additive due to rounding.

II. KEY ASSUMPTIONS

This section summarizes the key assumptions used in determining the embedded value and value of new business as of June 30, 2025. These assumptions have been made on a going concern basis under the current economic and regulatory environment, and based on the Company's own experience in recent years, expectation of current and future experience, and the overall knowledge of the Chinese insurance market.

1. Risk Discount Rate

The risk discount rate used to calculate the value of in-force business and the value of new business of Sunshine Life is 8.5%.

2. Investment Return

The investment return assumption is 4.0%, and remains 4.0% in subsequent years.

3. Mortality

Mortality assumptions have been developed based on the China Life Insurance Mortality Table (2010-2013), considering Sunshine Life's past mortality experience, expectation of current and future experience, and the overall knowledge of the Chinese insurance market.

4. Morbidity

Morbidity assumptions have been developed based on China Life Insurance Critical Illness Table (2020) or Sunshine Life's pricing tables, considering Sunshine Life's past morbidity experience, expectation of current and future experience, and the overall knowledge of the Chinese insurance market. The trend of long-term morbidity deterioration has been taken into consideration.

5. Lapse and Surrender Rates

Lapse and surrender rates have been developed based on Sunshine Life's past lapse and surrender experience, expectation of current and future experience, and the overall knowledge of the Chinese insurance market. The assumptions vary by product type, premium payment mode and distribution channel.

6. Expenses

Expense assumptions are classified into two categories: the acquisition expense assumption and the maintenance expense assumption. Both are set based on unit cost, reflecting the expense analysis results and best estimates of future expenses. Inflation rate assumption of 3% per annum has also been applied.

7. Commission and Handling Fees

The assumed level of commission and commission override, as well as handling fees, have been set consistently with the actual level being paid.

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8. Policyholder Dividends

Policyholder dividends have been derived in accordance with participating account's historical operational experience, expected future returns and policyholders' reasonable expectations, as well as to ensure that no less than 70% of distributable earnings arising from participating business are paid to policyholders.

9. Tax Rate

Corporate tax rate is assumed to be 25%. The tax exemption assumption relating to investment return is based on the allocation of tax-exempted assets at present and expected in the future.

III. RESULTS OF EMBEDDED VALUE AND VALUE OF NEW BUSINESS

The tables below show the embedded value of Sunshine Insurance Group, the embedded value and value of new business of Sunshine Life as of June 30, 2025 (in RMB million):

1. Embedded value

Valuation Date	June 30, 2025	December 31, 2024
The adjusted net worth of Sunshine Insurance Group	83,357	75,462
The adjusted net worth of Sunshine Life	61,068	53,022
Sunshine Life's value of in-force business before cost of capital	54,518	50,197
Cost of capital	(9,389)	(9,900)
Sunshine Life's value of in-force business after cost of capital	45,130	40,297
Embedded value of Sunshine Insurance Group	128,486	115,758
Embedded value of Sunshine Life	106,197	93,319

2. Value of half year's new business

Valuation Date	June 30, 2025	June 30, 2024
Sunshine Life's value of new business before cost of capital	4,769	3,675
Cost of capital	(761)	(953)
Sunshine Life's value of new business after cost of capital	4,008	2,722

Note: The value of new business for both the current period and the same period last year are derived from an assumed 4.0% investment return and 8.5% risk discount rate as at the end of 2024.

3. Value of half year's new business from main channels

Valuation Date	June 30, 2025	June 30, 2024
Total of Sunshine Life	4,008	2,722
Of which: Individual insurance	1,226	992
Bancassurance	2,452	1,603

Note: The value of new business for both the current period and the same period last year are derived from an assumed 4.0% investment return and 8.5% risk discount rate as at the end of 2024.

IV. ANALYSIS OF EMBEDDED VALUE MOVEMENT

The table below shows the change in the embedded value of Sunshine Insurance Group from December 31, 2024 to June 30, 2025 (in RMB million):

Items	Amount
1. Embedded value of Sunshine Life at beginning of period	93,319
2. Impact of new business	4,008
3. Expected return	2,732
4. Investment experience variance	2,557
5. Other experience variance	1,035
6. Methodology, Model and Assumptions change	1,588
7. Diversification effects	983
8. Capital injection/shareholder dividend	0
9. Others	(24)
10. Embedded value of Sunshine Life at end of period	106,197
11. Adjusted net worth of the Group's other business at end of period	23,621
12. Adjustment for minority shareholders' interest	(1,332)
13. Embedded value of Sunshine Insurance Group at end of period	128,486

Notes: Items of change are explained below

Item 2. Reflects the value of new business in the relevant period.

Item 3. Expected return earned on adjusted net worth, value of in-force business and value of new business in the relevant period.

Item 4. Reflects the difference between actual and expected investment returns in the relevant period.

Item 5. Reflects the difference between actual operating experience in the relevant period and the assumptions at beginning of period.

Item 6. Reflects changes of methodology, model and assumptions between valuation dates.

Item 7. Refers to the difference in cost of capital evaluated on different level under C-ROSS embedded value framework, that is, cost of capital of new business is evaluated on the policy level while cost of capital of in-force business is evaluated on the company level.

Item 8. Capital injection for Sunshine Life and dividend to shareholders.

Item 9. Other miscellaneous items.

Item 12. Relevant adjustment for minority shareholders' interest of the Group.

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V. SENSITIVITY TESTS

Sensitivity tests are performed under a range of alternative assumptions. In each of these tests, only the assumption referred to is changed, while all other assumptions remain unchanged. The table below shows the results of sensitivity tests (in RMB million):

Scenario	Sunshine Life's value of in-force business after cost of capital	Sunshine Life's value of half year's new business after cost of capital
Base Scenario	45,130	4,008
Risk discount rate increased by 50 base points	42,720	3,799
Risk discount rate decreased by 50 base points	47,792	4,239
Investment return increased by 50 base points	63,632	5,185
Investment return decreased by 50 base points	26,264	2,827
Mortality increased by 10% (i.e. 110% of Base)	44,619	3,965
Mortality decreased by 10% (i.e. 90% of Base)	45,642	4,045
Morbidity increased by 10% (i.e. 110% of Base)	43,980	3,993
Morbidity decreased by 10% (i.e. 90% of Base)	46,292	4,016
Lapse and surrender rates increased by 10% (i.e. 110% of Base)	45,105	3,931
Lapse and surrender rates decreased by 10% (i.e. 90% of Base)	45,149	4,084
Expenses assumptions increased by 10% (i.e. 110% of Base)	44,661	3,780

INDEPENDENT ACTUARIES OPINION ON REVIEW OF EMBEDDED VALUE INFORMATION

To the Board of Directors of Sunshine Insurance Group Company Limited

KPMG Advisory (China) Limited Beijing Branch (“We”) have reviewed the Embedded Value (“EV”) of Sunshine Insurance Group Company Limited (“the Company” or “Sunshine Insurance Group”) and Embedded Value of Sunshine Life Insurance Corporation Limited (“Sunshine Life”) as of 30 June 2025 set out in the 2025 Interim Report of the Company (“the EV Information”).

The management of the Company are responsible for the preparation and presentation of the EV Information in accordance with the “Actuarial Practice Standard: Assessment Standard for Embedded Value of Life Insurance” published by the China Association of Actuaries (“the EV Assessment Standard”) and industry practice for publicly listed companies in Hong Kong. This responsibility includes designing, implementing and maintaining internal control relevant to the maintenance of underlying data and information on the in-force business and preparation of the EV Information which is free from material misstatement, whether due to fraud or error; selecting and applying appropriate methodologies; making assumptions that are consistent with market information and are reasonable in the circumstances; and performing EV calculations.

Our responsibility, as independent actuaries, is to perform certain review procedures set out in our letter of engagement, and based on these procedures, conclude whether the EV methodologies and assumptions are consistent with the EV Assessment Standard, available market information and industry practice for publicly listed companies in Hong Kong.

We have reviewed the methodology and assumptions used in preparing the EV Information, including the following:

- The EV as of 30 June 2025;
- Value of half year’s new business of the Sunshine Life as of 30 June 2025; and
- Movement analysis of the EV and sensitivity analysis of value of in-force business and value of half year’s new business.

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Our review procedures included, but were not limited to, reviewing the methodology and assumptions, inspecting documentation relating thereto, and considering whether the methodologies and assumptions are consistent with the EV Assessment Standard, available market information, and industry practice for publicly listed companies in Hong Kong.

The preparation of the EV Information requires assumptions and projections to be made about future uncertain events, many of which are outside the control of Sunshine Insurance Group. Therefore, actual experience may differ from these assumptions and projections, and this will affect the value of in-force business and the value of new business.

Our conclusion has relied on the integrity, accuracy and completeness of audited and unaudited data and information provided by Sunshine Insurance Group. Our work did not involve reperforming the EV calculations, nor verifying the data and information underlying the EV Information.

Based on our review procedures, we have concluded that the methodologies and assumptions used in preparing the EV Information are consistent with the EV Assessment Standard, available market information, and industry practice for publicly listed companies in Hong Kong.

This report has been prepared for and only for the Board of Directors of the Company in accordance with our letter of engagement and for no other purpose. We do not accept or assume responsibility for any other purpose or to any other person whom this report is shown or in whose hands it may come save where expressly agreed by our prior consent in writing.

For and on behalf of **KPMG Advisory (China) Limited Beijing Branch**
Zhenhua Lu, FSA

22 August 2025

Other Information

EMPLOYEES, REMUNERATION AND EMPLOYEE SHARE OWNERSHIP PLAN

As of June 30, 2025, the Group had 45,523 employees. The total remuneration costs incurred by the Group for the six months ended June 30, 2025 were approximately RMB4.49 billion. During the Reporting Period, there were no significant changes to the Group's remuneration policies, training programs and employee share ownership plan. For relevant information, please refer to "Directors, Supervisors, Senior Management and Employees" and "Report of the Board of Directors" set out in 2024 Annual Report of the Company.

CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company has complied with all other applicable code provisions other than code provision C.2.1 set out in the Corporate Governance Code and adopted most of the recommended best practices under appropriate circumstances.

During the Reporting Period, Mr. ZHANG Weigong served as the chairman of the Board and chief executive officer of the Company. Mr. ZHANG Weigong, our founder, has extensive experience in the insurance industry and is responsible for the business strategies and overall management of operation. While this will constitute a deviation from code provision C.2.1 of Appendix C1 to the Hong Kong Listing Rules, the Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The Board considers that vesting the roles of chairman of the Board and chief executive officer in Mr. ZHANG Weigong is beneficial to the business prospects and operational efficiency of the Company. The balance of power and authority is ensured by the operation of the Board and the senior management, which comprises experienced and high-caliber individuals. The Board currently comprises three executive Directors (including Mr. ZHANG Weigong), five non-executive Directors and

five independent non-executive Directors and therefore has a high level of independence. The overall strategies and other key business policies of the Group are made collectively by the Board after thorough discussion to ensure the comprehensiveness and reasonableness of decision-making. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

In order to meet the needs of the Company's listing on the Hong Kong Stock Exchange and the strategic transformation and development under the new situation, strengthen the stability of development and mechanism optimization of the Company, boost the healthy and sustainable development of the Company, and draw on the effective practices of global corporate governance, the Board approved the establishment of the joint chief executive officer (Joint CEO) mechanism to effectively reinforce the collective decision-making of the Executive Committee and continuously improve the management and execution capability of the Company, and Mr. LI Ke, and Mr. PENG Jihai were appointed as joint chief executive officers. The joint chief executive officers shall exercise management leadership over the relevant business segments under the leadership or authorization of the Chairman of the Board/CEO of the Company, respectively.

SECURITIES TRANSACTIONS

During the Reporting Period, the Company had adopted the Model Code set out in Appendix C3 to the Hong Kong Listing Rules as the code of conduct for governing the securities transactions by the Directors and the Supervisors. Upon specific enquiries by the Company, all Directors and Supervisors confirmed that they had complied with the standards set out in the Model Code during the Reporting Period.

Other Information

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Reporting Period, the Company or any of its subsidiaries had not purchased, sold or redeemed any of its listed securities (including sale of treasury shares (as defined in the Hong Kong Listing Rules)).

No treasury shares were held by the Company as at the end of the Reporting Period.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS OR SHORT POSITIONS IN SHARES OR UNDERLYING SHARES OF THE COMPANY

As at the end of the Reporting Period, to the best knowledge of the Directors, the following persons (other than the Directors, Supervisors or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, and were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or were, either directly or indirectly, interested in 5% or more of the nominal value of any class of share capital.

Equity Holder Name	Nature of Interest	Class of Shares	Number of Shares	Nature of Interest	Approximate Percentage of Total Issued Class of Shares ⁽¹³⁾ (%)	Approximate Percentage of Total Issued Share Capital ⁽¹³⁾ (%)
Beijing Chengtong Financial Holding Investment Co., Ltd. (北京誠通金控投資有限公司) ("Beijing Chengtong") ⁽¹⁾	Beneficial owner	Domestic Unlisted Shares	700,000,000	Long position	8.73	6.09
China Chengtong Holdings Group Ltd. (中國誠通控股集團有限公司) ("China Chengtong") ⁽¹⁾	Interest of controlled corporation	Domestic Unlisted Shares	700,000,000	Long position	8.73	6.09
Beijing Ruiteng Yihong Investment Management Co., Ltd. (北京銳騰宜鴻投資管理有限公司) ("Ruiteng Yihong") ⁽²⁾	Beneficial owner	Domestic Unlisted Shares	660,000,000	Long position	8.23	5.74
Septwolves Group Holding Co., Ltd. (七匹狼控股集團股份有限公司) ("Septwolves Holding") ⁽²⁾	Interest of controlled corporation	Domestic Unlisted Shares	660,000,000	Long position	8.23	5.74
	Beneficial owner	Domestic Unlisted Shares	100,000,000	Long position	1.25	0.87
Fujian Septwolves Group Co., Ltd. (福建七匹狼集團有限公司) ⁽²⁾	Interest of controlled corporation	Domestic Unlisted Shares	660,000,000	Long position	8.23	5.74
	Interest of controlled corporation	Domestic Unlisted Shares	100,000,000	Long position	1.25	0.87

Equity Holder Name	Nature of Interest	Class of Shares	Number of Shares	Nature of Interest	Approximate Percentage of Total Issued Class of Shares ⁽¹³⁾ (%)	Approximate Percentage of Total Issued Share Capital ⁽¹³⁾ (%)
ZHOU Yongwei ⁽²⁾	Interest of controlled corporation	Domestic Unlisted Shares	660,000,000	Long position	8.23	5.74
	Interest of controlled corporation	Domestic Unlisted Shares	100,000,000	Long position	1.25	0.87
ZHOU Shaoxiong ⁽²⁾	Interest of controlled corporation	Domestic Unlisted Shares	660,000,000	Long position	8.23	5.74
	Interest of controlled corporation	Domestic Unlisted Shares	100,000,000	Long position	1.25	0.87
ZHOU Shaoming ⁽²⁾	Interest of controlled corporation	Domestic Unlisted Shares	660,000,000	Long position	8.23	5.74
	Interest of controlled corporation	Domestic Unlisted Shares	100,000,000	Long position	1.25	0.87
Lhasa Fengming Construction Machinery Sales Co., Ltd. (拉薩豐銘工程機械銷售有限公司) ("Lhasa Fengming") ⁽³⁾	Beneficial owner	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
Shenzhen Qianhai Ruiyu Taihe Investment Center (Limited Partnership) (深圳前海瑞譽泰和投資中心 (有限合夥)) ("Shenzhen Qianhai Ruiyu") ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
Tibet Ruiyu Investment Management Co., Ltd. (西藏瑞譽投資管理有限公司) ("Tibet Ruiyu") ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
YUAN Tao ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
Anxin Qiansheng Wealth Management (Shenzhen) Co., Ltd. (安信乾盛財富管理 (深圳) 有限公司) ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78

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Equity Holder Name	Nature of Interest	Class of Shares	Number of Shares	Nature of Interest	Approximate Percentage of Total Issued Class of Shares ⁽¹³⁾ (%)	Approximate Percentage of Total Issued Share Capital ⁽¹³⁾ (%)
Essence Fund Management Co., Ltd. (安信基金管理有限責任公司) ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
Minmetals Capital Holdings Limited (五礦資本控股有限公司) ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
Minmetals Capital Company Limited (五礦資本股份有限公司) ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
SDIC Securities Co., Ltd. (國投證券股份有限公司) ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
SDIC Capital Co., Ltd. (國投資本股份有限公司) ⁽³⁾	Interest of controlled corporation	Domestic Unlisted Shares	550,000,000	Long position	6.86	4.78
Jiangsu Yonggang Group Co., Ltd. (江蘇永鋼集團有限公司) ("Jiangsu Yonggang") ⁽⁴⁾	Beneficial owner	Domestic Unlisted Shares	523,700,000	Long position	6.53	4.55
Everrising Holdings Co., Ltd. (永卓控股有限公司) ⁽⁴⁾	Interest of controlled corporation	Domestic Unlisted Shares	523,700,000	Long position	6.53	4.55
Suzhou Yongyuan Holding Co., Ltd. (蘇州永源控股有限公司) ⁽⁴⁾	Interest of controlled corporation	Domestic Unlisted Shares	523,700,000	Long position	6.53	4.55
Beijing Taihe Fangyuan Investment Co., Ltd. (北京泰合方園投資有限公司) ⁽⁵⁾	Beneficial owner	Domestic Unlisted Shares	500,000,000	Long position	6.23	4.35
Beijing Wanquan Yide Investment Fund Management Co., Ltd. (北京萬泉易德投資基金管理有限公司) ⁽⁵⁾	Interest of controlled corporation	Domestic Unlisted Shares	500,000,000	Long position	6.23	4.35
Shanghai Cai Tong Asset Management Co., Ltd. (上海財通資產管理有限公司) ⁽⁵⁾	Interest of controlled corporation	Domestic Unlisted Shares	500,000,000	Long position	6.23	4.35
Caitong Fund Management Co., Ltd. (財通基金管理有限公司) ⁽⁵⁾	Interest of controlled corporation	Domestic Unlisted Shares	500,000,000	Long position	6.23	4.35

Equity Holder Name	Nature of Interest	Class of Shares	Number of Shares	Nature of Interest	Approximate Percentage of Total Issued Class of Shares ⁽¹³⁾ (%)	Approximate Percentage of Total Issued Share Capital ⁽¹³⁾ (%)
Beijing Bangchen Zhengtai Investment Co., Ltd. (北京邦宸正泰投資有限公司) ("Bangchen Zhengtai") ⁽⁶⁾	Beneficial owner	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Beijing Hengyi Shengtai Investment Management Center (Limited Partnership) (北京恒誼盛泰投資管理中心(有限合夥)) ("Beijing Hengyi") ⁽⁶⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Shanghai Shengle Investment Partnership (Limited Partnership) (上海盛樂投資合夥企業(有限合夥)) ("Shanghai Shengle") ⁽⁶⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Shanghai Baolin Enterprise Management Co., Ltd. (上海寶麟企業管理有限公司) ⁽⁶⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Shanghai Baohe Enterprise Management Co., Ltd. (上海寶荷企業管理有限公司) ⁽⁶⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Shanghai Baoxin Enterprise Management Co., Ltd. (上海保忻企業管理有限公司) ⁽⁶⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Shanghai Baoyao Enterprise Management Co., Ltd. (上海寶鑰企業管理有限公司) ⁽⁶⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Wealth Smart International Holdings Limited (駿寶國際集團有限公司) ⁽⁶⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Cheer Wealthy Holdings Limited (展裕控股有限公司) ⁽⁶⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Shanghai Xuchang Technology Co., Ltd. (上海旭昶科技有限公司) ("Shanghai Xuchang") ⁽⁷⁾	Beneficial owner	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Beijing Maisheng Information Consulting Center (Limited Partnership) (北京邁晟信息諮詢中心(有限合夥)) ("Beijing Maisheng") ⁽⁷⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09

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Beijing Qiyi Information Consulting Co., Ltd. (北京齊誼信息諮詢有限公司) ("Beijing Qiyi") ⁽⁷⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
LIU Hong ⁽⁷⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Dalian Jinxiang Enterprise Management Co., Ltd. (大連錦翔企業管理有限公司) ("Dalian Jinxiang") ⁽⁷⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Dalian Jinxin Enterprise Management Co., Ltd. (大連錦欣企業管理有限公司) ("Dalian Jinxin") ⁽⁷⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
DAI Chengshu ⁽⁷⁾	Interest of controlled corporation	Domestic Unlisted Shares	470,900,000	Long position	5.87	4.09
Shannan Hongquan Enterprise Management Consulting Co., Ltd. (山南泓泉企業管理諮詢有限公司) ("Shannan Hongquan") ⁽⁸⁾	Beneficial owner	Domestic Unlisted Shares	373,200,000	Long position	4.65	3.24
Ningbo Dingzhi Jintong Equity Investment Center (Limited Partnership) (寧波鼎智金通股權投資中心(有限合夥)) ("Ningbo Dingzhi Jintong") ⁽⁸⁾	Interest of controlled corporation	Domestic Unlisted Shares	373,200,000	Long position	4.65	3.24
Tibet Hengyi Investment Management Co., Ltd. (西藏恆誼投資管理有限公司) ("Tibet Hengyi") ⁽⁶⁾⁽⁷⁾⁽⁸⁾	Interest of controlled corporation	Domestic Unlisted Shares	1,315,000,000	Long position	16.39	11.43
Shanghai Loyal Valley Investment Management Co., Ltd. (上海正心谷投資管理有限公司) ("Shanghai Loyal Valley") ⁽⁶⁾⁽⁸⁾	Interest of controlled corporation	Domestic Unlisted Shares	844,100,000	Long position	10.52	7.34
LIN Lijun ⁽⁶⁾⁽⁸⁾	Interest of controlled corporation	Domestic Unlisted Shares	844,100,000	Long position	10.52	7.34

Equity Holder Name	Nature of Interest	Class of Shares	Number of Shares	Nature of Interest	Approximate Percentage of Total Issued Class of Shares ⁽¹³⁾ (%)	Approximate Percentage of Total Issued Share Capital ⁽¹³⁾ (%)
China Universal Capital– Sunshine Insurance Employee Share Ownership Plan (匯添富資本—陽光保險員工持股計劃)	Beneficial owner	Domestic Unlisted Shares	440,780,000	Long position	5.49	3.83
Jiangsu Tiancheng Property Development Co., Ltd. (江蘇天誠物業發展有限責任公司) (“Jiangsu Tiancheng”) ⁽⁹⁾	Beneficial owner	H Shares	270,293,500	Long position	7.77	2.35
Shenzhen Qianhai Ruilian No. 7 Investment Center (Limited Partnership) (深圳前海瑞聯七號投資中心(有限合夥)) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
Huashan Ruilian Fund Management Co., Ltd. (華杉瑞聯基金管理有限公司) (“Huashan Ruilian”) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
Tibet Hongyu Enterprise Management Co., Ltd. (西藏宏煜企業管理有限公司) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
Beijing Linqi Haorui Consulting Co., Ltd. (北京麟琪昊瑞諮詢有限公司) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
Beijing Hongyu Consulting Management Co., Ltd. (北京宏煜諮詢管理有限公司) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
CHEN Zhijie ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
ZHANG Tong ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
Huatai Zijin Investment Co., Ltd. (華泰紫金投資有限責任公司) (“Huatai Zijin”) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
Huatai Securities Co., Ltd. (華泰證券股份有限公司) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35

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Equity Holder Name	Nature of Interest	Class of Shares	Number of Shares	Nature of Interest	Approximate Percentage of Total Issued Class of Shares ⁽¹³⁾ (%)	Approximate Percentage of Total Issued Share Capital ⁽¹³⁾ (%)
Jiangsu Huatai Ruilian Buyout Fund (Limited Partnership) (江蘇華泰瑞聯併購基金(有限合伙)) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
Nanjing Ruilian Management Consulting Partnership (Limited Partnership) (南京瑞聯管理諮詢合夥企業(有限合伙)) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
Nanjing Gloria Union Buyout Fund One (L.P.) (南京華泰瑞聯併購基金一號(有限合伙)) ⁽⁹⁾	Interest of controlled corporation	H Shares	270,293,500	Long position	7.77	2.35
China Chengtong	Beneficial owner	H Shares	350,000,000	Long position	10.06	3.04
China Petrochemical Corporation (中國石油化工集團有限公司)	Beneficial owner	H Shares	350,000,000	Long position	10.06	3.04
CHINA GUANGFA BANK-LION FUND-QDII NO 35	Beneficial owner	H Shares	271,985,500	Long position	7.82	2.36
Shanghai Giant Lifetech Co., Ltd. (上海健特生命科技有限公司) ⁽¹⁰⁾	Beneficial owner	H Shares	208,083,500	Long position	5.98	1.81
Giant Investment Co., Ltd. (巨人投資有限公司) ⁽¹⁰⁾	Interest of controlled corporation	H Shares	208,083,500	Long position	5.98	1.81
SHI Yuzhu ⁽¹⁰⁾	Interest of controlled corporation	H Shares	208,083,500	Long position	5.98	1.81
HAITONG ASSET MANAGEMENT ANYING HAI WAI NO.20 DIRECTIONAL INVESTMENT SCHEME	Beneficial owner	H Shares	184,249,000	Long position	5.30	1.60

Notes:

(1) Beijing Chengtong directly holds 700,000,000 Domestic Unlisted Shares in the Company. Beijing Chengtong is wholly owned by China Chengtong, which is controlled by the State-owned Assets Supervision and Administration Commission of the State Council.

(2) Ruiteng Yihong holds 660,000,000 Domestic Unlisted Shares of the Company. Ruiteng Yihong is held as to 62.83% by Septwolves Holding. Septwolves Holding is held as to 82.86% by Fujian Septwolves Group Co., Ltd., which in turn is ultimately controlled by ZHOU Yongwei, ZHOU Shaoxiong and ZHOU Shaoming, who are related to each other as brothers. At the same time, Septwolves Holding directly holds 100,000,000 Domestic Unlisted Shares in the Company.

According to the Disclosure of Interests Form filed by Septwolves Holding on February 21, 2024, 100,000,000 shares were pledged by Septwolves Holding.

(3) Lhasa Fengming holds 550,000,000 Domestic Unlisted Shares in the Company. Shenzhen Qianhai Ruiyu is a limited partnership incorporated under the laws of the PRC as an investment vehicle, which holds 66.67% interest in Lhasa Fengming. Tibet Ruiyu is a general partner of Shenzhen Qianhai Ruiyu. Tibet Ruiyu is held as to 99.00% by YUAN Tao. Anxin Qiansheng Wealth Management (Shenzhen) Co., Ltd. holds a partnership interest of 99.95% in Shenzhen Qianhai Ruiyu as its sole limited partner. Anxin Qiansheng Wealth Management (Shenzhen) Co., Ltd. is wholly owned by Essence Fund Management Co., Ltd., which is in turn held as to 39.84% and 33.95% by Minmetals Capital Holdings Limited and SDIC Securities Co., Ltd. respectively. Minmetals Capital Holdings Limited is wholly owned by Minmetals Capital Company Limited, a company listed on the Shanghai Stock Exchange (stock code: 600390). SDIC Securities Co., Ltd. is held as to 99.99% by SDIC Capital Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600061).

(4) Jiangsu Yonggang directly holds 523,700,000 Domestic Unlisted Shares in the Company. Jiangsu Yonggang is held as to 33.68% by Everrising Holdings Co., Ltd. Everrising Holdings is held as to 75.00% by Suzhou Yongyuan Holding Co., Ltd.

(5) Beijing Taihe Fangyuan Investment Co., Ltd. directly holds 500,000,000 Domestic Unlisted Shares of the Company. Beijing Taihe Fangyuan Investment Co., Ltd. is wholly-owned by Beijing Wanquan Yide Investment Fund Management Co., Ltd., which is wholly-owned by Shanghai Cai Tong Asset Management Co., Ltd. Shanghai Cai Tong Asset Management Co., Ltd. is owned as to 80.00% by Caitong Fund Management Co., Ltd.

(6) Bangchen Zhengtai directly holds 470,900,000 Domestic Unlisted Shares in the Company. Beijing Hengyi is a limited partnership incorporated under the laws of the PRC as an investment vehicle, which directly holds a 99.99% interest in Bangchen Zhengtai. Tibet Hengyi and Shanghai Loyal Valley are the general partners of Beijing Hengyi, of which Tibet Hengyi is the executive partner of Beijing Hengyi. Tibet Hengyi is directly held as to 99.00% by ZHANG Weigong and Shanghai Loyal Valley is wholly owned by LIN Lijun.

According to the Disclosure of Interests Form filed by Mr. ZHANG Weigong on February 6, 2025, 215,000,000 shares were pledged by Bangchen Zhengtai.

Shanghai Shengle holds a 91.75% partnership interest in Beijing Hengyi as its limited partner. Shanghai Shengle is a limited partnership incorporated under the laws of the PRC as an investment vehicle; its general partner is Shanghai Loyal Valley, and its limited partners include Shanghai Baolin Enterprise Management Co., Ltd. and Shanghai Baohe Enterprise Management Co. Ltd., each of which hold a partnership interest of 44.05%. Shanghai Baolin Enterprise Management Co., Ltd. is wholly owned by Shanghai Baoxin Enterprise Management Co., Ltd., which is in turn wholly owned by Wealth Smart International Holdings Limited; Shanghai Baohe Enterprise Management Co., Ltd. is wholly owned by Shanghai Baoyao Enterprise Management Co., Ltd., which is in turn wholly owned by Cheer Wealthy Holdings Limited.

(7) Shanghai Xuchang directly holds 470,900,000 Domestic Unlisted Shares in the Company. Beijing Maisheng is a limited partnership incorporated under the laws of the PRC as an investment vehicle, which directly holds a 42.60% interest in Shanghai Xuchang. Tibet Hengyi and Beijing Qiyi are the general partners of Beijing Maisheng, of which Tibet Hengyi is the executive partner of Beijing Maisheng. Tibet Hengyi and Liu Hong directly hold 33.33% and 66.67% interest in Beijing Qiyi, respectively.

Dalian Jinxiang is the limited partner of Beijing Maisheng, which holds a 99.86% partnership interest. Dalian Jinxiang is wholly owned by Dalian Jinxin. Dalian Jinxin is held as to 99.99% by DAI Shucheng.

Other Information

- (8) Shannan Hongquan directly holds 373,200,000 Domestic Unlisted Shares in the Company. Ningbo Dingzhi Jintong is a limited partnership incorporated under the laws of the PRC as an investment vehicle, and directly holds a 95.98% interest in Shannan Hongquan. Tibet Hengyi and Shanghai Loyal Valley are the general partners of Ningbo Dingzhi Jintong, of which Shanghai Loyal Valley is the executive partner of Ningbo Dingzhi Jintong.

Pursuant to the confirmation letter issued by Shannan Hongquan to Bangchen Zhengtai, Shannan Hongquan shall continue to maintain consistency with Bangchen Zhengtai in exercising its proposal, nomination, voting and decision-making rights in respect of all material matters in the corporate governance and production and operation of the Company.

- (9) Jiangsu Tiancheng directly holds 270,293,500 H Shares of the Company. Shenzhen Qianhai Ruilian No. 7 Investment Center (Limited Partnership) is a limited partnership incorporated under the laws of the PRC as an investment vehicle, which holds 99.9967% interest in Jiangsu Tiancheng. Huashan Ruilian and Huatai Zijin are general partners of Shenzhen Qianhai Ruilian No. 7 Investment Center (Limited Partnership). Huashan Ruilian is held as to 70.52% by Tibet Hongyu Enterprise Management Co., Ltd., which is in turn held as to 49.36% directly and indirectly by Beijing Hongyu Consulting Management Co., Ltd. through Hainan Hongyu Industry Investment Co., Ltd. Beijing Hongyu Consulting Management Co., Ltd. is held as to 90.00% by CHEN Zhijie. Tibet Hongyu Enterprise Management Co., Ltd. is directly and indirectly owned as to 47.24% by Beijing Linqi Haorui Consulting Co., Ltd. through Hainan Hongyu Industry Investment Co., Ltd.. Beijing Linqi Haorui Consulting Co., Ltd. is owned as to 99.00% by ZHANG Tong. Huatai Zijin is wholly owned by Huatai Securities Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 601688), the Hong Kong Stock Exchange (stock code: 06886) and the London Stock Exchange (symbol: HTSC).

Jiangsu Huatai Ruilian Buyout Fund (Limited Partnership) is a limited partner of Shenzhen Qianhai Ruilian No. 7 Investment Center (Limited Partnership), holding a 41.65% partnership interest. The general partner of Jiangsu Huatai Ruilian Buyout Fund (Limited Partnership) is Nanjing Ruilian Management Consulting Partnership (Limited Partnership), which is in turn beneficially owned by Huashan Ruilian. Nanjing Gloria Union Buyout Fund One (L.P.) holds a partnership interest of 60.47% in Jiangsu Huatai Ruilian Buyout Fund (Limited Partnership) as its limited partner, which is in turn beneficially owned by Huashan Ruilian and Huatai Zijin.

- (10) Shanghai Giant Lifetech Co., Ltd. directly held 208,083,500 H Shares of the Company. Shanghai Giant Lifetech Co., Ltd. was held as to 90.49% by Giant Investment Co., Ltd., which is held as to 97.88% by SHI Yuzhu.

- (11) The information disclosed above was based on the information provided on the website of the Hong Kong Stock Exchange at www.hkexnews.hk.

- (12) According to Section 336 of the SFO, shareholders of the Company are required to file disclosure of interests forms when certain criteria are fulfilled. When the shareholdings of the shareholders in the Company change, it is not necessary for the shareholders to notify the Company and the Hong Kong Stock Exchange unless certain criteria are fulfilled. Therefore, the latest shareholdings of the shareholders in the Company may be different from the shareholdings filed with the Hong Kong Stock Exchange.

- (13) As at the end of the Reporting Period, the Company had a total of 11,501,522,500 Shares in issue, comprising 8,022,753,987 Domestic Unlisted Shares and 3,478,768,513 H Shares.

Save as disclosed above, as at the end of the Reporting Period, so far as the Directors were aware, no other person (other than the Directors, Supervisors or chief executive of the Company) had any interest or short position in the shares or underlying shares of the Company which are required to be disclosed or recorded in the register of the Company to be kept under Section 336 of the SFO.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES

As at the end of the Reporting Period, the following Directors, Supervisors and chief executive had the following interests and/or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interest and/or short position taken or deemed to be held under the relevant provisions of the SFO), or are required to be notified to the Company and the Hong Kong Stock Exchange under the Model Code, or are required to be recorded in the register required to be kept under Section 352 of the SFO:

Name	Position(s)	Capacity	Class of shares	Number of shares	Nature of interest	Approximate Percentage of Total Issued Class of Shares ⁽⁶⁾ (%)	Approximate Percentage of Total Issued Share Capital ⁽⁶⁾ (%)
ZHANG Weigong ⁽¹⁾⁽²⁾	Executive Director, Chairman and chief executive officer	Interest of controlled corporation	Domestic Unlisted Shares	1,315,000,000	Long position	16.39	11.43
		Others	Domestic Unlisted Shares	10,799,373	Long position	0.13	0.09
		Others	H Shares	395,275	Long position	0.01	0.00
LI Ke ⁽³⁾	Executive Director	Others	Domestic Unlisted Shares	12,263,949	Long position	0.15	0.11
		Others	H Shares	395,275	Long position	0.01	0.00
PENG Jihai ⁽⁴⁾	Executive Director	Others	Domestic Unlisted Shares	6,832,297	Long position	0.09	0.06
		Others	H Shares	395,275	Long position	0.01	0.00
HOU Huisheng ⁽⁵⁾	Non-executive Director	Others	Domestic Unlisted Shares	186,637	Long position	0.00	0.00
		Others	H Shares	237,511	Long position	0.01	0.00

Other Information

Notes:

- (1) Bangchen Zhengtai directly holds 470,900,000 Domestic Unlisted Shares of the Company. Beijing Hengyi, a limited partnership incorporated under the laws of the PRC as an investment vehicle, directly holds 99.99% equity interests in Bangchen Zhengtai. Tibet Hengyi is the general partner of Beijing Hengyi. Mr. ZHANG Weigong directly holds 99.00% equity interests in Tibet Hengyi.

Shanghai Xuchang directly holds 470,900,000 Domestic Unlisted Shares of the Company. Beijing Maisheng, a limited partnership incorporated under the laws of the PRC as an investment vehicle, directly holds 42.60% equity interests in Shanghai Xuchang. Tibet Hengyi is the general partner of Beijing Maisheng. Beijing Qiyi is the general partner of Beijing Maisheng. Tibet Hengyi directly holds 33.33% equity interests in Beijing Qiyi.

Shannan Hongquan directly holds 373,200,000 Domestic Unlisted Shares of the Company. Ningbo Dingzhi Jintong, a limited partnership incorporated under the laws of the PRC as an investment vehicle, directly holds 95.98% equity interests in Shannan Hongquan. Tibet Hengyi is the general partner of Ningbo Dingzhi Jintong.

According to the Disclosure of Interests Form filed by Mr. ZHANG Weigong on February 6, 2025, 215,000,000 shares were pledged by Bangchen Zhengtai.

- (2) Mr. ZHANG Weigong indirectly holds 10,799,373 Domestic Unlisted Shares of the Company through participation in the Employee Share Ownership Plan, and indirectly holds 395,275 H Shares of the Company through participation in the performance-based bonus deferral plan of the Company.

- (3) Mr. LI Ke indirectly holds 12,263,949 Domestic Unlisted Shares of the Company through participation in the Employee Share Ownership Plan, and indirectly holds 395,275 H Shares of the Company through participation in the performance-based bonus deferral plan of the Company.

- (4) Mr. PENG Jihai indirectly holds 6,832,297 Domestic Unlisted Shares of the Company through participation in the Employee Share Ownership Plan, and indirectly holds 395,275 H Shares of the Company through participation in the performance-based bonus deferral plan of the Company.

- (5) Mr. HOU Huisheng indirectly holds 186,637 Domestic Unlisted Shares of the Company through participation in the Employee Share Ownership Plan, and indirectly holds 237,511 H Shares of the Company through participation in the performance-based bonus deferral plan of the Company.

- (6) As at the end of the Reporting Period, the Company had a total of 11,501,522,500 Shares in issue, comprising 8,022,753,987 Domestic Unlisted Shares and 3,478,768,513 H Shares.

Save as disclosed above, as at the end of the Reporting Period, none of the Directors, Supervisors or chief executive of the Company had any interests and/or short positions in the shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interest and/or short position taken or deemed to be held under the relevant provisions of the SFO), or are required to be notified to the Company and the Hong Kong Stock Exchange under the Model Code, or are required to be recorded in the register required to be kept under Section 352 of the SFO.

CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICER

As at the Latest Practicable Date, the changes in information of Directors, Supervisors and chief executive officer of the Company are as follows:

1. The Company has received the resignation letter from Mr. LIU Zhanqing, an independent non-executive Director on December 10, 2024. As Mr. LIU Zhanqing has served as an independent non-executive Director of the Company for six consecutive years, pursuant to relevant regulatory provisions of the PRC, he has tendered his resignation to the Board as an independent non-executive Director of the Company, the chairman of the Nomination and Remuneration Committee of the Board and a member of the Related Party Transactions Control Committee of the Board. On December 12, 2024, the Board of the Company considered and approved the Proposal on the Nomination of Candidate for Independent Director of the Sixth Session of the Board of the Company, and nominated Mr. DONG Bin as a candidate for independent non-executive Director of the sixth session of the Board of the Company. On June 17, 2025, approved by the Shareholders at the annual general meeting, Mr. DONG Bin was appointed as an independent non-executive Director of the sixth session of the Board. His term of office shall commence from the date of completion of the procedures set forth in the Articles of Association and the approval by the Chinese insurance regulatory authority of his directorship qualification, and shall expire upon the expiration of the term of office of the sixth session of the Board, subject to re-election upon the expiration of his term of office. For biography and other information of Mr. DONG Bin, please refer to the relevant announcement of the Company dated December 12, 2024. As at the Latest Practicable Date, there has been no change to such information.
2. The Company has received the resignation letters from Mr. ZHAO Zongren and Mr. WANG Yongwen, executive Directors, on March 26, 2025. Mr. ZHAO Zongren has tendered his resignation to the Board as an executive Director and vice chairman of the Company due to age reason. Mr. WANG Yongwen has tendered his resignation to the Board as an executive Director of the Company, a member and the chairman of the Risk Management Committee of the Board due to age reason. On March 26, 2025, the Board of the Company considered and approved the Proposal on the Nomination of Candidate for Executive Director of the Sixth Session of the Board of the Company, and nominated Mr. WANG Xiaopeng as a candidate for executive Director of the sixth session of the Board of the Company. On June 17, 2025, approved by the Shareholders at the annual general meeting, Mr. WANG Xiaopeng was appointed as an executive Director of the sixth session of the Board. His term of office shall commence from the date of completion of the procedures set forth in the Articles of Association and the approval by the Chinese insurance regulatory authority of his directorship qualification, and shall expire upon the expiration of the term of office of the sixth session of the Board, subject to re-election upon the expiration of his term of office. For biography and other information of Mr. WANG Xiaopeng, please refer to the relevant announcement of the Company dated March 26, 2025. As at the Latest Practicable Date, there has been no change to such information.

Other Information

Save as mentioned above, as at the Latest Practicable Date, there is no other change in the information of the Directors, Supervisors and chief executive officer required to be disclosed under Rule 13.51B(1) of the Listing Rules.

INTERIM DIVIDEND

The Company will not declare any interim dividend for the six months ended June 30, 2025.

SUBSEQUENT EVENTS

On August 1, 2025, the Board has considered and approved the resolution in relation to the plan on application of the H share full circulation for the conversion of no more than 3,519,625,501 Domestic Unlisted Shares of the Company (accounting for approximately 30.60% of the total number of shares of the Company) in aggregate into H shares of the Company (the “**H Share Full Circulation**”). Upon obtaining all relevant approvals (including approvals from the Chinese financial regulatory authorities and the Hong Kong Stock Exchange) and having complied with all applicable laws, rules and regulations, some or all domestic unlisted shares of the Company held

by shareholders who proposed to participate in the H Share Full Circulation shall be converted into H shares of the Company, and the Company will apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, such H shares on the Main Board (the “**Conversion and Listing**”). According to the Articles of Association, the H Share Full Circulation and the Conversion and Listing shall not be subject to consideration and approval by the general meeting of the Company. For the details of the H Share Full Circulation, please refer to the relevant announcement of the Company dated August 1, 2025.

Save as disclosed in this report, there were no other material subsequent events of the Company after the Reporting Period.

REVIEW OF INTERIM REPORT

The 2025 interim financial information prepared by the Group in accordance with IFRS has been reviewed by Ernst & Young. The 2025 interim report of the Group has been reviewed by the Audit Committee of the Board.

Independent Review Report

**To the shareholders of Sunshine Insurance Group Company Limited
(Incorporated in the People's Republic of China with limited liability)**

Introduction

We have reviewed the interim condensed consolidated financial information set out on pages 72 to 96, which comprises the interim consolidated statement of financial position of Sunshine Insurance Group Company Limited (the "Company") and its subsidiaries as at 30 June 2025 and the related interim consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young

Certified Public Accountants

Hong Kong

22 August 2025

Interim Consolidated Statement of Profit or Loss

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

	Notes	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)
Insurance revenue	5	32,441	31,488
Interest income	6	4,808	4,748
Investment income	7	6,349	4,463
Share of profits and losses of associates and joint ventures		261	233
Other income		1,260	1,517
Total revenues		45,119	42,449
Insurance service expenses		(28,253)	(27,620)
Allocation of reinsurance premiums paid		(868)	(905)
Less: Amount recovered from reinsurers		741	620
Net insurance finance expenses for insurance contracts issued		(7,136)	(4,258)
Less: Net reinsurance finance income for reinsurance contracts held		51	76
Expected credit losses	8	(474)	(814)
Finance costs		(556)	(679)
Other operating and administrative expenses	9	(3,528)	(3,159)
Total expenses		(40,023)	(36,739)
Profit before tax		5,096	5,710
Income tax	10	(1,615)	(2,498)
Net profit		3,481	3,212
Attributable to:			
Equity owners of the parent		3,389	3,143
Non-controlling interests		92	69
Earnings per share attributable to ordinary equity holders of the parent:			
– Basic	11	RMB0.29	RMB0.27
– Diluted	11	RMB0.29	RMB0.27

Interim Consolidated Statement of Comprehensive Income

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Net profit	3,481	3,212
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Changes in the fair value of debt instruments at fair value through other comprehensive income	470	8,117
Credit risks provision of debt instruments at fair value through other comprehensive income	244	319
Insurance finance expenses for insurance contracts issued	(11,570)	(13,815)
Reinsurance finance income for reinsurance contracts held	3	13
Exchange differences on translating foreign operations	42	(28)
Share of other comprehensive income of associates and joint ventures	(17)	7
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Changes in the fair value of equity instruments at fair value through other comprehensive income	4,867	5,116
Insurance finance expenses for insurance contracts issued	(1,480)	(989)
Share of other comprehensive income of associates and joint ventures	(32)	–
Other comprehensive income for the period, net of tax	(7,473)	(1,260)
Total comprehensive income for the period, net of tax	(3,992)	1,952
Attributable to:		
Equity owners of the parent	(4,084)	1,880
Non-controlling interests	92	72

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Interim Consolidated Statement of Financial Position

AS AT 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

	Notes	30 June 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
Property and equipment		18,700	18,980
Right-of-use assets		2,421	2,372
Investment properties		9,426	9,710
Investments in associates and joint ventures		11,414	10,445
Financial Investments:			
Financial assets at fair value through profit or loss	13	142,050	137,579
Financial assets at amortised cost	14	4,732	2,411
Debt financial assets at fair value through other comprehensive income	15	304,622	311,971
Equity financial assets at fair value through other comprehensive income	16	60,279	48,034
Term deposits	17	21,759	9,917
Statutory deposits		6,323	6,506
Securities purchased under agreements to resell		20,461	5,300
Insurance contract assets	18	730	815
Reinsurance contract assets		5,274	5,259
Deferred tax assets	20	1,064	776
Other assets		5,511	5,009
Cash at bank and on hand		10,797	6,706
Total assets		625,563	581,790
LIABILITIES AND EQUITY			
Liabilities			
Insurance contract liabilities	18	508,521	457,316
Reinsurance contract liabilities		29	23
Lease liabilities		603	594
Bonds payable	19	19,665	19,507
Financial liabilities at fair value through profit or loss		2,086	2,076
Securities sold under agreements to repurchase		15,099	22,939
Tax payables		1,070	982
Premiums received in advance		640	663
Deferred tax liabilities	20	773	1,492
Other liabilities		14,874	12,785
Total liabilities		563,360	518,377

Interim Consolidated Statement of Financial Position (Continued)

AS AT 30 JUNE 2025
(All amounts expressed in RMB million unless otherwise specified)

	Notes	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Equity			
Share capital	21	11,502	11,502
Reserves		16,016	23,855
Retained profits		28,319	26,725
Attributable to equity owners of the parent		55,837	62,082
Non-controlling interests		6,366	1,331
Total equity		62,203	63,413
Total liabilities and equity		625,563	581,790

The interim condensed consolidated financial information on pages 72 to 96 were approved and authorised for issue by the Board of Directors on 22 August 2025 and were signed on its behalf by:

Mr. ZHANG Weigong
Director

Mr. PENG Jihai
Director

Interim Consolidated Statement of Changes in Equity

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

(Unaudited)	Attributable to equity owners of the parent													
	Reserves													Non-controlling interests
	Share capital	Capital reserves	Surplus reserves	General risk reserves	Agriculture catastrophic loss reserves	Nuclear catastrophic loss reserves	Financial assets at FVOCI reserves	Insurance finance reserve	Foreign currency translation reserves	Other reserves	Retained profits	Total		Total equity
As at 1 January 2025	11,502	25,879	1,819	7,469	57	29	30,550	(41,809)	14	(153)	26,725	62,082	1,331	63,413
Net profit	-	-	-	-	-	-	-	-	-	-	3,389	3,389	92	3,481
Other comprehensive income	-	-	-	-	-	-	5,581	(13,047)	42	(49)	-	(7,473)	-	(7,473)
Total comprehensive income	-	-	-	-	-	-	5,581	(13,047)	42	(49)	3,389	(4,084)	92	(3,992)
Dividend declared	-	-	-	-	-	-	-	-	-	-	(2,185)	(2,185)	-	(2,185)
Appropriation to general risk reserves	-	-	-	12	-	-	-	-	-	-	(12)	-	-	-
Transfer of gains/(losses) on disposal of equity investments at fair value through other comprehensive income to retained profits	-	-	-	-	-	-	(626)	224	-	-	402	-	-	-
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(60)	(60)
Other equity instruments issued by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	5,000	5,000
Others	-	24	-	-	-	-	-	-	-	-	-	24	3	27
As at 30 June 2025	11,502	25,903	1,819	7,481	57	29	35,505	(54,632)	56	(202)	28,319	55,837	6,366	62,203

Interim Consolidated Statement of Changes in Equity (Continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

(Unaudited)	Attributable to equity owners of the parent													Non-controlling interests	Total equity
	Reserves											Total			
	Share capital	Capital reserves	Surplus reserves	General risk reserves	Agriculture catastrophic loss reserves	Nuclear catastrophic loss reserves	Financial assets at FVOCI reserves	Insurance finance reserve	Foreign currency translation reserves	Other reserves	Retained profits				
As at 1 January 2024	11,502	25,897	1,557	6,404	57	20	6,178	(15,024)	143	(164)	23,876	60,446	1,343	61,789	
Net profit	-	-	-	-	-	-	-	-	-	-	3,143	3,143	69	3,212	
Other comprehensive income	-	-	-	-	-	-	13,549	(14,791)	(28)	7	-	(1,263)	3	(1,260)	
Total comprehensive income	-	-	-	-	-	-	13,549	(14,791)	(28)	7	3,143	1,880	72	1,952	
Dividend declared	-	-	-	-	-	-	-	-	-	-	(2,070)	(2,070)	-	(2,070)	
Appropriation to general risk reserves	-	-	-	17	-	-	-	-	-	-	(17)	-	-	-	
Transfer of gains/(losses) on disposal of equity investments at fair value through other comprehensive income to retained profits	-	-	-	-	-	-	(75)	(111)	-	-	186	-	-	-	
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(60)	(60)	
Others	-	(23)	-	-	-	-	-	-	-	-	-	(23)	(49)	(72)	
As at 30 June 2024	11,502	25,874	1,557	6,421	57	20	19,652	(29,926)	115	(157)	25,118	60,233	1,306	61,539	

Interim Consolidated Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Net cash inflows from operating activities	30,227	20,342
Cash flows from investing activities		
Purchases of property and equipment, intangible assets and other assets	(314)	(260)
Proceeds from disposals of property and equipment, intangible assets and other assets	122	2
Purchases of investments	(132,805)	(147,923)
Proceeds from disposals of investments	116,432	115,111
Interest received	9,206	8,479
Dividends received	168	48
Others	(85)	(338)
Net cash outflows from investing activities	(7,276)	(24,881)
Cash flows from financing activities		
Increase in securities sold under agreements to repurchase, net	(7,838)	(7,231)
Proceeds from issuance of asset-backed securities	2,750	2,749
Repayment of asset-backed securities	(2,750)	(2,430)
Capital injected into subsidiaries by non-controlling interests	5,000	–
Interest paid	(376)	(496)
Dividends paid	(60)	(60)
Payment of principal portion of lease liabilities	(184)	(188)
Others	(21)	(48)
Net cash outflows from financing activities	(3,479)	(7,704)
Effects of foreign exchange rate changes	(12)	8
Net increase/(decrease) in cash and cash equivalents	19,460	(12,235)
Cash and cash equivalents at the beginning of period	12,005	26,695
Cash and cash equivalents at the end of period	31,465	14,460
Analysis of balances of cash and cash equivalents		
Cash at bank and on hand	10,797	9,463
Investments with an initial term within 3 months	20,668	4,997

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025
(All amounts expressed in RMB million unless otherwise specified)

1 CORPORATE INFORMATION

Sunshine Insurance Group Company Limited (the “Company”) was established on 27 June 2007 in Shenzhen, the People’s Republic of China under the name of Sunshine Insurance Holdings Co., Ltd., according to the approval by the former China Insurance Regulatory Commission. On 23 January 2008, the Company officially changed its name to Sunshine Insurance Group Company Limited.

The business scope of the Company includes investing in insurance enterprises, supervising and managing various domestic and overseas businesses of subsidiaries, investment business permitted by national laws and regulations, as well as insurance business and other businesses approved by regulators.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are property and casualty insurance business, life insurance business, as well as asset management.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and the material accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024. Thus the interim condensed consolidated financial information should be read in conjunction with the audited consolidated annual financial statements for the year ended 31 December 2024 and any public announcements made during the interim reporting period.

3 EFFECTIVE AND ISSUED BUT NOT YET EFFECTIVE STANDARDS, AMENDMENTS AND INTERPRETATIONS

3.1 EFFECTIVE STANDARDS, AMENDMENTS AND INTERPRETATIONS

The Group has adopted the following amendments for the first time for the interim condensed consolidated financial statements.

Standards/Amendments	Content
Amendments to IAS 21	<i>Lack of Exchangeability</i>

The above amendments to the standards did not have any significant impact on the interim condensed consolidated financial statements of the Group for the six months ended 30 June 2025.

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

3 EFFECTIVE AND ISSUED BUT NOT YET EFFECTIVE STANDARDS, AMENDMENTS AND INTERPRETATIONS *(continued)*

3.2 ISSUED BUT NOT YET EFFECTIVE STANDARDS, AMENDMENTS AND INTERPRETATIONS

The Group has not adopted the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the interim condensed consolidated financial statements.

Standards/Amendments	Content
IFRS 18	<i>Presentation and Disclosure in Financial Statements⁽ⁱ⁾</i>
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures⁽ⁱ⁾</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments⁽ⁱⁱ⁾</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁽ⁱⁱⁱ⁾</i>
Annual Improvements to IFRS Accounting Standards – Volume 11	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7⁽ⁱⁱ⁾</i>

- i. Effective for annual periods beginning on or after 1 January 2027
- ii. Effective for annual periods beginning on or after 1 January 2026
- iii. No mandatory effective date yet determined but available for adoption

4 SEGMENT INFORMATION

The Group presents segment information based on its major operating segments.

The Group's operating segments are as follows:

- (i) The life insurance segment which offers a wide range of life insurance products mainly by Sunshine Life Insurance Corporation Limited ("Sunshine Life");
- (ii) The property and casualty insurance segment which offers a wide range of property and casualty insurance products mainly by Sunshine Property and Casualty Insurance Co., Ltd. ("Sunshine P&C") and Sunshine Surety Insurance Co., Ltd. ("Sunshine Surety"); and
- (iii) Other businesses segment mainly provides corporate management and assets management services.

Management monitors the operating results of the Group's business units separately for the purpose of making decisions with regard to resources allocation and performance assessment. Segment performance is assessed based on indicators such as net profit.

Transfer prices between operating segments are based on the amount stated in the contracts signed by both sides.

4 SEGMENT INFORMATION (continued)

The segment analysis for the six months ended 30 June 2025 is as follows:

	Property and casualty insurance				Other business and elimination	Total
	Life insurance	Sunshine P&C	Sunshine Surety	Subtotal		
Insurance revenue	8,627	23,753	66	23,819	(5)	32,441
Interest income	4,398	360	12	372	38	4,808
Investment income	5,297	679	1	680	372	6,349
Share of profits and losses of associates and joint ventures	388	84	–	84	(211)	261
Other income	139	64	3	67	1,054	1,260
Total revenues	18,849	24,940	82	25,022	1,248	45,119
Insurance service expenses	(4,973)	(23,218)	(62)	(23,280)	–	(28,253)
Allocation of reinsurance premiums paid	(306)	(570)	–	(570)	8	(868)
Less: Amount recovered from reinsurers	176	565	1	566	(1)	741
Net insurance finance expenses for insurance contracts issued	(6,601)	(237)	(1)	(238)	(297)	(7,136)
Less: Net reinsurance finance income for reinsurance contracts held	30	21	–	21	–	51
Expected credit losses	(353)	(103)	–	(103)	(18)	(474)
Finance costs	(415)	(132)	–	(132)	(9)	(556)
Other operating and administrative expenses	(1,930)	(762)	(2)	(764)	(834)	(3,528)
Total expenses	(14,372)	(24,436)	(64)	(24,500)	(1,151)	(40,023)
Profit before tax	4,477	504	18	522	97	5,096
Income tax	(1,555)	14	(6)	8	(68)	(1,615)
Net profit	2,922	518	12	530	29	3,481

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

4 SEGMENT INFORMATION (continued)

The segment analysis for the six months ended 30 June 2024 is as follows:

	Property and casualty insurance			Other business and elimination	Total
	Life insurance	Sunshine P&C	Sunshine Surety	Subtotal	
Insurance revenue	8,024	23,457	7	23,464	31,488
Interest income	4,277	353	12	365	4,748
Investment income	3,673	330	2	332	4,463
Share of profits and losses of associates and joint ventures	363	85	–	85	233
Other income	244	110	3	113	1,517
Total revenues	16,581	24,335	24	24,359	42,449
Insurance service expenses	(4,962)	(22,630)	(28)	(22,658)	(27,620)
Allocation of reinsurance premiums paid	(374)	(531)	–	(531)	(905)
Less: Amount recovered from reinsurers	360	260	–	260	620
Net insurance finance expenses for insurance contracts issued	(3,698)	(384)	(1)	(385)	(4,258)
Less: Net reinsurance finance income for reinsurance contracts held	31	45	–	45	76
Expected credit losses	(608)	(208)	–	(208)	(814)
Finance costs	(522)	(145)	–	(145)	(679)
Other operating and administrative expenses	(1,537)	(313)	(1)	(314)	(3,159)
Total expenses	(11,310)	(23,906)	(30)	(23,936)	(36,739)
Profit before tax	5,271	429	(6)	423	5,710
Income tax	(2,505)	76	–	76	(2,498)
Net profit	2,766	505	(6)	499	3,212

5 INSURANCE REVENUE

	Six months ended 30 June	
	2025	2024
Insurance contracts not measured under the premium allocation approach		
Insurance revenue relating to the changes in the liability for remaining coverage		
Amortisation of contractual service margin	2,305	1,981
Change in the risk adjustment for non-financial risk	337	357
Expected insurance service expenses incurred in the period	3,378	3,178
Amortisation of insurance acquisition cash flows	3,952	3,991
Subtotal	9,972	9,507
Insurance contracts measured under the premium allocation approach	22,469	21,981
Total	32,441	31,488

6 INTEREST INCOME

	Six months ended 30 June	
	2025	2024
Bonds	3,477	3,479
Trust schemes	669	653
Debt investment schemes	227	234
Term deposits	271	190
Statutory deposits	87	97
Securities purchased under agreements to resell	77	95
Total	4,808	4,748

7 INVESTMENT INCOME

	Six months ended 30 June	
	2025	2024
Interest and dividend income (a)	4,535	3,675
Realised gains/(losses) (b)	95	(946)
Unrealised gains (c)	1,565	1,551
Operating lease income from investment properties	154	183
Total	6,349	4,463

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

7 INVESTMENT INCOME (continued)

(a) Interest and dividend income

	Six months ended 30 June	
	2025	2024
Bonds	648	534
Debt investment schemes	228	307
Funds	607	1,121
Equity securities	2,558	1,309
Equity investment schemes	173	175
Others	321	229
Total	4,535	3,675

(b) Realised gains/(losses)

	Six months ended 30 June	
	2025	2024
Bonds	440	2,222
Funds	(979)	(1,885)
Equity securities	666	(1,165)
Others	(32)	(118)
Total	95	(946)

(c) Unrealised gains

	Six months ended 30 June	
	2025	2024
Bonds	(331)	904
Debt investment schemes	(98)	45
Funds	848	684
Equity securities	1,953	1,478
Others	(664)	(1,431)
Financial assets at fair value through profit or loss	1,708	1,680
Financial liabilities at fair value through profit or loss	(143)	(129)
Total	1,565	1,551

8 EXPECTED CREDIT LOSSES

	Six months ended 30 June	
	2025	2024
Debt financial assets at fair value through other comprehensive income	310	551
Others	164	263
Total	474	814

9 OTHER OPERATING AND ADMINISTRATIVE EXPENSES

	Six months ended 30 June	
	2025	2024
Employee costs	4,494	4,139
Promotion and consulting fees	1,211	1,090
Insurance guarantee fund	356	365
Depreciation of property and equipment	298	264
Depreciation of right-of-use assets	160	175
Depreciation of investment properties	173	152
Leases	112	84
Taxes	98	97
Amortisation of intangible assets	78	71
Impairment losses on other assets	432	677
Others	2,196	2,443
Subtotal	9,608	9,557
Less: Expenses directly attributable to insurance contracts		
Insurance acquisition cash flows recognised in liabilities for remaining coverage	4,633	4,796
Amounts recognised in insurance service expenses	1,447	1,602
Subtotal	6,080	6,398
Net	3,528	3,159

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

10 INCOME TAX

	Six months ended 30 June	
	2025	2024
Current income tax	515	187
Deferred income tax	1,100	2,311
Total	1,615	2,498

11 EARNINGS PER SHARE

The calculation of earnings per share is based on the following:

	Six months ended 30 June	
	2025	2024
Consolidated net profit attributable to equity owners of the parent	3,389	3,143
Weighted average number of ordinary shares in issue	11,502	11,502
Basic earnings per share	RMB0.29	RMB0.27
Diluted earnings per share	RMB0.29	RMB0.27

12 DIVIDENDS

	Six months ended 30 June	
	2025	2024
Dividends recognised as distributions during the period:		
2024 final dividend – RMB0.19 per ordinary share	2,185	–
2023 final dividend – RMB0.18 per ordinary share	–	2,070

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025	31 December 2024
Listed		
Bonds		
Government bonds	–	27
Finance bonds	229	230
Corporate bonds	1,071	1,775
Funds	670	869
Equity securities	24,793	20,962
Other investments	334	214
Subtotal	27,097	24,077
Unlisted		
Bonds		
Government bonds	458	408
Finance bonds	38,792	34,376
Corporate bonds	1,076	1,006
Interbank deposits	1,659	2,821
Funds	20,855	16,490
Debt investment schemes	8,992	9,091
Trust schemes	4,685	4,244
Other investments	38,436	45,066
Subtotal	114,953	113,502
Total	142,050	137,579

14 FINANCIAL ASSETS AT AMORTISED COST

	30 June 2025	31 December 2024
Unlisted		
Debt investment schemes	1,372	501
Trust schemes	3,363	1,912
Subtotal	4,735	2,413
Less: Provisions for impairment losses	(3)	(2)
Total	4,732	2,411

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

15 DEBT FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2025	31 December 2024
Listed		
Bonds		
Government bonds	31,519	31,259
Corporate bonds	1,040	1,826
Mortgage-backed securities	739	876
Subtotal	33,298	33,961
Unlisted		
Bonds		
Government bonds	192,591	183,868
Finance bonds	31,807	32,869
Corporate bonds	5,159	4,611
Interbank deposits	9,230	20,758
Debt investment schemes	8,623	9,545
Trust schemes	23,914	26,359
Subtotal	271,324	278,010
Total	304,622	311,971

16 EQUITY FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2025	31 December 2024
Listed		
Equity securities	58,924	46,625
Unlisted		
Other equity investments	1,355	1,409
Total	60,279	48,034

17 TERM DEPOSITS

	30 June 2025	31 December 2024
Maturing period		
Within 3 months (including 3 months)	363	23
3 months to 1 year (including 1 year)	2,108	418
1 to 2 years (including 2 years)	150	1,595
2 to 3 years (including 3 years)	1,620	450
3 to 4 years (including 4 years)	4,500	4,600
4 to 5 years (including 5 years)	12,700	1,000
5 to 6 years (including 6 years)	–	1,700
Accrued interest	325	134
Less: Provisions for impairment losses	(7)	(3)
Total	21,759	9,917

18 INSURANCE CONTRACT ASSETS/LIABILITIES

The analysis of liabilities for remaining coverage and liabilities for incurred claims is as follows:

	30 June 2025	31 December 2024
Insurance contract liabilities		
Liabilities for remaining coverage	487,973	438,207
Liabilities for incurred claims	19,818	18,294
Net insurance contract liabilities	507,791	456,501
Represented by:		
Insurance contract assets	(730)	(815)
Insurance contract liabilities	508,521	457,316

The analysis by measurement component of contracts not measured under the premium allocation method is as follows:

	30 June 2025	31 December 2024
Insurance contract liabilities		
Estimates of present value of future cash flows	413,471	368,827
Risk adjustment for non-financial risk	6,841	6,291
Contractual service margin	56,078	50,854
Total	476,390	425,972

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

19 BONDS PAYABLE

The information of the Group's major bonds payable is as follows:

Issuer	Issue date	Maturity	Early redemption option	Interest rate	30 June 2025	31 December 2024
Sunshine P&C	2021/12/7	10 years	End of the fifth year	4.5%-5.5%	4,999	4,999
Sunshine Life	2016/4/20	10 years	None	4.5%	2,156	2,163
Sunshine Life	2021/3/30	10 years	End of the fifth year	4.4%-5.4%	5,101	5,088
Sunshine Life	2023/12/12	10 years	End of the fifth year	3.88%-4.88%	7,049	7,032
Subtotal					19,305	19,282
Add: Accrued interest					360	225
Total					19,665	19,507

20 DEFERRED TAX ASSETS AND LIABILITIES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relate to income taxes, if any, to be levied by the same tax authority and the same taxable entity.

	30 June 2025	31 December 2024
Net deferred income tax (liabilities)/assets, at beginning of period/year	(716)	1,159
Recognised in profit or loss	(1,100)	(2,430)
Recognised in equity	2,107	555
Net deferred income tax assets/(liabilities), at end of period/year	291	(716)
Represented by:		
Deferred tax assets	1,064	776
Deferred tax liabilities	(773)	(1,492)

21 SHARE CAPITAL

	30 June 2025	31 December 2024
Numbers of shares issued and fully paid at RMB1 each (million)	11,502	11,502

22 FAIR VALUE MEASUREMENT

Determination of fair value and fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy. The fair value hierarchy prioritises the inputs to valuation techniques used to measure fair value into three broad levels. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The levels of the fair value hierarchy are as follows:

- (a) Fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities (“Level 1”);
- (b) Fair value is based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (“Level 2”); and
- (c) Fair value is based on inputs for the asset or liability that are not based on observable market data (unobservable inputs) (“Level 3”).

The level of fair value calculation is determined by the lowest level input with material significant in the overall calculation. As such, the significance of the input should be considered from an overall perspective in the calculation of fair value.

For Level 2 financial instruments, valuations are generally obtained from third party pricing services for identical or comparable assets, or through the use of valuation methodologies using observable market inputs, or recent quoted market prices. Valuation service providers typically gather, analyse and interpret information related to market transactions and other key valuation model inputs from multiple sources, and through the use of widely accepted internal valuation models, provide a theoretical quote on various securities. Debt securities traded among Chinese interbank market are classified as Level 2 when they are valued at recent quoted price from Chinese interbank market or from valuation service providers. Substantially most financial instruments classified within Level 2 of the fair value hierarchy are debt investments denominated in RMB. Fair value of debt investments denominated in RMB is determined based upon the valuation results by the China Central Depository & Clearing Co., Ltd.. All significant inputs are observable in the market.

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

22 FAIR VALUE MEASUREMENT (continued)

Determination of fair value and fair value hierarchy (continued)

For Level 3 financial instruments, prices are determined using valuation methodologies such as discounted cash flow models and other similar techniques. Determinations to classify fair value measures within Level 3 of the valuation hierarchy are generally based on the significance of the unobservable factors to the overall fair value measurement, and valuation methodologies such as discounted cash flow models and other similar techniques.

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of the reporting period.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

	30 June 2025			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets at fair value through profit or loss				
Equity securities	24,790	3	–	24,793
Funds	21,525	–	–	21,525
Bonds	136	41,490	–	41,626
Others	1	10,332	43,773	54,106
Debt financial assets at fair value through other comprehensive income				
Bonds	–	262,116	–	262,116
Others	–	9,969	32,537	42,506
Equity financial assets at fair value through other comprehensive income				
Equity securities	58,924	–	–	58,924
Others	–	–	1,355	1,355
Liabilities measured at fair value				
Financial liabilities at fair value through profit or loss	–	2,086	–	2,086

22 FAIR VALUE MEASUREMENT (continued)

Determination of fair value and fair value hierarchy (continued)

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities: (continued)

	31 December 2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets at fair value through profit or loss				
Equity securities	20,897	65	–	20,962
Funds	17,359	–	–	17,359
Bonds	135	37,687	–	37,822
Others	–	17,773	43,663	61,436
Debt financial assets at fair value through other comprehensive income				
Bonds	–	254,433	–	254,433
Others	–	21,633	35,905	57,538
Equity financial assets at fair value through other comprehensive income				
Equity securities	46,625	–	–	46,625
Others	–	–	1,409	1,409
Liabilities measured at fair value				
Financial liabilities at fair value through profit or loss	–	2,076	–	2,076

For the six months ended 30 June 2025 and the year ended 31 December 2024, there were no significant transfers between Level 1 and Level 2 fair value measurements.

Notes To The Interim Condensed Consolidated Financial Information

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(All amounts expressed in RMB million unless otherwise specified)

23 RISK MANAGEMENT

The Group's activities are exposed to insurance risk and varieties of financial risks. The Group issues contracts that transfer insurance risk or financial risk or both. The key financial risk is that proceeds from the sale of financial assets will not be sufficient to fund the obligations arising from the Group's insurance and investment contracts. The most important components of financial risk are credit risk, liquidity risk and market risk.

The interim condensed consolidated financial statements do not include all risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

There have been no significant changes in the Group's risk management processes since 31 December 2024 or in any risk management policies.

24 SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Shareholders holding more than 5% of the Company's shares:

Name	Relationship with the Company	Percentage of shareholding
Beijing Chengtong Financial Holding Investment Co., Ltd. ⁽ⁱ⁾ ("Beijing Chengtong")	A shareholder of the Company	6.09%
China Chengtong Holdings Group Ltd. ⁽ⁱ⁾ ("China Chengtong")	A shareholder of the Company	3.04%
Beijing Ruiteng Yihong Investment Management Co., Ltd. ⁽ⁱⁱ⁾ ("Ruiteng Yihong")	A shareholder of the Company	6.09%
Septwolves Group Holding Co., Ltd. ⁽ⁱⁱ⁾ ("Septwolves")	A shareholder of the Company	0.87%
Lhasa Fengming Construction Machinery Sales Co., Ltd. ("Lhasa Fengming")	A shareholder of the Company	5.22%
Beijing Bangchen Zhengtai Investment Co., Ltd. ⁽ⁱⁱⁱ⁾ ("Bangchen Zhengtai")	A shareholder of the Company	4.09%
Shanghai Xuchang Technology Co., Ltd. ⁽ⁱⁱⁱ⁾ ("Shanghai Xuchang")	A shareholder of the Company	4.09%
Shannan Hongquan Equity Investment Co., Ltd. ⁽ⁱⁱⁱ⁾ ("Shannan Hongquan")	A shareholder of the Company	3.24%

(i) Beijing Chengtong and China Chengtong are related parties, and hold more than 5% of the Company's shares in total.

(ii) Ruiteng Yihong and Septwolves are related parties, and hold more than 5% of the Company's shares in total.

(iii) Bangchen Zhengtai, Shanghai Xuchang and Shannan Hongquan are related parties, and hold more than 5% of the Company's shares in total.

24 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(b) Other related parties

Name	Relationship with the Company
Jiangsu Yonggang Group Co., Ltd. ("Jiangsu Yonggang")	A shareholder of the Company
Huishang Bank Co., Ltd. ("Huishang Bank")	An associate of the Group
Chengdu Shuangliu Sunshine Harmony Network Hospital Co., Ltd. ("Chengdu Shuangliu")	An associate of the Group
Riverhead Capital Investment Management Co., Ltd. ("Riverhead Capital")	An associate of the Group
Hongde Fund Management Co., Ltd. ("Hongde Fund")	An associate of the Group
Chengtai financial leasing (Shanghai) Co., Ltd. ("Chengtai Leasing")	An associate of the Group
Beijing Yicai Human Resources Consulting Co., Ltd. ("Beijing Yicai") ⁽ⁱ⁾	A subsidiary of the Group's joint venture

(i) Beijing Yicai is a subsidiary of the Group's joint venture, Beijing Yicai Hongye Management Consulting Co., Ltd.

(c) Transactions with significant related parties

The following table summarises significant transactions carried out by the Group with its significant related parties:

	Six months ended 30 June	
	2025	2024
Gross written premiums from:		
Huishang Bank	27	25
Beijing Yicai	2	17
Interest income from:		
China Chengtong	15	7
Chengtai Leasing	4	7
Jiangsu Yonggang	3	8
Administrative and other expenses to:		
Chengdu Shuangliu	1	9
Commission and brokerage expenses to:		
Huishang Bank	2	10

(d) Amounts due from/to significant related parties

	30 June 2025	31 December 2024
Entrusted assets managed by:		
Riverhead Capital	8,089	9,325
Hongde Fund	4,095	4,252
Investments in bonds and other debt investments issued by:		
China Chengtong	1,183	1,157
Chengtai Leasing	191	254

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(All amounts expressed in RMB million unless otherwise specified)

25 COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2025	31 December 2024
Contracted, but not provided for	10,753	13,308

26 CONTINGENT LIABILITIES

Owing to the nature of the insurance business, the Group is involved in the making of estimates for contingencies and legal proceedings in the ordinary course of business, both in the capacity as plaintiff or defendant in litigation and arbitration. Legal proceedings mostly involve claims on the Group's insurance policies. Provision has been made for the probable losses to the Group, including those claims where management can reasonably estimate the outcome of the litigations taking into account the related legal advice, if any. No provision is made for contingencies and legal proceedings when the result cannot be reasonably estimated or the probability of loss is so low.

In addition to the above legal proceedings, as at 30 June 2025, the Group was the defendant in certain pending litigation and disputes. Provisions have been made for the possible loss based on best estimate by the management and the Group would only be contingently liable for any claim that is in excess of what had been provided. No provision is made for contingencies and legal proceedings when the result cannot be reasonably estimated or the probability of loss is extremely low.

27 SUBSEQUENT EVENTS

As at the approval date of the interim condensed consolidated financial information, there is no significant subsequent event that need to be disclosed by the Group.