# 中國太平洋保險（集團）股份有限公司

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

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

**(Stock Code：02601)**

**(Debt Stock Code：05920)**

# ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

## Chairman's statement

**Dear shareholders,**

The year 2026 marks the start of the 15th Five-Year Plan period. In the first half of the year, the international environment remained complex and volatile, with uncertainties and unpredictable factors intertwined. On the domestic front, China's economy maintained overall stability, with progress in industrial upgrade and increased demand for protection in people's livelihoods, which demonstrated sustained resilience. At the same time, while risk-free interest rates remained at low levels, the capital market experienced increased structural divergence and volatility, which, coupled with China's demographic shift, presented multiple challenges to the insurance industry in liabilities, asset allocation and value management. Amid the challenging political and economic landscape both at home and abroad, we pursued progress while maintaining stable business fundamentals, strived to improve quality and efficiency, consolidated our achievements in business development, strengthened the foundation of management, accelerated the shift in growth drivers, and delivered steady improvement in overall business performance.

In the first half of 2026, Group operating income amounted to RMB212.136 billion, up 5.8% year on year; Group net profit[note 1] totalled RMB30.775 billion, an increase of 10.4% from the same period of 2025; Group OPAT[note 1] reached RMB21.149 billion, up 6.2%; and as at the end of June 2026, Group net assets[note 1] stood at RMB 319.196 billion, up 5.6% from the end of the preceding year.

**Our life/health insurance business remained focused on value creation and stepped up the transition in distribution channels and products.** In the first half of the year, new business value (NBV) of life insurance[note 2] reached RMB10.758 billion, up 12.7% year on year, with an NBV margin of 17.5%, up 2.5pt. In the agency channel, we continued to strengthen agent capabilities so as to build a "career-based, professional, digitally-savvy and younger" sales force. In particular, we strived to enhance agent recruitment and development through better incentive mechanisms, training and coaching, and technological support. As a result, core manpower productivity continued to grow, with double-digit growth in both monthly average FYPs per core agent and monthly average FYC per core agent. As for the bancassurance channel, we accelerated the development of regular-premium business. Despite intensifying market competition, regular first-year premiums increased by 32.6% year on year, with growth in both the monthly average number of active bank outlets measured by regular-premium business and monthly average regular premiums from such outlets.

We delivered on our commitment to people's well-being via support for major national initiatives such as Healthy China, which also unlocked new growth drivers for our own development. In inclusive insurance, the number of people covered by government-backed LTCI programmes increased by nearly 22 million from the end of the previous year. In health insurance, we continued to optimise the Lan Yi Bao product suite for young customers, upgraded the Shen Ai Bao specialised insurance for individuals with pre-existing conditions, and achieved steady growth in new premiums from commercial health insurance. We also refined the health and elderly care system of "prevention, diagnosis, treatment, rehabilitation and old-age nursing". The use of these services by mid-to-high-end customers has been rising rapidly, and over 3,500 senior citizens are now residing in our retirement communities, pointing to an increasingly important role our health and elderly care system plays in driving core insurance business development.

**Our property and casualty insurance business[note 3] strengthened underwriting discipline and promoted profitable premium growth.** In the reporting period, direct written premiums from CPIC P/C reached RMB114.358 billion, up 1.4% year on year, while the underwriting combined ratio improved by 1.3pt year on year to 95.0%, representing a significant improvement in underwriting profitability. In automobile insurance, we stepped up professional capacity-building across underwriting and claims management, established a new model covering the entire claims journey for bodily injuries and the full cycle of medical diagnosis and treatment, which improved customers' direct access to care providers; and ultimately the underwriting combined ratio  improved by 0.7pt year on year; accelerated the development of systematic operating capabilities for NEV, continuously optimised claims cost management for NEV insurance to enhance its underwriting profitability. In non-auto insurance, we continued to implement targeted measures to eliminate or improve business with high claims ratios and advanced the development of an integrated risk reduction system of "prevention, mitigation, rescue and compensation", contributing to a marked improvement in operating results. In the first half of the year, the underwriting combined ratio of non-auto insurance was 95.3%, a substantial year-on-year improvement of 2.3pt, with major business lines - including health insurance, agricultural insurance, liability insurance and commercial property insurance - all achieving underwriting profitability.

We aligned ourselves with China's national strategies and stepped up efforts in technology insurance and green insurance to facilitate the development of China's modern industrial system. In the first half of 2026, premiums from technology insurance increased nearly 18% year on year, with the debut of multiple first-of-their-kind products in areas of biopharmaceuticals, low-altitude economy and embodied intelligence. We accelerated the development of green insurance in key areas such as renewable energy, ecological agriculture and zero-carbon industrial parks; premiums from green insurance continued to outpace those of the overall business, with its share of total premiums further increased.

**We continued to optimise our SAA framework across market cycles. In a low-interest-rate environment, our new model for diversified asset liability matching has delivered initial results.** Based on profiles of liabilities, we deepened asset liability management, ensuring that investment returns could cover the cost of liabilities. To achieve precise matching between assets and liabilities, we developed a new ALM methodology centring on "the net investment yield plus", which essentially seeks to establish an asset liability coordination framework across the full life cycle with products as the starting point. The framework enables multi-tiered monitoring and management of "costs and returns", and builds a margin of safety for asset liability matching. In the first half of 2026, amid low risk-free interest rates and structural divergence on the equity market, we continued to optimise asset allocation, strengthened investment research capabilities and diversified sources of investment income. At the same time, we maintained stringent control of major, systemic risks and paid special attention to margin-of-safety management, which ensured resilient investment results. As of the end of June 2026, Group AuM[note 4] exceeded RMB4 trillion for the first time, representing an increase of 4.8% from the end of the previous year.

We continued to leverage the advantages of insurance funds as long-term money, strengthened investment research capabilities in emerging and future industries, steadily advanced investment in key sectors, and increased efforts to develop new alternative investment products. In the first half of the year, investments in technology and green sectors increased by more than 20% and 5%, respectively, from the end of the previous year, providing effective support for new quality productive forces.

Nowadays, the world is undergoing profound changes unseen in a century. The international environment has become increasingly complex and challenging, and will remain so in the foreseeable future. Technology and the security of industrial and supply chains have been at forefront of strategic competition among major powers. China's economic restructuring is at a critical stage, and the full recovery of domestic demand will take more time. At the same time, the 15th Five-Year Plan calls for increased efforts in technological innovation, cultivation of new quality productive forces, protection of people's livelihoods and expansion of domestic demand, alongside continued progress in high-end manufacturing and AI-related industries and increased fiscal spending on areas such as social security and health care. These trends will create more opportunities for the insurance industry. Since the beginning of the year, the government has announced a series of plans and policies in areas such as agricultural and rural modernisation, carbon peaking and carbon neutrality, and the establishment of a new energy mix, among others. These initiatives have created a strategic platform for the insurance industry to leverage its unique role as a cushion of economic shocks and a social stabiliser, explore new solutions to meet risk management needs arising from new sectors, new forms of business and new operating models, expand the scope of its business and foster new engines of growth.

In the face of these challenges and opportunities, we will stay committed to the central insurance value proposition and adhere to the basics of the industry, which calls for a long-term perspective and a long-term thinking. We will navigate market cycles with confidence and consistent strategic execution, further optimise management of both assets and liabilities to enhance the foundations for value growth and high-quality development.

**We will advance the implementation of our 15th Five-Year Plan and boost new growth drivers.** Committed to serving national strategies, we will proactively support industrial development and people's livelihood, strengthen professional capabilities and the application of technology, and continue to deepen our presence in key areas including technology finance, green finance, pension finance and inclusive finance, and strive for substantial breakthroughs in these areas. We will also accelerate the implementation of the 3 key strategies, and advance core capability building. In health and retirement, we will closely monitor policy developments and accelerate innovation in commercial health insurance products; strengthen services for key accounts to promote steady growth in pension assets under management; improve the operating quality and efficiency of our health and elderly care services to support the development of the core insurance business. In internationalisation, we will expand and strengthen our Hong Kong operations, enhance overseas investment and research capabilities, and position our Hong Kong operations as a platform for accumulation of experience and build a talent pool for future business expansion. In “AI+,” we will promote the development and large-scale deployment of more high-value applications based on insights into business needs, deepen research into risks associated with AI applications and develop innovative products and business models.

**We will press ahead with high-quality development of our core businesses and comprehensively consolidate our market competitiveness.** In the life insurance business, we will remain value-oriented and promote balanced, coordinated development across distribution channels and products. The agency channel, while maintaining the overall stability of the sales force, will continuously improve productivity; the bancassurance channel will deepen its strategic partnerships and cement its market position. Moreover, we will diversify product offerings, boost the sales of a wide spectrum of products and continuously optimise our business mix. As for property and casualty insurance, we will continue to put profitability first and accelerate the transition from traditional to new growth drivers. In auto insurance, we will further increase our market share while optimising the combined ratio, step up research into intelligent driving products, strengthen risk pricing capabilities, and secure the first-mover advantage in this emerging area; in non-auto insurance, we will improve our operational quality and efficiency, deepen the focus on profitable business, and accelerate the development of new growth drivers. As for asset management, we will proceed from the characteristics of insurance funds and continue to optimise the long-term ALM mechanism. In particular, we will seek the optimal balance between returns, risk, capital and duration, so as to provide strong support for the Company’s long-term value creation. We will proactively adapt to market changes, improve mechanisms for research collaboration, enhance assessment of market trends and dynamics, diversify investment strategies, and generate sustainable investment returns.

The year 2026 marks our 35th anniversary. Thirty-five years ago, CPIC started off in a humble office in Shanghai. Capitalising on China’s reform and opening-up and the rapid development of China’s insurance market, it has since grown into an insurance and financial services group with more than RMB4 trillion in AuM and hundreds of thousands of employees and sales agents, providing services to around 180 million customers. In 2020, we became the first listed insurance company in China with shares trading simultaneously in Shanghai, Hong Kong and London, thanks to broad-based support from the capital markets both at home and abroad. By the end of 2025, our cumulative dividend payments had exceeded RMB130 billion, underscoring our commitment to sharing the gains of our development with all our shareholders. In 2026, we will implement interim dividend for the first time in our history, as part of our effort to further enhance the stability, sustainability and predictability of our dividends and deliver even greater returns to our shareholders and the society.

The past 35 years have been a journey of successes and milestones, though not without its fair share of twists and turns. At the beginning of a new journey, CPIC will continue to support China's modernisation drive. In particular, it will capture opportunities arising from the country's industrial upgrading, technological advancement and demographic shifts, strengthen its core business operations, build core competitiveness and move firmly towards the vision of "a top-notch insurance and financial services group with market leadership and international competitiveness". At the same time, CPIC will continue to create value for its shareholders, customers, employees and the society, scaling new heights and opening a new chapter in the new era.

Notes:
1. Attributable to shareholders of the parent.
2. Consolidated data of CPIC Life and CPIC Life (HK).
3. Refers only to CPIC P/C.
4. Figures for the same period of 2025 have been restated.

## Review and analysis of operating results

## Business overview

### I. Key businesses

We provide, through our subsidiaries, a broad range of risk protection solutions, wealth management and asset management services. In particular, we provide life/health insurance products & services through CPIC Life, property and casualty insurance products & services through CPIC P/C and CPIC Anxin Agricultural, and health insurance products & health management services through CPIC Health. We manage insurance funds, including third-party assets, through our investment arm, CPIC AMC. We provide retirement financial solutions and other related asset management service via Changjiang Pension, carry out private equity fund management and related consulting services through CPIC Capital, and also engage in mutual fund management business through CPIC Fund. We provide market-oriented technological empowerment service via CPIC Technology. Besides, we also conduct overseas property and casualty insurance business through CPIC HK, overseas life insurance business through CPIC Life (HK), and overseas asset management business through CPIC Investment (HK).

In the first half of 2026, China's insurance market[note] realised direct written premiums of RMB3.86 trillion, up by 3.2% from the same period of 2025. Of this, premiums from life/health insurance companies amounted to RMB2.87 trillion, a growth of 3.6%, and those from property and casualty insurance companies RMB0.98 trillion, up by 2.1%. Measured by direct written premiums, CPIC Life and CPIC P/C are both China's 3rd largest insurers for life and property and casualty insurance, respectively.

Note: Industry data are sourced from the official website of NFRA.

## II. Main items on consolidated financial statements with change of over 30% and reasons

Unit: RMB million

| Balance sheet items | 30 June 2026 | 31 December 2025 | Changes (%) | Main reason for the changes |
|---|---|---|---|---|
| Securities purchased under agreements to resell | 47,450 | 24,512 | 93.6 | Timing difference |
| Construction in progress | 1,512 | 1,086 | 39.2 | Purchase and construct properties |
| Deferred income tax assets | 5,356 | 3,643 | 47.0 | Increase in deductible temporary differences |
| Derivative financial liabilities | 1,064 | 2,372 | (55.1) | Impact of convertible bonds |
| Premium received in advance | 6,171 | 20,237 | (69.5) | Timing difference |
| Taxes payable | 5,115 | 3,722 | 37.4 | Timing difference |
| Insurance premium reserves | 753 | 201 | 274.6 | Timing difference |
| Other liabilities | 70,318 | 52,603 | 33.7 | Increase in dividends payable and payables related to asset-backed securities |
| **Income statement items** | **January to June 2026** | **January to June 2025** | **Changes (%)** | **Main reason for the changes** |
| Investment income | 33,631 | 21,671 | 55.2 | Increase in gains from securities trading, etc. |
| Share of profits/(losses) of associates and joint ventures | 686 | (145) | (573.1) | Increase in net profits of associates and impact of change from a joint venture to a subsidiary |
| Gains arising from changes in fair value | 2,985 | 5,856 | (49.0) | Fluctuation of market value of financial assets at fair value through profit or loss due to capital market fluctuation |
| Exchange losses | (350) | (13) | 2,592.3 | Fluctuation of exchange rate |
| Taxes and surcharges | (343) | (216) | 58.8 | Change in business |
| Other operating expenses | (1,022) | (592) | 72.6 | Impact of change from a joint venture to a subsidiary |
| Other comprehensive income/(loss) | (2,677) | (27,500) | (90.3) | Change in fair value of financial investments at fair value through other comprehensive income due to capital market fluctuation |

## III. Core competitiveness

As a leading integrated insurance group in China, we stay focused on the core insurance business, put value and profitability first, with steady growth of overall business results, consolidation of market standing and significant improvement in value-creating capabilities; we continue to cement the foundation of sustainable development and make an increased contribution to China's social and economic development and people's well-being, with continued progress towards the vision of "a top-notch insurance and financial services group with market leadership and international competitiveness".

## Focus

We stay focused on insurance, with continued enhancement of insurance professional expertise and balanced development of various business segments along the insurance value chain. We are well-positioned to leverage synergies across these business segments to meet customers' diverse needs. Our life/health insurance business is committed to improving people's welfare via diversified product offerings centring on wealth management, retirement and health protection; it builds competitive advantages in channel diversification, with marked improvement in customer resource management (CRM) capabilities, laying a solid foundation for sustainable value growth. The property and casualty insurance business, committed to the New Development Pattern, promotes product innovation in green insurance and technology insurance to better support major national initiatives such as Rural Revitalisation and Self-reliance and Strength in Science and Technology, further strengthens climate-related risk management capability and strives to improve the risk pricing & risk reduction system. As for investment, we adhere to prudent, value, long-term and responsible investing, continuously strengthen the long-term mechanism for asset liability management (ALM), with improved capabilities for cross-cycle asset allocation based on profiles of liabilities; our long-term investment yields have been consistently higher than the cost of liabilities, which underpins steady value growth and stable operation of the Company.

## Prudence

We persist in sustainable development, with sound systems of corporate governance, performance evaluation and risk management. We continuously improve the corporate governance structure with legal entities shouldering the primary responsibility; optimise relevant rules and policies of Shareholders' Meeting, the Board of Directors and senior management to ensure a clear division of responsibilities, with coordinated operation of relevant governance bodies as well as checks and balances. We establish and refine the performance evaluation system and incentive & restraint mechanisms balancing short term and long term, development and risk management, deepen contract-based term management of senior executives, which cements the foundation of high-quality development and stimulates organisational vitality. We continuously improve the risk management system, adopt a tiered, differentiated and "look-through" approach towards risk management, strengthen early warning and monitoring of key risks, so as to ensure healthy, sustainable development of the Company.

**Innovation**

We are customer-oriented and forge ahead with transformation & innovation to foster new drivers for high-quality development. We diversify the health insurance product line-up, enhancing coverage of out-of-pocket medical expenses and sub-standard risks and stepping up long-term care insurance. We roll out innovative pension insurance products to meet customers' diverse needs for retirement provision. We strive to build an ecosystem of "preventive care, diagnosis, treatment, rehabilitation and elderly nursing" for better integration of insurance products and healthcare services to meet customers' needs across their entire life cycles. We advance an all-around digital transformation, which includes developing an enterprise-grade AI middle platform, strengthening data and knowledge supply, reinforcing AI security governance, and extending the reach of digital and intelligent solutions; in particular, we drive AI-powered process re-engineering and model innovation in areas of CRM, sales force empowerment, product innovation for AI-associated risks, cost reduction and operational efficiency improvement, as well as investment performance enhancement. All these efforts help with business value growth and core competitiveness of the Company.

**Responsibility**

We uphold the philosophy of "insurance for people", align ourselves with China's social and economic development, and strive to create value for customers, employees, shareholders and the society. We strengthen the system of consumer rights protection to enhance consumer experience, with progress in consumer rights protection demonstration zones and AI application. We optimise the HR management system, formulate medium- and long-term development plan for talent, uphold professionalism and strengthen the development of young talent; proceed with management succession at Group level and subsidiaries and step up talent pool development for succession planning, facilitate employees' career advancement to enhance their sense of fulfilment, belonging and satisfaction. We are committed to protecting shareholder interests, continue to improve transparency in information disclosure, formulate medium- to long-term shareholder dividend policy and increase the frequency of dividend distributions, so as to generate stable, sustainable and predictable returns to shareholders. We push for integration of ESG philosophies into the full process of business management, support green, low-carbon economic and social transition, cement our win-win cooperation with partners both upstream and downstream, so as to fulfil our corporate social responsibilities.

## Performance overview

**We stayed focused on the core business of insurance, pursued value growth and long-termism, and achieved further progress in high-quality development, with improving momentum in business performance and sustained growth in overall strength. CPIC Life deepened customer segmentation, optimised product offerings, enhanced foundations of channel development, and achieved continued business quality improvement and sustained value growth; CPIC P/C upgraded its CRM system, stepped up business quality control, with marked improvement in underwriting profitability and steady growth in premium income; in asset management, we persisted in ALM across market cycles, enhanced professional investment capabilities and delivered resilient investment results.**

### I. Performance highlights

During the reporting period, Group operating income amounted to RMB212.136 billion, up by 5.8% year on year, of which, insurance revenue reached RMB143.296 billion, a growth of 1.0%. Group net profit[note 1] reached RMB30.775 billion, up by 10.4% year on year, with Group OPAT[notes 1,2] of RMB21.149 billion, a growth of 6.2%. Group EV[note 3] amounted to RMB636.938 billion, an increase of 3.8% from the end of 2025. Of this, Group value of in-force business[notes 3,4] amounted to RMB250.765 billion, up by 4.2%. Group net assets[note 1] stood at RMB319.196 billion, up by 5.6% from the end of 2025. Life insurance business[note 3] delivered RMB10.758 billion in new business value (NBV), up by 12.7% year on year, with an NBV margin of 17.5%, up by 2.5pt from the same period of 2025. Property and casualty insurance business[note 5] recorded an underwriting combined ratio of 95.1%, down by 1.3pt from the same period of 2025. Comprehensive investment yield[note 6] on Group investment assets went down by 0.6pt year on year to 1.8%.

**Life insurance business[note 3] reported sustained NBV growth, with steady improvement in NBV margin**

- NBV reached RMB10.758 billion, up by 12.7% year on year, with an NBV margin of 17.5%, up by 2.5pt.
- Written premiums amounted to RMB190.351 billion, down by 1.6% year on year. Of this, regular first-year premiums (FYPs) totaled RMB30.669 billion, up by 28.6%.
- OPAT of life insurance business reached RMB15.887 billion, a year-on-year growth of 5.9%; contractual service margin (CSM) amounted to RMB364.308 billion, up by 3.2% from the end of 2025.
- The agency channel maintained stable agent headcount, with continued productivity gains

for core manpower; the share of variable products increased considerably, and policy persistency stayed at high levels.

**Underwriting profitability of property and casualty business[note 5] improved significantly, with steady growth of premium income**

- Underwriting combined ratio was 95.1%, down by 1.3pt year on year. Of this, underwriting loss ratio was 68.9%, down by 0.8pt; underwriting expense ratio 26.2%, down by 0.5pt.
- Direct written premiums amounted to RMB115.819 billion, a year-on-year increase of 1.4%.
- Auto insurance accelerated the development of systematic operational capabilities for NEV business, and non-auto business enhanced business quality control, with marked improvement in underwriting profitability.

**Persisted in ALM and strategic asset allocation across market cycles, with resilient investment performance**

- The share of debt category financial assets stood at 71.4%, down by 1.0pt from the end of 2025; that of equity category financial assets 17.1%, up by 0.4pt from the end of 2025, and of this, core equity[note 7] accounted for 13.9% of total investment assets, an increase of 0.5pt from the end of the preceding year.
- Comprehensive investment yield[note 6] of Group investment assets reached 1.8%, down by 0.6pt year on year; total investment yield[note 6] was 2.4%, up by 0.1pt, with net investment yield[note 6] of 1.5%, down by 0.2pt.
- Group assets under management (AuM)[note 8] amounted to RMB4,080.800 billion, an increase of 4.8% from the end of 2025. Of this, third-party AuM[note 8] amounted to RMB907.818 billion, a growth of 6.3%.

Notes:

1. Attributable to shareholders of the parent.
2. OPAT is based on net profit on the financial statements, while excluding certain P/L items with short-term volatility and material one-off items which management does not consider to be part of the Company's day-to-day business operation. Short-term investment volatility applies to business of CPIC P/C, CPIC Life and CPIC Health, etc., while excluding business based on VFA; it refers to the difference between actual investment income and long-term investment assumptions, while considering the impact of income tax. Material one-off items include the difference between deductible amounts for pre-tax profit of the current period and the average deductible amounts for pre-tax profit from the preceding years.
3. Consolidated data of CPIC Life and CPIC Life (HK).
4. Based on the Group's share of CPIC Life's value of in-force business after solvency.
5. Consolidated data of CPIC P/C, CPIC Anxin Agricultural and CPIC HK.
6. Net/total investment yield, or comprehensive investment yield was not annualised.
7. Stocks and equity funds included.
8. Figures for the comparative period have been restated.

## II. Key performance indicators

Unit: RMB million

| Indicators | As at 30 June 2026 /for the period between January and June in 2026 | As at 31 December 2025/for the period between January and June in 2025 | Changes (%) |
|---|---|---|---|
| **Key value indicators** | | | |
| **Group embedded value**[note 1] | 636,938 | 613,365 | 3.8 |
| **Value of in-force business**[note 1, 2] | 250,765 | 240,698 | 4.2 |
| **Group net assets**[note 3] | 319,196 | 302,143 | 5.6 |
| **NBV of CPIC Life**[note 1] | 10,758 | 9,544 | 12.7 |
| **NBV margin of CPIC Life (%)**[note 1] | 17.5 | 15.0 | 2.5pt |
| **Underwriting combined ratio of CPIC P/C (%)** | 95.0 | 96.3 | (1.3pt) |
| **Group comprehensive investment yield (%)**[note 4] | 1.8 | 2.4 | (0.6pt) |
| **Key operating indicators** | | | |
| **Insurance revenue** | 143,296 | 141,824 | 1.0 |
| CPIC Life[note 1] | 43,073 | 42,274 | 1.9 |
| CPIC P/C | 96,987 | 96,831 | 0.2 |
| **Group number of customers ('000)**[note 5] | 186,800 | 189,546 | (1.4) |
| **Average number of insurance policies per customer** | 2.36 | 2.35 | 0.4 |
| **Monthly average agent number ('000)** | 183 | 183 | - |
| **Surrender rate of CPIC Life (%)**[note 1] | 0.7 | 0.8 | (0.1pt) |
| **Total investment yield (%)**[note 4] | 2.4 | 2.3 | 0.1pt |
| **Net investment yield (%)**[note 4] | 1.5 | 1.7 | (0.2pt) |
| **Third-party AuM**[note 6] | 907,818 | 854,075 | 6.3 |
| **Key financial indicators** | | | |
| **Net profit attributable to shareholders of the parent** | 30,775 | 27,885 | 10.4 |
| CPIC Life [note 1] | 24,030 | 20,699 | 16.1 |
| CPIC P/C | 6,072 | 5,733 | 5.9 |
| **Comprehensive solvency margin ratio (%)** | | | |
| CPIC Group | 255 | 273 | (18pt) |
| CPIC Life | 209 | 228 | (19pt) |
| CPIC P/C | 240 | 244 | (4pt) |

Notes:

1. Consolidated data of CPIC Life and CPIC Life (HK).
2. Based on the Group's share of value of in-force life insurance business after solvency.
3. Attributable to shareholders of the parent.
4. Net/total investment yield, or comprehensive investment yield was not annualised.
5. The Group number of customers refers to the number of applicants and insureds who hold at least one insurance policy within the insurance period issued by one or any of CPIC subsidiaries as at the end of the reporting period. In the event that the applicants and insureds are the same person, they shall be deemed as one customer.
6. Figures for the comparative period have been restated.

## Life/health insurance business

**CPIC Life stayed committed to value growth, deepened customer segmentation, optimised product/service offering, consolidated foundations for channel development, and achieved continued improvement in business quality, sustained NBV growth and steady improvement in NBV margin. CPIC Health continued to enhance its specialised operational capabilities, with rapid growth of insurance revenue and net profit, pointing to improved development quality.**

### I. CPIC Life[note 1]

### (I) Business analysis

CPIC Life achieved improvement in its key performance indicators, with steady growth in operating results for value and quality. In the first half of 2026, it reported RMB190.351 billion in written premiums, down by 1.6%. Of this, regular first-year premiums amounted to RMB30.669 billion, an increase of 28.6% year on year. EV amounted to RMB484.738 billion, up by 4.1% from the end of 2025; NBV reached RMB10.758 billion, a growth of 12.7% year on year, with an NBV margin of 17.5%, up by 2.5pt. Net profit reached RMB24.030 billion, a growth of 16.1% year on year, with OPAT of RMB15.887 billion, up by 5.9%.

Overall, under the guidance of the philosophy of "creating value for customers with suitable products/services delivered by professional sales teams", the subsidiary continued to shore up the foundation for value growth. First, it stepped up customer segmentation to increase the share of higher-tier customers, which further optimised the customer mix; as a result, in the reporting period, the number of mid-tier customers[note 2] and above grew by 4.8% year on year, and accounted for 34.2% of total customers, up by 5.6pt. Of this, the agency channel focused on mid-tier[note 2] and high-net-worth (HNW) customers, with the number of these customers increasing by 8.8% and making up 35.0% of total customers, up by 7.9pt; the bancassurance channel continued to refine its CRM system for HNW customers, with the number of HNW customers[note 2] and above growing by 5.0% and representing 5.0% of total customers, up by 0.6pt. Second, it pressed ahead with channel diversification so as to build a professional sales force with distinctive strengths for sustained value growth. The agency channel recorded continued NBV growth, with steady improvement in core manpower productivity; the bancassurance channel saw a quarter-on-quarter pickup in NBV growth, with steady improvement in productivity of both bank outlets and sales teams; the group channel posted considerable value growth from work-site marketing. Third, it continued to improve its product/service system with multiple measures to optimise the business mix, including accelerating the development of variable products and stepping up promotion of commercial health insurance. In the reporting period, due to changing market environment and evolving customer needs, participating insurance as a share of total FYPs rose to 55.5%; commercial health insurance registered RMB3.682 billion in FYPs, up by 3.0% year on year. At the same time, to meet customers' needs throughout their life cycles, the company further optimised its health & elderly care service system integrating "preventive care, diagnosis, treatment, rehabilitation and old-age nursing", with the number of requests for access to health management services by mid-tier customers[note 2] and above increasing by 121.2% year on year in the first half of 2026, reflecting improved customer loyalty.

Notes:

1. Figures for CPIC Life include its subsidiary, CPIC Life (HK).
2. Mid-tier customers are defined as those with total payable premiums between RMB300,000 (inclusive) and RMB2.4 million on in-force new insurance policies during the current reporting period; HNW customers are defined as those with total payable premiums between RMB2.4 million (inclusive) and RMB10 million on in-force new insurance policies; and ultra-HNW customers are defined as those with total payable premiums of RMB10 million and above on in-force new insurance policies.

1. Analysis by channels

CPIC Life seeks to build a diversified channel mix with the agency channel and bancassurance at the core, in order to expand avenues of value growth.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Written premiums** | **190,351** | **193,470** | **(1.6)** |
| **Agency channel** | **138,565** | **137,380** | **0.9** |
| New policies | 29,045 | 22,622 | 28.4 |
| Regular premiums | 17,347 | 14,077 | 23.2 |
| Renewed policies | 109,520 | 114,758 | (4.6) |
| **Bancassurance channel** | **37,935** | **41,660** | **(8.9)** |
| New policies | 21,531 | 29,038 | (25.9) |
| Regular premiums | 11,720 | 8,840 | 32.6 |
| Renewed policies | 16,404 | 12,622 | 30.0 |
| **Group channel** | **12,311** | **12,892** | **(4.5)** |
| New policies | 10,803 | 11,351 | (4.8) |
| Regular premiums | 890 | 610 | 45.9 |
| Renewed policies | 1,508 | 1,541 | (2.1) |
| **Other channels[note]** | **1,540** | **1,538** | **0.1** |

Note: Other channels refer to telemarketing and brokerage business.

(1) Agency channel

CPIC Life stepped up systematic capacity-building of its agency channel, with an aim to "stabilise growth and optimise agency force mix". In CRM, it diversified scenarios for customer engagement and interaction, achieved an upward shift in customer mix via customer segmentation; continued to provide tailor-made, differentiated products/services to meet diverse customer needs for wealth management, retirement provision and health protection; as for agency force restructuring, it focused on key regional markets, stepped up the development of high-performing agents and teams, so as to build an agency force of professional, career-based, digitally-savvy and younger agents. In the reporting period, the channel realised RMB138.565 billion in written premiums, a year-on-year growth of 0.9%. Of this, regular first-year premiums amounted to RMB17.347 billion, up 23.2%.

In the first half of 2026, monthly average number of agents reached 183,000, with a headcount of 185,000 as at the end of the reporting period, staying largely stable. Of this, core agent headcount stood at 45,000 on a monthly average basis, with monthly average FYPs per core agent of RMB101,646, up by 39.5% year on year; and monthly average FYC per core agent of RMB8,026, up by 12.7%, pointing to sustained productivity gains.

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| Monthly average FYP per core agent (RMB) | 101,646 | 72,870 | 39.5 |
| Monthly average FYC per core agent (RMB) | 8,026 | 7,120 | 12.7 |

(2) Bancassurance channel

Committed to value-oriented bancassurance, CPIC Life faithfully implemented the regulatory requirement for “consistency between filed and actual expenses” and continued to consolidate the channel’s foundation for high-quality development. It cemented strategic cooperation with banks to improve the resilience of its partnerships. For joint-stock banks, the partnerships focused on “integration”, underpinned by joint efforts in customer resource management and development of products/services; as for SOE banks, the priority was to achieve “breakthroughs” in partnerships, marked by steady increase in the share of regular first-year premiums. The channel also deepened customer segmentation, continued to diversify product/service offerings and upgraded the Jian Xiang Jia value-added service programme, as part of its effort to provide integrated services of “insurance + health management + elderly care” to meet diverse customer needs and enhance its competitive edge; it focused on building professionalism of sales teams, persisted in high-quality team building, team management and training, with improvement in productivity; enhanced digital & AI empowerment, with improved channel productivity, particularly in bank outlets and CRM. During the reporting period, the channel focused on business restructuring and accelerated the growth of regular premium business; as a result, it realised RMB37.935 billion in written premiums, down by 8.9% year on year, and of this, regular premiums from new policies amounted to RMB11.720 billion, up by 32.6%; measured by monthly average regular premiums, the number of active bank outlets[note] stood at 4,956 as of the end of June, 2026, up by 4.9%, and these outlets contributed an average of RMB289,000 in regular premiums per month[note], up by 4.1%.

Note: Figures are based on CPIC Life alone.

(3) Group channel

CPIC Life adhered to the business strategy of "fully leveraging strengths and balancing long-term and short-term business" for the group channel. In work-site marketing, we took a holistic approach to maximise value generation from individual customers; in corporate business, we focused on enhancing operating capabilities for key accounts in key industries and areas; as for inclusive insurance, we centred on improving people's well-being, and continued to expand its coverage. During the reporting period, the channel recorded RMB12.311 billion in written premiums, down by 4.5% from the same period of 2025. Of this, regular premiums from new policies amounted to RMB890 million, up by 45.9%, of which, those from work-site marketing reached RMB887 million, a growth of 46.3%; written premiums from new short-term business amounted to RMB1.740 billion, up by 5.0%; a total of 240 million insurance policies were issued under various inclusive insurance programmes.

2. Analysis by product types

In response to China's key national initiatives such as the pension finance reform and the Healthy China Strategy, and as part of the industry's broader effort to advance the "supply-side structural reform", CPIC Life seeks to align its product line-up and distribution network with evolving customer needs. In terms of product types, it proceeded with innovation in variable products, particularly in participating insurance. In the reporting period, written premiums from participating products amounted to RMB65.687 billion, a year-on-year growth of 76.1%, accounting for 55.5% of total first-year premiums. In terms of product function, the company further diversified product offerings. To meet customers' needs for pension finance, it promoted sales of commercial annuity, which generated regular FYPs of RMB11.563 billion, up by 71.6% year on year; to meet customers' needs for health protection, it was deeply involved in the administration of government-sponsored long-term care insurance (LTCI) programmes, while boosting the development of new LTCI products such as the Yi Hu and Xin product suites.

Aligned with customer needs across their life cycles, CPIC Life continued to improve its health & elderly care service system integrating "preventive care, diagnosis, treatment, rehabilitation and old-age nursing". Its health management service served over 29 million users cumulatively in the first half of 2026; it launched VIP Customer Club, which offered high-end physical check service, upgraded CPIC Blue Passport health management service programme and the Green Channel doctor appointment system, aiming to enhance experience of target customer segments and improve their loyalty; the Yuanshen Rehab hospitals in Xiamen and Ji'nan went operational. In elderly care, CPIC Life completed the construction of 15 CPIC Home retirement communities in 13 cities across China, spanning the gamut from independent living to nursing care; as of the end of the reporting period, the number of elderly residents exceeded 3,500; the company strived to differentiate in chronic care and specific disease management, particularly in dementia and rehab care, so as to sharpen its competitive edge in health & elderly care; upgraded the "Longevity Retreat" home-based care programme and expanded its service scope, which, coupled with the 235 brick-and-mortar smart experience centres, helped to empower the insurance business development.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Written premiums** | **190,351** | **193,470** | **(1.6)** |
| Traditional | 90,502 | 123,250 | (26.6) |
| Regular first-year premiums | 3,528 | 13,725 | (74.3) |
| Participating | 65,687 | 37,299 | 76.1 |
| Regular first-year premiums | 27,142 | 10,128 | 168.0 |
| Universal | 24,780 | 23,046 | 7.5 |
| Unit-linked | 190 | - | / |
| Short-term insurance | 9,192 | 9,875 | (6.9) |

3. Policy persistency ratio

We intensified business quality control, and as a result, the 13-month policy persistency ratio of individual customers stood at 96.8%, an improvement of 0.2pt year on year; while the 25-month policy persistency ratio rose by 0.3pt year on year to 94.8%.

| For 6 months ended 30 June | 2026 | 2025 | Changes |
|---|---|---|---|
| Individual customers 13-month persistency ratio (%)[note 1] | 96.8 | 96.6 | 0.2pt |
| Individual customers 25-month persistency ratio (%)[note 2] | 94.8 | 94.5 | 0.3pt |

Notes:

1. 13-month persistency ratio: premiums from in-force policies 13 months after their issuance as a percentage of premiums from policies which entered into force during the same period.
2. 25-month persistency ratio: premiums from in-force policies 25 months after their issuance as a percentage of premiums from policies which entered into force during the same period.

4. Top 10 regions for written premiums

Written premiums of CPIC Life mainly came from economically developed regions or populous areas.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Written premiums** | **190,351** | **193,470** | **(1.6)** |
| Jiangsu | 23,431 | 23,230 | 0.9 |
| Zhejiang | 19,240 | 19,918 | (3.4) |
| Henan | 14,325 | 14,430 | (0.7) |
| Shandong | 13,226 | 14,165 | (6.6) |
| Guangdong | 13,113 | 11,662 | 12.4 |
| Shanghai | 11,537 | 12,041 | (4.2) |
| Hebei | 8,428 | 9,858 | (14.5) |
| Hubei | 7,038 | 7,157 | (1.7) |
| Shanxi | 6,802 | 7,302 | (6.8) |
| Beijing | 6,507 | 7,585 | (14.2) |
| Subtotal | 123,647 | 127,348 | (2.9) |
| Others | 66,704 | 66,122 | 0.9 |

## (II) Profit analysis

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Insurance service performance and others** | **15,757** | **15,148** | **4.0** |
| Insurance revenue | 43,073 | 42,274 | 1.9 |
| Insurance service expenses | (26,326) | (26,337) | (0.0) |
| Total investment income[note 1] | 56,118 | 46,746 | 20.0 |
| Finance underwriting gains/(losses)[note 2] | (47,341) | (39,646) | 19.4 |
| **Investment performance** | **8,777** | **7,100** | **23.6** |
| **Pre-tax profit** | **24,534** | **22,248** | **10.3** |
| Income tax | (504) | (1,549) | (67.5) |
| **Net profit** | **24,030** | **20,699** | **16.1** |

Notes:
1. Total investment income includes investment income, interest income, gains/(losses) arising from change in fair value, rental income from investment properties, interest expenses on securities sold under agreements to repurchase, impairment losses on financial assets, impairment losses on other assets, and taxes and surcharges applicable to investment business, etc.
2. Finance underwriting gains/(losses) includes insurance finance expenses for insurance contracts issued and reinsurance finance income for reinsurance contracts held.

**Insurance revenue** for the reporting period was RMB43.073 billion, up by 1.9% from the same period of 2025. Insurance revenue is recognised based on the insurance contract service provided during the current reporting period and strips out investment components[note].

Note: Investment components refer to the amounts paid to policyholders irrespective of the occurrence of insurance events.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Insurance revenue** | **43,073** | **42,274** | **1.9** |
| Long-term insurance | 37,689 | 36,654 | 2.8 |
| Short-term insurance | 5,384 | 5,620 | (4.2) |

**Insurance service expenses** amounted to RMB26.326 billion, the same as that for the same period of 2025. Insurance service expenses include claims payment and other related expenses incurred during the period, excluding investment components.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Insurance service expenses** | **26,326** | **26,337** | **(0.0)** |
| Long-term insurance | 21,095 | 20,871 | 1.1 |
| Short-term insurance | 5,231 | 5,466 | (4.3) |

**Investment performance** for the reporting period amounted to RMB8.777 billion, up by 23.6% year on year. The metric is defined as the part of investment income in excess of the return required by reserves. It grew as a result of increase in the scale of investment assets, among others.

As a result, in the first half of 2026, CPIC Life achieved a net profit of RMB24.030 billion, up by 16.1% year on year.

**II. CPIC Health**

During the reporting period, in line with the strategy of “new products, new channels and new technology”, CPIC Health strengthened its specialised operational capabilities and sustained positive momentum in overall business performance. It delivered RMB5.079 billion in gross written premiums, up by 12.2% year on year. Under the new accounting standards, it reported RMB2.213 billion in insurance revenue, a growth of 30.6% year on year, with net profit of RMB241 million, up by 517.9%, testifying to improved development quality.

The subsidiary upheld the value proposition of “products are service” and strived to provide customers with caring, professional health protection and related services via innovation. It strengthened its proprietary distribution networks, leveraged a range of channels such as live streaming, content marketing, online empowerment and offline collaboration to continuously enhance its ability to acquire customers independently. As a result, its young and family customer segments grew rapidly, with online customers reaching 3.68 million. To address customers' diverse protection needs, the company upgraded its Lan Yi Bao product suite and capitalised on its network of healthcare providers to sharpen the competitiveness of its offerings for mid-tier and HNW customers; embedded AI capabilities across the entire process of insurance purchase and services, as part of its effort to explore a new paradigm for integration of AI with health insurance. In response to needs of the elderly for nursing care, CPIC Health launched Hu Shen Jia, an innovative commercial long-term care insurance product. In addition, it upgraded Shen Ai Bao – a commercial health insurance product specifically designed for tumor recurrence in patients with pre-existing conditions, which further expanded coverage for specific types of diseases.

In partnership business, CPIC Health leveraged its professional expertise to support CPIC P/C and CPIC Life in health insurance product development, customer services and operation. It stepped up collaboration with CPIC Life, realised brand sharing of Lan Yi Bao, and launched Zhi Zun Quan Qiu, a mid-to-high-end medical insurance product to facilitate CPIC Life's efforts to upgrade its customer mix; in cooperation with CPIC P/C, it launched Quan Jia Bao, a mass-market medical insurance product for household coverage, which helped to improve the penetration of health insurance among auto insurance customers.

## Property and casualty insurance

**CPIC P/C pursued progress while ensuring stable business fundamentals, proactively supported China's national strategies and the social governance system, stepped up risk prevention, enhanced protection for people's well-being, and delivered steady growth of premium income. It focused on customer resource management, enhanced business quality control and achieved marked improvement in underwriting profitability. Auto insurance continued with professional system-building for underwriting and claims management, accelerated systematic development of new energy vehicles (NEV) operational capabilities, with sustained improvement in profitability; non-auto insurance focused on key sectors, stepped up professional capacity-building and optimised the risk reduction system, with continued progress in high-quality development. CPIC Anxin Agricultural and CPIC HK both realised steady business development.**

## I. CPIC P/C

### (I) Business analysis

During the reporting period, CPIC P/C recorded direct written premiums of RMB114.358 billion, up by 1.4% from the same period of 2025, with insurance revenue of RMB96.987 billion, a growth of 0.2% year on year. It posted underwriting profits of RMB4.817 billion, a growth of 35.7% year on year, with an underwriting combined ratio of 95.0%, down by 1.3pt year on year. Of this, underwriting loss ratio stood at 68.7%, down by 0.8pt; underwriting expense ratio 26.3%, down by 0.5pt.

1. Analysis by lines of business

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Direct written premiums** | **114,358** | **112,760** | **1.4** |
| Automobile insurance | 53,719 | 53,606 | 0.2 |
| Compulsory automobile insurance | 14,484 | 14,300 | 1.3 |
| Commercial automobile insurance | 39,235 | 39,306 | (0.2) |
| Non-automobile insurance | 60,639 | 59,154 | 2.5 |
| Health insurance | 17,137 | 15,519 | 10.4 |
| Agricultural insurance | 14,064 | 14,293 | (1.6) |
| Liability insurance | 13,713 | 12,865 | 6.6 |
| Commercial property insurance | 3,992 | 5,081 | (21.4) |
| Others | 11,733 | 11,396 | 3.0 |

(1) Automobile insurance

The automobile insurance business put profitability first, built capabilities for differentiated pricing, intensified claims cost control of bodily injuries and strived to enhance direct access to repair networks. It worked to upgrade the CRM system, deepened digitalisation and AI empowerment and continued to improve business quality, with steady growth of premium income and further improvement in underwriting profitability. In the meantime, the company actively supported NEV manufacturers in their overseas expansion, expanded its overseas partnerships, and provided risk coverage for the globalisation of Chinese automakers.

In the first half of 2026, CPIC P/C reported direct written premiums of RMB53.719 billion from the automobile business, a growth of 0.2% year on year; it made vigorous effort to drive the growth of private vehicle business, with its share increasing by 0.3pt. Underwriting combined ratio of the automobile business stood at 94.6%, down by 0.7pt from the same period of 2025, and of this, underwriting loss ratio was 72.9%, staying flat, and underwriting expense ratio 21.7%, down by 0.7pt. Premiums from the NEV business amounted to RMB12.812 billion, up by

20.9% year on year, and accounted for 23.9% of total auto premiums, with notable improvement in underwriting profitability.

(2) Non-automobile insurance

In the first half of 2026, CPIC P/C continued to deploy resources in high-tech and other key industries, tapped the potential of emerging industries and business scenarios such as biomedicine, high-end manufacturing and commercial aerospace, deepened CRM, accelerated the development of a professional service system, pushed for an upgrade from single insurance coverage to integrated “insurance + service” solutions, and fostered new drivers of growth in non-auto business. At the same time, while enhancing business quality control, it advanced the integrated risk reduction system of “prevention, reduction, relief and compensation”, strengthened risk prevention and mitigation, promoted standardised catastrophe response mechanisms, which contributed to a notable improvement in operating quality. During the reporting period, it posted RMB60.639 billion in direct written premiums from non-auto insurance, up by 2.5% year on year. Underwriting combined ratio of non-auto business stood at 95.3%, down by 2.3pt.

In health insurance, we accelerated the growth of commercial business, stepped up health insurance product development for individual customers, strengthened penetration of mid to high end medical insurance among corporate clients, and continued to optimise the business mix to meet diverse needs of customers for health protection. Meanwhile, we were deeply involved in the development of a multi-tiered medical security system, conducting government-sponsored health insurance business in over 200 cities across the country, serving more than 200 million people; we also launched LTCI programmes in 37 cities. During the reporting period, health insurance reported RMB17.137 billion in direct written premiums, a growth of 10.4% year on year, with an underwriting combined ratio of 98.3%, down by 1.0pt year on year.

In agricultural insurance, we stayed committed to rural revitalisation, continued to expand the coverage and raise the protection levels of full-cost indemnity insurance and crop revenue insurance of the 3 staple crops and other important agricultural products, and diversified offerings of speciality agricultural products; pressed ahead with precise underwriting and precise claims settlement, delivered professional value-added services for disaster prevention and loss mitigation, and substantially improved the quality and efficiency of claims services. During the reporting period, due to an increased share of commercial business in certain regional markets, the business line delivered RMB14.064 billion in direct written premiums, down by 1.6% year on year, with an underwriting combined ratio of 96.2%, down by 2.6pt.

The liability insurance business strived to support the modernisation of state governance, accelerated product development for new technologies and new business types, and enhanced professional service capabilities and operational efficiency. We launched multiple industry-first products for sectors such as artificial intelligence, low-altitude economy and integrated circuits; improved occupational injury protection for new urban residents and workers in new forms of employment. We adhered to a prudent business strategy, implemented targeted actions to eliminate/ improve business with high claims ratios, so as to enhance the overall performance of the business line. During the reporting period, liability insurance delivered RMB13.713 billion in direct written premiums, up by 6.6% year on year, with an underwriting combined ratio of 99.0%, down by 0.4pt.

The commercial property insurance business made great efforts to support the real economy. While consolidating its position in traditional business, it vigorously explored business opportunities in emerging sectors. In the meantime, it advanced the integration of risk reduction, u/w and claims management, focusing particularly on the control of risk accumulation in high risk regions, as well as high fire risk industries, so as to improve the business mix. In the first half of 2026, the business line generated RMB3.992 billion in direct written premiums, down by 21.4% year on year, with an underwriting combined ratio of 90.5%, down by 2.3pt.

(3) Key financials of major business lines

Unit: RMB million

**For 6 months ended 30 June 2026**

| Name of insurance | Direct written premiums | Amounts insured | Underwriting profit | Underwriting combined ratio (%) |
|---|---|---|---|---|
| Automobile insurance | 53,719 | 59,932,966 | 3,010 | 94.6 |
| Health insurance | 17,137 | 230,645,208 | 99 | 98.3 |
| Agricultural insurance | 14,064 | 381,890 | 297 | 96.2 |
| Liability insurance | 13,713 | 2,627,443,824 | 121 | 99.0 |
| Commercial property insurance | 3,992 | 12,832,546 | 351 | 90.5 |

2. Top 10 regions for premium income

CPIC P/C derived RMB74.396 billion in direct written premiums from the top 10 regional markets, accounting for 65.1% of total premiums, up by 0.1pt year on year.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Direct written premiums** | **114,358** | **112,760** | **1.4** |
| Guangdong | 14,512 | 14,415 | 0.7 |
| Jiangsu | 13,156 | 13,178 | (0.2) |
| Zhejiang | 10,656 | 10,779 | (1.1) |
| Shanghai | 8,803 | 8,183 | 7.6 |
| Shandong | 5,814 | 5,809 | 0.1 |
| Sichuan | 4,954 | 4,699 | 5.4 |
| Hunan | 4,431 | 4,253 | 4.2 |
| Beijing | 4,293 | 4,197 | 2.3 |
| Hubei | 4,028 | 3,613 | 11.5 |
| Hebei | 3,749 | 4,159 | (9.9) |
| Subtotal | 74,396 | 73,285 | 1.5 |
| Others | 39,962 | 39,475 | 1.2 |

3.Premium income by channels

Direct written premiums by channels during the reporting period are set out below.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Direct written premiums** | **114,358** | **112,760** | **1.4** |
| Agency | 59,268 | 60,293 | (1.7) |
| Direct | 35,404 | 35,594 | (0.5) |
| Brokerage | 19,686 | 16,873 | 16.7 |

## (II) Profit analysis

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| Insurance revenue | 96,987 | 96,831 | 0.2 |
| Insurance service expenses | (89,558) | (91,183) | (1.8) |
| Net income/(losses) from reinsurance contracts held[note 1] | (1,020) | (829) | 23.0 |
| Underwriting finance losses and others[note 2] | (1,592) | (1,269) | 25.5 |
| **Underwriting profit** | **4,817** | **3,550** | **35.7** |
| Underwriting combined ratio (%) | 95.0 | 96.3 | (1.3pt) |
| **Total investment income[note 3]** | **3,314** | **4,151** | **(20.2)** |
| Net of other income and expenses | (503) | (445) | 13.0 |
| **Pre-tax profit** | **7,628** | **7,256** | **5.1** |
| Income tax | (1,556) | (1,523) | 2.2 |
| **Net profit** | **6,072** | **5,733** | **5.9** |

Notes:
1. Net income/(losses) from reinsurance contracts held include allocation of reinsurance premiums, recoveries of insurance service expenses from reinsurers, reinsurance finance income for reinsurance contracts held, etc.
2. Underwriting finance losses and others include insurance finance income or expenses and changes in insurance premium reserves, etc.
3. Total investment income includes investment income, interest income, gains/(losses) arising from change in fair value, rental income from investment properties, interest expenses on securities sold under agreements to repurchase, interest expense on capital replenishment bonds, taxes and surcharges applicable to investment business and impairment losses on financial assets, etc.

**Insurance revenue** for the reporting period amounted to RMB96.987 billion, up by 0.2% year on year, mainly due to overall business growth. Of this, insurance revenue of automobile insurance reached RMB55.273 billion, up by 2.5%, and that of non-auto insurance RMB41.714 billion, a decrease of 2.8%.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Insurance revenue** | **96,987** | **96,831** | **0.2** |
| Automobile insurance | 55,273 | 53,931 | 2.5 |
| Non-automobile insurance | 41,714 | 42,900 | (2.8) |

**Insurance service expenses** for the reporting period amounted to RMB89.558 billion, down by 1.8% year on year, mainly driven by optimised business mix. Of this, insurance service expenses of automobile insurance reached RMB51.614 billion, up by 1.5%, and that of non-auto insurance RMB37.944 billion, a decrease of 6.0% year on year.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| **Insurance service expenses** | **89,558** | **91,183** | **(1.8)** |
| Automobile insurance | 51,614 | 50,836 | 1.5 |
| Non-automobile insurance | 37,944 | 40,347 | (6.0) |

**Net losses from reinsurance contracts held** amounted to RMB1.020 billion, an increase by RMB191 million year on year, largely due to the impact of the scale and mix of ceded business, and loss ratios of related business.

**Underwriting finance losses and others** amounted to RMB1.592 billion, up by 25.5% year on year, mainly because of growth in business volume, which resulted in an increase in insurance contract liabilities, which, in turn, led to a rise in the time value of liabilities.

**Total investment income** for the reporting period totalled RMB3.314 billion, down by 20.2% year on year, mainly as a result of reduced gains from fair value change on a volatile capital market.

As a result, in the first half of 2026, CPIC P/C reported a net profit of RMB6.072 billion, up by 5.9% from the same period of 2025.

**II. CPIC Anxin Agricultural**

CPIC Anxin Agricultural positions itself as an urban agricultural insurance brand and pursues specialised and differentiated operation. To ensure stable fundamentals of agricultural insurance, it strived to increase the share of government-sponsored business to optimise the business mix. On top of this, it expanded into new areas of sannong (i.e., agriculture, rural areas and farmers), such as rural development, rural governance, farmers' income growth, farmers' household property, accident and health, so as to support China’s Rural Revitalisation Initiative and its effort to become an agricultural powerhouse. In the first half of 2026, it recorded RMB1.273 billion in direct written premiums, up by 2.7% year on year; and of this, agricultural insurance reported direct written premiums of RMB915 million, up by 1.7%. Insurance revenue amounted to RMB1.168 billion, up by 1.1%, with an underwriting combined ratio of 99.5%, down by 1.4pt. Net profit amounted to RMB106 million, an increase of 7.6% year on year.

**III. CPIC HK**

CPIC HK is strategically positioned as a springboard for international business, a launch pad for product and service innovation, and a demonstration zone for coordinated business development of China’s mainland and overseas markets. It plays an active role in Hong Kong’s economic development by providing insurance coverage for major infrastructure projects, supporting the programme of “Southbound Travel for Guangdong Vehicles”, and rolling out customised cross-border insurance solutions. In parallel, it deepened its footprint in global markets, with a focus on Southeast Asia, continuously enhanced service network to support Chinese enterprises as they expand worldwide. As at 30 June 2026, total assets of the company stood at RMB1.618 billion, with net assets of RMB438 million. Direct written premiums for the reporting period amounted to RMB188 million, with an underwriting combined ratio of 96.9%, and a net profit of RMB50 million.

## Asset management

**We persisted in long-term, value, prudent and responsible investing, further enhanced Strategic Asset Allocation (SAA) across market cycles in conformity with ALM principles, conducted disciplined yet flexible Tactical Asset Allocation (TAA), and continued to build capabilities in professional investment research, risk control and compliance management via digital empowerment. We exercised stringent control of credit risk and continued with efforts to optimise duration match and mitigate the interest risk; made effort to ensure a safety margin and effective drawdown control in a highly-volatile equity market, and at the same time seized investment opportunities to generate stable, sustainable returns on equity assets.**

### I. Group AuM

As of the end of June 2026, Group AuM totalled RMB4,080.800 billion, rising by 4.8% from the end of 2025. Of this, Group in-house investment assets amounted to RMB3,172.982 billion, a growth of 4.4%, and third-party AuM RMB907.818 billion, an increase of 6.3%, with a management fee income of RMB1.205 billion, up by 5.9% year on year.

Unit: RMB million

| | 30 June 2026 | 31 December 2025 | Changes (%) |
|---|---|---|---|
| **Group AuM[note]** | **4,080,800** | **3,894,062** | **4.8** |
| Group in-house investment assets | 3,172,982 | 3,039,987 | 4.4 |
| Third-party AuM[note] | 907,818 | 854,075 | 6.3 |
| CPIC AMC | 231,621 | 245,395 | (5.6) |
| Changjiang Pension | 540,422 | 476,867 | 13.3 |
| CPIC Fund[note] | 120,589 | 119,152 | 1.2 |
| CPIC Capital | 1,250 | 1,205 | 3.7 |
| CPIC Investment (HK) | 13,936 | 11,456 | 21.6 |

Note: Figures for the comparative period were restated.

### II. Group in-house investment assets

In the first half of 2026, against the backdrop of China's industrial upgrade and increasing exports, the country's economic recovery demonstrated great resilience, with sufficient liquidity on the financial markets. New quality productive forces, such as artificial intelligence, semiconductors and chips, added impetus to China's economic growth. The equity markets presented structural opportunities. While the A-share market continued its slow bull run with marked divergence across sectors, the H-share market was relatively weak. Risk-free interest rates stayed at low levels amid fluctuations; the bond market remained steady, underpinned by accommodative monetary policy and sustained institutional investor demand.

In recent years, we have been exploring a new approach towards ALM, i.e., multi-dimensional matching of assets and liabilities, and have initially developed a new ALM method known as "net investment yield plus". Considering a wide range of factors such as product management, investment management, financial and capital management, the approach seeks to establish a unified platform of systems with standardised terminology and unified management tools to achieve close coordination of assets and liabilities.

Based on our outlook for long-term macro-economic trends, we followed and fine-tuned the "dumbbell-shaped" asset allocation strategy, i.e., continuously increasing allocation into long-term T-bonds to extend duration of fixed income assets, while continuing with efforts to moderately increase investments in secondary-market equity assets and alternative assets including private equity to enhance long-term returns. At the same time, to manage credit risk, we exercised stringent control of the share of investment in corporate debt securities. We conducted disciplined yet flexible TAA under the guidance of SAA, pro-actively responded to the dual challenge of structural divergence on the equity market and low interest rates.

Committed to driving value growth via investment, we proceeded with capacity-building in professional investment management, optimised and maintained a rigorous, standardised investment management system and explored a wide range of new strategies including overseas investment, multi-dimensional investment strategies and innovative investment instruments; coordinated improving asset allocation capabilities with strengthening capital constraints so as to cement the foundation of capital and investment management in all respects; further improved credit risk early-warning and mitigation to enhance overall risk management; continued to incorporate ESG philosophies into investment management processes and revised guidelines for investment stewardship; stepped up green investment, and advanced the SAA framework for climate resilience, as part of our efforts to establish a climate risk measurement system for specific categories of financial assets.

In terms of investment concentration, our investments are concentrated in financial services, communications & transport, infrastructure and energy, demonstrating resilience in the face of risks. Our equity investments spread across a wide range of instruments; as for fixed income assets, the debt issuers boasted strong overall strength, and apart from government bonds, our counter-parties mainly include major state-owned commercial banks.

## (I) Group consolidated investment portfolios

Unit: RMB million

| | 30 June 2026 | Share (%) | 31 December 2025 | Share (%) |
|---|---|---|---|---|
| **Group investment assets (total)** | **3,172,982** | **100.0** | **3,039,987** | **100.0** |
| **By investment category** | | | | |
| Cash and cash equivalents | 106,900 | 3.4 | 87,301 | 2.9 |
| Term deposits | 202,053 | 6.4 | 187,310 | 6.2 |
| Debt category financial assets | 2,266,800 | 71.4 | 2,203,807 | 72.4 |
| —Debt securities | 1,949,642 | 61.4 | 1,855,656 | 61.0 |
| —Bond funds | 11,076 | 0.3 | 10,029 | 0.3 |
| —Preferred shares | 43,312 | 1.4 | 44,658 | 1.5 |
| —Debt investment plans[note 1] | 211,937 | 6.7 | 235,481 | 7.7 |
| —Wealth management products[note 2] | 28,272 | 0.9 | 34,091 | 1.1 |
| —Others | 22,561 | 0.7 | 23,892 | 0.8 |
| Equity category financial assets | 542,897 | 17.1 | 507,319 | 16.7 |
| —Stocks | 371,297 | 11.7 | 337,654 | 11.1 |
| —Equity funds | 71,036 | 2.2 | 71,062 | 2.3 |
| —Wealth management products[note 2] | 18,695 | 0.6 | 23,110 | 0.8 |
| —Others | 81,869 | 2.6 | 75,493 | 2.5 |
| Long-term equity investments | 15,328 | 0.5 | 14,616 | 0.5 |
| Investment properties | 26,655 | 0.8 | 28,147 | 0.9 |
| Other investments [note 3] | 12,349 | 0.4 | 11,487 | 0.4 |
| **By accounting measurement** | | | | |
| Financial assets at amortised cost[note 4] | 46,640 | 1.5 | 52,601 | 1.7 |
| Financial assets at fair value through other comprehensive income[note 5] | 2,012,137 | 63.4 | 1,948,239 | 64.1 |
| Financial assets at fair value through profit or loss[note 6] | 755,950 | 23.8 | 714,873 | 23.5 |
| Long-term equity investments | 15,328 | 0.5 | 14,616 | 0.5 |
| Others[note 7] | 342,927 | 10.8 | 309,658 | 10.2 |

Notes:
1. Debt investment plans mainly include infrastructure and real estate projects.
2. Wealth management products mainly include wealth management products issued by commercial banks, products by insurance asset management companies, collective trust plans by trust firms, special asset management plans by securities firms and credit assets backed securities by banking institutions, etc.
3. Other investments mainly include restricted statutory deposits and derivative financial assets, etc.
4. Financial assets at amortised cost include financial assets at amortised cost on consolidated financial statements.
5. Financial assets at fair value through other comprehensive income include debt investments at fair value through other comprehensive income and equity investments at fair value through other comprehensive income on consolidated financial statements.
6. Financial assets at fair value through profit or loss include financial assets at fair value through profit or loss and derivative financial assets on consolidated financial statements.
7. Others mainly include cash at bank and on hand, securities purchased under agreements to resell, term deposits, restricted statutory deposits and investment properties, etc.

### 1. By investment category

As of the end of the reporting period, the share of debt securities investments was 61.4%, an increase of 0.4pt from the end of 2025. Of this, treasury bonds, local government bonds and financial bonds issued by government-sponsored banks made up 46.4% of total investment assets. The duration on fixed income assets reached 11.7 years, the same as that at the end of

2025. Moreover, 97.8% of enterprise bonds and financial bonds issued by non-government-sponsored banks had an issuer/debt rating of AA or above. Of this, the share of AAA reached 96.7%. We boasted a professional internal credit-rating team and sound credit risk management systems covering the entire bond securities investment process, namely, before, during and after the investment. We continued to improve the Group-wise integrated credit-rating management system, evaluated the credit-ratings of both the debt and debt issuers and identified the credit risk based on our internal credit-rating systems, while considering other factors such as macroeconomic conditions and external credit-ratings in order to make well-informed investment decisions. At the same time, to pro-actively control the credit risk of the stock of bond holdings, we followed a uniform and standardised set of regulations and procedures, combining both regular and unscheduled follow-up tracking post the investment. Our corporate/enterprise bond holdings spread over a wide range of sectors with good diversification effect; we set great store by credit risk management, strictly control the exposure to the real estate and other related sectors, and carefully select investment targets to ensure that risks are manageable. Overall, the debt issuers of our investments all had sound financial strength, with credit risk under control.

The share of equity category financial assets stood at 17.1%. Of this, stocks and equity funds accounted for 13.9% of total investment assets, up by 0.5pt from the end of 2025. On the back of disciplined yet flexible TAA processes, we continued with resource realignment for investment research and the building of investment research platforms, enhanced tracking and analysis of market conditions through the TAA system to support decision-making; conducted pro-active management of equity assets, strengthened the core share-dividend strategy while developing diverse satellite strategies as a “top-up”. All these efforts helped us achieve solid investment returns.

As of the end of the reporting period, non-public financing instruments (NPFIs) totalled RMB245.084 billion, accounting for 7.7% of total investment assets. While ensuring full compliance with regulatory requirements and internal risk control policies, we persisted in prudent management as is inherently required of insurance companies, staying highly selective of debt issuers and projects. The underlying projects spread across sectors like infrastructure, communications & transport, and non-bank financial institutions, which were geographically concentrated in China’s economically prosperous areas such as Beijing, Henan, Hubei, Sichuan, Shandong, Zhejiang, Jiangsu and Fujian, etc.

Overall, we maintained sound credit risk control of our NPFI holdings. 96.8% of NPFIs had external credit-ratings, and of these, the share of AAA reached 96.5%, and that of AA+ and above 96.8%. 77.2% of NPFIs were exempt from debt issuer external credit-ratings, and the rest was secured with credit-enhancing measures such as guarantee or pledge of collateral, with the overall credit risk under control.

**Mix and distribution of yields of non-public financing instruments**

| Sectors | Share of investments (%) | Nominal yield (%) | Average duration (year) | Average remaining duration (year) |
|---|---|---|---|---|
| Infrastructure | 38.4 | 4.2 | 8.7 | 4.5 |
| Communications & transport | 27.7 | 4.1 | 9.3 | 4.7 |
| Non-bank financial institutions | 19.5 | 3.4 | 5.0 | 3.7 |
| Real estate | 5.8 | 3.8 | 13.9 | 10.4 |
| Energy and manufacturing | 3.4 | 3.8 | 11.5 | 7.9 |
| Others | 5.2 | 4.1 | 9.0 | 4.6 |
| **Total** | **100.0** | **4.0** | **8.6** | **4.8** |

Note: Non-public financing instruments include wealth management products issued by commercial banks, debt investment plans, collective trust plans by trust firms, special asset management plans by securities firms and credit assets backed securities by banking institutions, etc.

2. By accounting methods

Under the New Accounting Standards, investment assets of the Company are mainly classified into 3 categories: financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, and others. The share of financial assets at fair value through other comprehensive income fell by 0.7pt from the end of 2025, mainly because of decreased share of debt investment plans in the category; that of financial assets at fair value through profit or loss rose by 0.3pt from end of the year, mainly due to increase in the share of stock investment in the category; the proportion of financial assets at amortised cost dropped by 0.2pt, largely because of reduced share of debt investment plans in the category; the share of long-term equity investments stayed the same as that at the end of 2025; that of others rose by 0.6pt, mainly as a result of an increase in the share of cash and cash equivalents in the category.

**(II) Group consolidated investment income**

For the reporting period, net investment income totalled RMB42.768 billion, up by 0.5% from the same period of 2025. This stemmed mainly from increased interest income. Total investment income amounted to RMB66.022 billion, up by 16.1% year on year, mainly attributable to a steep rise in gains from securities trading. As a result, total investment yields reached 2.4%, up by 0.1pt year on year.

Unit: RMB million

| For 6 months ended 30 June | 2026 | 2025 | Changes (%) |
|---|---|---|---|
| Interest income | 30,123 | 29,061 | 3.7 |
| Dividend income[note 1] | 12,220 | 13,195 | (7.4) |
| Rental income from investment properties | 425 | 311 | 36.7 |
| **Net investment income** | **42,768** | **42,567** | **0.5** |
| Gains from securities trading | 20,725 | 7,018 | 195.3 |
| Gains arising from changes in fair value [note 2] | 1,726 | 5,856 | (70.5) |
| Impairment losses of investment assets | 117 | (10) | (1,270.0) |
| Other income[note 3] | 686 | 1,458 | (52.9) |
| **Total investment income** | **66,022** | **56,889** | **16.1** |
| Net investment yield (%)[note 4] | 1.5 | 1.7 | (0.2pt) |
| Total investment yield (%)[note 4] | 2.4 | 2.3 | 0.1pt |
| Comprehensive investment yield (%)[notes 4,5] | 1.8 | 2.4 | (0.6pt) |

Notes:

1. Dividend income included dividend income and gains from financial instruments held for trading and other financial instruments at fair value through profit or loss during the holding period, etc.
2. Excluding the impact of H-share convertible bonds issued by the Company.
3. Other income included share of profit/(loss) of associates and joint ventures, etc.
4. The impact of securities sold under agreements to repurchase was considered in the calculation of net investment yield. Net/total investment yield and comprehensive investment yield were not annualised. Average investment assets as the denominator in the calculation of net/total investment yield and comprehensive investment yield were computed based on the Modified Dietz method and did not consider the impact of the fair value change of debt investments at fair value through other comprehensive income.
5. The figure as the numerator in the calculation of comprehensive investment yield included total investment income, the change of equity investments at fair value through other comprehensive income at current period and amounts of transferring to retained profits at current period caused by the impact of equity investments at fair value through other comprehensive income, etc.

## III. Third-party AuM

Group third-party AuM amounted to RMB907.818 billion, and of this, that of CPIC AMC totalled RMB231.621 billion, with a share of 25.5%; and that of Changjiang Pension RMB540.422 billion, accounting for 59.5%.

### (I) CPIC AMC

In the first half of 2026, benchmark interest rates remained low, while the equity market exhibited pronounced divergence. CPIC AMC adopted a strategy-driven approach and strived to diversify its asset allocation, and maintained stability in overall third-party business. As of the end of the reporting period, its third-party AuM amounted to RMB231.621 billion, a decrease from the end of 2025.

With regard to alternative investment, the company fully complied with regulatory requirements, put risk prevention first, and took stringent measures to control the quality of projects. While stabilising traditional business, it also strived to expand into emerging sectors to accelerate business transformation. It stepped up the development of green finance, registered and launched the wind power debt investment plan in Guizhou. It continued to support the real economy and accelerated its asset securitisation business, with breakthroughs in ABS products on the Shenzhen Stock Exchange; launched the industry's first asset-backed special plan for real estate that integrated the themes of both carbon neutrality and rural revitalisation, as well as the first inter-institutional REITs product for affordable rental housing of listed companies. In the first half of 2026, the company ranked among the top insurance asset managers in terms of the number and issuance volume of innovative products; and led the industry in new issuances of exchange-traded ABS products, indicating solid progress in business expansion in emerging sectors and transformation of alternative investment business.

As for portfolio asset management products and third-party dedicated accounts, during the reporting period, CPIC AMC stayed aligned with the central value proposition of asset management business, focused on core strategies, continued to optimise the business mix, and ensured consistency in business strategy execution. While maintaining the focus on dividend-value and “fixed income +” strategies, it seized market structural opportunities for yield enhancement, expanded the line-up of low-volatility products and proactively mitigated pressures on liquidity management products. As of the end of the reporting period, the subsidiary reported RMB199.173 billion in AuM under third-party portfolio asset management products and dedicated accounts combined, a decline from the end of 2025.

**(II) Changjiang Pension**

During the reporting period, Changjiang Pension committed itself to China’s strategic priority on pension finance, stayed focused on the core business of pension fund management, continued to build integrated investment research and management capabilities, enhanced standards for customer service and refined operations. As at 30 June 2026, its third-party assets under trustee management amounted to RMB657.050 billion, up by 13.9% from the end of 2025; third-party assets under investment management reached RMB540.422 billion, up by 13.3% from the end of 2025.

The subsidiary deepened its presence in pension fund management business, and continued to enhance its overall competitiveness. It maintained industry leadership in the scale and cumulative investment performance of credit bond portfolios for basic pension funds, with an increasingly diversified product portfolio. Measured by 3-year cumulative investment yields, it also maintained an industry-leading position in the investment performance of enterprise annuity business, ranking 3rd place in industry for both single-plan and collective-plan fixed income portfolios, and ranking 4th place for single-plan cum rights portfolios, which was a marked improvement from before. The company made substantial progress in pension business development, successfully acquired mandates of multiple enterprise annuity plans of large SOEs, serving either as investment managers or trustees. At the same time, in response to the call of the government to enhance the quality and coverage of enterprise annuity programmes, and building on the success of its Talent Enterprise Annuity Plan in Lingang New Area and the automatic enrollment mechanism for enterprise annuities in Xiong'an New Area, it has been exploring additional business opportunities in multiple provinces/municipalities, particularly in business model innovations for workers in new forms of employment.

Changjiang Pension also mobilised resources to empower its third-party asset management business. It leveraged its strengths in annuity investment to diversify its strategy offerings, with breakthroughs in equity strategies and steady improvement in product performance; it also systematically built a diversified system of portfolio-based asset management products.

## Analysis of specific items

### I. Items concerning fair value accounting

The financial instruments measured at fair value are detailed in notes XI and XII of financial statements.

### II. Structured entities controlled by the Company

The structured entities controlled by the Company are detailed in note IV-2 of financial statements.

### III. Solvency

As per regulatory requirements, we calculate and disclose our core capital, actual capital, minimum required capital and solvency margin ratios. As at 30 June 2026, the solvency margin ratios of the Group, CPIC Life, CPIC P/C, CPIC Health, and CPIC Anxin Agricultural were all above regulatory minimum levels.

Unit: RMB million

| | 30 June 2026 | 31 December 2025 | Reasons of change |
|---|---|---|---|
| **CPIC Group** | | | |
| Core capital | 442,375 | 450,600 | Change in interest rates, capital market fluctuations and profit for the period |

| | | | |
|---|---|---|---|
| Actual capital | 588,356 | 596,647 | Change in interest rates, capital market fluctuations and profit for the period |
| Minimum required capital | 231,123 | 218,444 | Growth of insurance business and changes to asset allocation |
| Core solvency margin ratio (%) | 191 | 206 | |
| Comprehensive solvency margin ratio (%) | 255 | 273 | |
| **CPIC Life** | | | |
| Core capital | 280,750 | 292,993 | Change in interest rates, capital market fluctuations and profit for the period |
| Actual capital | 411,097 | 425,176 | Change in interest rates, capital market fluctuations and profit for the period |
| Minimum required capital | 196,240 | 186,103 | Growth of insurance business and changes to asset allocation |
| Core solvency margin ratio (%) | 143 | 157 | |
| Comprehensive solvency margin ratio (%) | 209 | 228 | |
| **CPIC P/C** | | | |
| Core capital | 65,633 | 63,335 | Change in interest rates, capital market fluctuations and profit for the period |
| Actual capital | 79,857 | 76,143 | Change in interest rates, capital market fluctuations and profit for the period |
| Minimum required capital | 33,268 | 31,203 | Growth of insurance business and changes to asset allocation |
| Core solvency margin ratio (%) | 197 | 203 | |
| Comprehensive solvency margin ratio (%) | 240 | 244 | |
| **CPIC Health** | | | |
| Core capital | 3,700 | 3,763 | Change in interest rates, capital market fluctuations and profit for the period |
| Actual capital | 4,806 | 4,566 | Change in interest rates, capital market fluctuations and profit for the period |
| Minimum required capital | 2,353 | 2,094 | Growth of insurance business and changes to asset allocation |
| Core solvency margin ratio (%) | 157 | 180 | |
| Comprehensive solvency margin ratio (%) | 204 | 218 | |
| **CPIC Anxin Agricultural** | | | |
| Core capital | 2,797 | 2,929 | Change in interest rates, capital market fluctuations and profit for the period |
| Actual capital | 3,100 | 3,182 | Change in interest rates, capital market fluctuations and profit for the period |
| Minimum required capital | 948 | 917 | Growth of insurance business and changes to asset allocation |
| Core solvency margin ratio (%) | 295 | 319 | |
| Comprehensive solvency margin ratio (%) | 327 | 347 | |

Please refer to the summaries of solvency reports (excerpts) published on the websites of SSE (www.sse.com.cn), SEHK (www.hkexnews.hk), LSE (www.londonstockexchange.com) and the

Company (www.cpic.com.cn) for more information about the solvency of CPIC Group and its main insurance subsidiaries.

**IV. Insurance contract liabilities**

Insurance contract liabilities of the Company consist of liabilities for remaining coverage (LRC) and liabilities for incurred claims (LIC). LRC comprises “excluding loss component” and “loss component”.

As at 30 June 2026, the remaining balance of LRC amounted to RMB2,515.624 billion, representing an increase of 6.7% from the end of 2025. The remaining balance of LIC amounted to RMB115.627 billion, up by 5.1% from the end of 2025. The rise in insurance contract liabilities was mainly caused by business growth and accumulation of insurance liabilities.

Unit: RMB million

| | 31 December 2025 | Change during the period | 30 June 2026 |
|---|---|---|---|
| **Total insurance contract liabilities** | **2,466,607** | **164,644** | **2,631,251** |
| Liabilities for remaining coverage | 2,356,563 | 159,061 | 2,515,624 |
| Excluding loss component | 2,341,068 | 159,435 | 2,500,503 |
| Loss component | 15,495 | (374) | 15,121 |
| Liabilities for incurred claims | 110,044 | 5,583 | 115,627 |
| **Total insurance contract liabilities** | **2,466,607** | **164,644** | **2,631,251** |
| Component not measured by PAA | 2,317,714 | 158,691 | 2,476,405 |
| Component measured by PAA | 148,893 | 5,953 | 154,846 |

**V. Reinsurance business**

We determine retained insured amounts and reinsurance ratio according to insurance regulations and our business development and risk management needs. To lower the concentration risk of reinsurance, we also entered into reinsurance agreements with various industry-leading reinsurance companies. The criteria for the selection of reinsurance companies include their financial strength, professional expertise, service level, claims settlement efficiency and price. Generally speaking, we prefer domestic and overseas reinsurance/insurance companies with proven records and in compliance with regulatory regulations, including international reinsurance companies with ratings of A- or above. Our reinsurance partners mainly include China Reinsurance (Group) Corporation and its subsidiaries, i.e., China Property & Casualty Reinsurance Company Ltd. and China Life Reinsurance Company Ltd., Swiss Reinsurance Company Ltd and Munich Reinsurance Company.

## VI. Main subsidiaries & associates and equity participation

As of the end of the reporting period, the Company's main subsidiaries, associates and equity participation are set out as below:

Unit: RMB million

| Company | Main business scope | Registered capital | Group shareholding[note 2] | Total assets | Net assets | Operating income | Operating profit | Net profit |
|---|---|---|---|---|---|---|---|---|
| China Pacific Property Insurance Co., Ltd. | Property indemnity insurance; liability insurance; credit and guarantee insurance; short-term health and accident insurance; reinsurance of the above said insurance; insurance funds investment as approved by relevant laws and regulations; other business as approved by CBIRC. | 19,948 | 98.5% | 264,550 | 72,058 | 100,647 | 7,614 | 6,072 |
| China Pacific Life Insurance Co., Ltd. | Personal lines insurance including life insurance, health insurance, accident insurance, etc. denominated in RMB or foreign currencies; reinsurance of the above said insurance; statutory life/health insurance; agency and business relationships with domestic and overseas insurers and organisations, loss adjustment, claims and other business entrusted from overseas insurance organisations; insurance funds investment as prescribed by Insurance Law of the PRC and relevant laws and regulations; international insurance activities as approved; other business as approved by CBIRC. | 8,628 | 98.3% | 2,857,994 | 183,133 | 100,983 | 24,405 | 23,908 |
| Changjiang Pension Insurance Co., Ltd. | Outsourced money management business denominated in RMB or foreign currencies for the purpose of pension provisions; asset | 3,000 | 61.1% | 7,826 | 4,443 | 987 | 488 | 366 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | management of owner's equity funds denominated in RMB or foreign currencies; advisory business pertaining to asset management; other business as approved by NFRA; other business as approved by other departments of the State Council. | | | | | | | |
| Pacific Asset Management Co., Ltd. | Asset management of owner's equity funds and insurance funds; outsourcing of fund management; advisory services relating to asset management; other asset management business as allowed by the PRC laws and regulations. | 2,100 | 99.7% | 6,174 | 4,925 | 811 | 502 | 404 |
| Pacific Health Insurance Co., Ltd. | Health and accident insurance denominated in RMB or foreign currencies; health insurance sponsored by the government or supplementary to state medical insurance policies; reinsurance of the above said insurance; health insurance-related advisory and agency business; insurance funds investment as approved by PRC laws and regulations; other business as approved by CBIRC. | 3,600 | 99.7% | 12,414 | 3,846 | 2,648 | 312 | 241 |
| Pacific Anxin Agricultural Insurance Co., Ltd. | Agricultural insurance; property indemnity insurance; liability insurance; statutory liability insurance; credit and guarantee insurance; short-term health insurance and accident insurance; property insurance relating to rural areas and farmers; reinsurance of the above said insurance; insurance agency business. | 1,080 | 66.8% | 6,012 | 2,995 | 1,296 | 108 | 106 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| CPIC Fund Management Co., Ltd. | Fund management business; the launch of mutual funds and other business as approved by competent authorities of the PRC. | 150 | 50.8% | 1,059 | 826 | 276 | 77 | 58 |

Notes:

1. Figures for companies in the table are on an unconsolidated basis. For other information pertaining to the Company's main subsidiaries, associates or invested entities, please refer to "Review and analysis of operating results" of this announcement, and "Scope of consolidation" and "Long-term equity investments" in Notes of the Financial Report.
2. Figures for Group shareholding include direct and indirect shareholdings.

### VII. Seizure, attachment, and freeze of major assets or their pledge as collateral

The Company's assets are mainly financial assets. The repurchase of bonds forms part of the Company's day-to-day securities investment activities, and as of the end of the reporting period, no abnormality was detected.

### VIII. Gearing ratio

| | 30 June 2026 | 31 December 2025 | Changes |
|---|---|---|---|
| Gearing ratio (%)[note] | 90.3 | 90.4 | (0.1pt) |

Note: Gearing ratio = (total liabilities + non-controlling interests)/total assets.

## Outlook

### I. Market environment and trends

Since the start of 2026, the international landscape has remained complex and volatile, with a slow-down of global economic growth amid rising uncertainties and unpredictable factors. China's economy, however, has maintained overall stability, underpinned by its vast market, comprehensive industrial system and growing capacity for innovation—all of which provided a solid foundation for steady economic development. While China steadily advances its modernisation and works to build itself into a financial powerhouse, industrial upgrading and demographic shifts are profoundly reshaping the demand for insurance services. At the same time, widespread adoption of artificial intelligence is accelerating the industry's transformation. All of these have created a strategic window of opportunities for the insurance sector. Given its focus on preventing risks, strengthening regulation and promoting high-quality development, the industry has been improving its regulatory framework, with the promulgation of a series of new regulations such as the requirement for "consistency between filed and actual expenses", asset liability management and product suitability. These measures will steer the market toward more rational competition and healthy development, and will help to accelerate the shift of the industry’s development model from one that is centred on speed and volume to one that rests on value and efficiency, ultimately paving the way for the industry’s high-quality development.

**II. Business strategies and plans**

We will adhere to the principle of "pursuing progress while ensuring stability and improving quality and efficiency", proactively align with China's development agenda, fulfil our mission and responsibilities as an insurer, particularly in terms of support for efforts to boost technological innovation, accelerate green and low-carbon development and improve people’s welfare; continue to enhance our product and service offerings, play our due role as a provider of patient capital, and make every effort to strengthen our support for China’s economic and social development. Staying committed to high-quality development, we will deepen reforms in an all-around way and promote the transition from traditional to new growth drivers. We will refine the ALM framework and concentrate on implementing the 3 key strategies of “Healthcare & Retirement,” “Internationalisation” and “AI+”; improve operational quality and efficiency through professional and precise management, achieve a better balance between significant bottom-line improvement and reasonable top-line growth, in a bid to transform ourselves into a top-notch insurance and financial services group with market leadership and international competitiveness.

**III. Major risks and mitigating measures**

In 2026, global economic recovery will be faced with uncertainties. On the domestic front, while its economic development stays largely on track, China still faces multiple headwinds from sluggish demand recovery, volatile capital markets and structural divergences. Interest rates are likely to continue their downward trend and stay at low levels, equity markets will be marked by divergence across sectors, and the scarcity of corporate/enterprise bond assets is set to persist—all of which pose complex challenges for asset liability management. A rapidly aging population is another challenge for insurers, particularly in areas such as actuarial pricing, front-line risk control, long-term asset liability management, and service system optimisation. Climate change is leading to more frequent and intense extreme weather events, adding upward pressure on insurers’ combined ratios. At the same time, while increased application of large AI models in core business scenarios boosts operational efficiency and enhances customer experience, it may also be associated with emerging risks in data security and algorithmic ethics, which calls for further improvement in insurers’ risk management capabilities.

In response to these trends and dynamics, the Company will continue to balance development and security while guarding against major systemic risks. First, we will adhere to value-oriented strategies, step up coordination of assets and liabilities, and strengthen our operational resilience across market cycles. Second, we will continue to enhance our enterprise risk management (ERM) system, and in particular, improve risk management support for business innovation and business model shifts, so as to safeguard high-quality development. Third, we will conduct forward-looking research into risks associated with digitalisation, AI and other emerging sectors, in a bid to improve our ability to identify and assess risks in AI application and data security, and enhance the overall effectiveness of risk management.

## Embedded value

### Summary of Embedded Value and Value of Half Year's Sales

The table below shows the Group Embedded Value of CPIC Group as at 30 June 2026, and the value of half year's sales of CPIC Life and CPIC Life (HK) in the 6 months to 30 June 2026.

Unit: RMB million

| Valuation Date | 30 June 2026 | 31 December 2025[note 2] |
|---|---|---|
| **Group Adjusted Net Worth** | **386,172** | **372,667** |
| **Adjusted Net Worth of Life Business** | 229,616 | 220,599 |
| Value of In Force Business Before Cost of Required Capital Held | 267,674 | 257,228 |
| Cost of Required Capital | (12,553) | (12,348) |
| Value of In Force Business After Cost of Required Capital Held | 255,122 | 244,880 |
| CPIC Group's Equity Interest in Life Business | 98.29% | 98.29% |
| **Value of In Force Business After Cost of Required Capital Held attributable to the shareholders of CPIC Group** | **250,765** | **240,698** |
| **Group Embedded Value** | **636,938** | **613,365** |
| **Life Business Embedded Value** | 484,738 | 465,479 |

| Valuation Date | 30 June 2026 | 30 June 2025[note 3] |
|---|---|---|
| Value of Half Year's Sales Before Cost of Required Capital Held | 11,323 | 10,331 |
| Cost of Required Capital Held | (564) | (787) |
| **Value of Half Year's Sales After Cost of Required Capital Held** | **10,758** | **9,544** |

Notes:

1. Figures may not be additive due to rounding.
2. Results in column "31 December 2025" are those reported in the 2025 annual report.
3. Results in column "30 June 2025" are those reported in the 2025 interim report.

The Group Adjusted Net Worth represents the shareholder net equity of the Company, inclusive of adjustments of the value of certain assets to market value and adjusted for the relevant differences, such as difference between reserves and policy liabilities valued under "Appraisal of Embedded Value" standard published by the CAA. It should be noted that the Group Adjusted Net Worth incorporates the shareholder net equity of the Company as a whole (including CPIC Life, CPIC Life (HK) and other operations of the Company), and the value of in force business and the value of half year's sales are of CPIC Life and CPIC Life (HK). The Group Embedded Value also does not include the value of in force business that is attributable to minority shareholders of CPIC Life and CPIC Life (HK).

**New Business Volumes and Value of Half Year's Sales**

The table below shows the volume of new business sold in terms of first year annual premium and value of half year's sales after cost of required capital held based on valuation assumptions by the end of 2025.

Unit: RMB million

| | First Year Annual Premium (FYAP) in the First Half of Year | | Value of Half Year's Sales After Cost of Required Capital Held | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| **Total** | **61,384** | **63,448** | **10,758** | **9,544** |
| Of which: Agency channel | 28,038 | 21,693 | 7,066 | 5,724 |
| Bancassurance channel | 21,552 | 29,039 | 3,221 | 3,604 |

**Analysis of change in embedded value**

The following table shows the change in the Group Embedded Value from 31 December 2025 to 30 June 2026.

Unit: RMB million

| No. | Item | Value | Comments |
|---|---|---|---|
| 1 | **Embedded Value of the life business at 31 December 2025** | **465,479** | Results reported in the 2025 annual report |
| 2 | Expected Return on Embedded Value | 13,908 | Expected returns on the 2025 embedded value and the value of half year's sales in first half of 2026 |
| 3 | Value of Half Year's Sales | 10,758 | Value of half year's sales in respect of new business written in the 6 months prior to 30 June 2026 |

| | | | |
|---|---|---|---|
| 4 | Investment Experience Variance | 4,183 | Reflects the difference between actual and assumed investment return in first half of 2026 |
| 5 | Operating Experience Variance | 676 | Reflects the difference between actual and assumed operating experience |
| 6 | Change in methodology, assumptions and models | 90 | Reflects assumption and methodology changes, together with model enhancements |
| 7 | Diversification effects | 912 | Changes in diversification benefits on cost of required capital from new business and different business mix |
| 8 | Change in market value adjustment | (2,510) | Reflects the change in value of certain assets not valued on a market value basis |
| 9 | Shareholder Dividends | (8,973) | Shareholder dividends distributed to shareholders of CPIC Life |
| 10 | Others | 216 | |
| 11 | **Embedded Value of the life business at 30 June 2026** | **484,738** | |
| 12 | **Adjusted net worth of other businesses as at 31 December 2025** | **165,495** | |
| 13 | Change in Adjusted Net Worth before payment of shareholder dividends to shareholders of CPIC Group | 14,989 | |
| 14 | Shareholder dividends | (11,063) | Dividend distributed to shareholders of CPIC Group |
| 15 | Change in market value adjustment | 99 | Reflects the change in value of assets not valued on a market value basis |
| 16 | **Adjusted net worth of life businesses as at 30 June 2026** | **169,519** | |
| 17 | Minority interests relating to equity and market value adjustments | (17,319) | Minority interests on Embedded Value as at 30 June 2026 |
| 18 | **Group Embedded Value as at 30 June 2026** | **636,938** | |
| 19 | **Embedded Value as at 30 June 2026 per share (RMB)** | **66.21** | |

Note: Figures may not be additive due to rounding.

## Implementation of final dividend

The Company distributed a cash dividend of RMB1.15 per share (tax included) in accordance with the “Resolution on Profit Distribution Plan for the Year of 2025” approved at the 2025 AGM. The implementation of this distribution plan was completed in July 2026.

## Interim profit distribution

The Company's 2025 AGM reviewed and approved the Proposal on Authorisation to the Board of Directors to determine the interim profit distribution plan for 2026, and authorised the Board to formulate and implement 2026 interim dividend, subject to satisfaction of conditions for profit distribution.

The Board passed a resolution on 27 August 2026 to distribute the 2026 interim dividend to the shareholders of the Company. The interim profit distribution for 2026 is made based on the reviewed financial statements of the parent company. An interim cash dividend of RMB0.42 per share (tax included) will be distributed based on the total share capital of 9,620,341,455 shares, the amount of dividend in aggregate will be RMB4,040,543,411.10. No capital reserve was transferred to the share capital during the reporting period. It is expected that the payment of the dividend will be made on or about 23 October 2026 to the shareholders.

## Withholding of dividend income tax

Pursuant to the applicable provisions of the Enterprise Income Tax Law of the People's Republic of China (PRC) and its implementation rules enacted in 2008, the Company is required to withhold 10% of corporate income tax when it distributes the interim dividend to its non-resident enterprise H Share shareholders of the Company who are entitled to receive the proposed interim dividend.

Pursuant to the applicable provisions of the Individual Income Tax Law of the PRC and its implementation rules and confirmed by the relevant tax authorities in the PRC after consulting with them by the Company, the Company will withhold individual income tax at the tax rate of 10% when it distributes the interim dividend for 2026 to individual holders of H shares of the Company who are entitled to receive the interim dividend. However, if it is otherwise stated in the tax regulations and relevant tax treaties, the Company will withhold and pay individual income tax in accordance with the required tax rate and procedures set out in the relevant regulations and treaties. If the applicable dividend tax rate is less than 10%, the individual H Share shareholders are entitled to apply for refund of the over-deducted amount on their own or appoint an agent to act on their behalf according to the tax treaty entered into between their countries of domicile and the PRC and the regulations of the relevant PRC tax authorities.

The Company will withhold the relevant enterprise income tax as well as the individual income tax as required by law. The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual H Share shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual H Share shareholders or any disputes over the withholding and payment mechanism or arrangements.

## Withholding of Income Tax for Holders of H Shares via the Hong Kong Stock Connect

Pursuant to the Notice of the Ministry of Finance, the State Administration of Taxation, and the China Securities Regulatory Commission on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81) (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81 號 )) promulgated on 17 November 2014:

● In respect of the dividends received by Mainland individual investors who invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20%. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of CSDC for tax credit relating to the withholding tax already paid abroad. In respect of the dividends received by Mainland securities investment funds that invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will withhold individual income tax in the same way as the foregoing requirements;

● In respect of the dividends received by Mainland corporate investors that invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will not withhold any income tax from the dividend and the Mainland corporate investors shall file the tax returns on their own.

Pursuant to the Notice of the Ministry of Finance, the State Administration of Taxation, and the China Securities Regulatory Commission on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) (《財政部、國家稅務總局、證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127 號)) put into force on 5 December 2016:

● In respect of the dividends received by Mainland individual investors who invest in the H shares of the Company via the Shenzhen-Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20%. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of CSDC for tax credit relating to the withholding tax already paid abroad. In respect of the dividends received by Mainland securities investment funds that invest in the H shares of the Company via the Shenzhen-Hong Kong Stock Connect Program, the Company will withhold individual income tax in the same way as the foregoing requirements;

● In respect of the dividends received by Mainland corporate investors that invest in the H shares of the Company via the Shenzhen-Hong Kong Stock Connect Program, the Company will not withhold any income tax from the dividend and the Mainland corporate investors shall file the tax returns on their own.

## Withholding of Income Tax for Holders of A Shares via the Shanghai Stock Connect

For investors of the SEHK (including enterprises and individuals) investing in the A shares of the Company listed on SSE (the "Shanghai Stock Connect"), the dividends received by them will be distributed in RMB by the Company through the Shanghai Branch of CSDC as the nominee account holding such A shares. Pursuant to the Notice of the Ministry of Finance, the State Administration of Taxation, and the China Securities Regulatory Commission on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market (Cai Shui [2014] No. 81) (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81 號)), the Company will withhold income tax at the rate of 10% on behalf of those investors and will undertake the reporting procedures on the tax withholding and payment with the tax authorities, and the after-tax cash dividend will be RMB0.378 per share. For investors of Shanghai Stock Connect who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, taxes shall be refunded based on the discrepancy between the levied taxes and the taxes payable pursuant to the tax rate of the tax treaty.

All investors should read this announcement carefully. Shareholders are recommended to consult their tax advisors on the PRC, Hong Kong and other tax effects regarding their holding and disposing of H shares of the Company.

## Compliance of the Corporate Governance Code

During the reporting period, the Company has complied with all the code provisions set out in Part 2 of Corporate Governance Code and substantially all of the recommended best practices in Part 2 of the Corporate Governance Code.

## Purchase, redemption or sale of the Company's listed securities

During the reporting period, neither the Company nor its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares). As at the end of the reporting period, the Company did not hold any treasury shares.

## Review of accounts

The audit and related party transactions control committee of the Company has reviewed the principal accounting policies of the Company and the unaudited financial statements for the six months ended 30 June 2026 in the presence of internal and external auditors.

## Publication of results on the websites of SEHK and the Company

The interim report of the Company for the 6 months ended 30 June 2026 will be published on the websites of SEHK (www.hkexnews.hk) and the Company (www.cpic.com.cn) in due course.

## Definitions

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

| | |
|---|---|
| "The Company", "the Group", "CPIC" or "CPIC Group" | China Pacific Insurance (Group) Co., Ltd. |
| "CPIC Life" | China Pacific Life Insurance Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC P/C" | China Pacific Property Insurance Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC AMC" | Pacific Asset Management Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC HK" | China Pacific Insurance Co., (H.K.) Limited, a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "Changjiang Pension" | Changjiang Pension Insurance Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC Fund" | CPIC Fund Management Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC Anxin Agricultural" | Pacific Anxin Agricultural Insurance Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC Health" | Pacific Health Insurance Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC Capital" | CPIC Capital Company Limited, a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC Technology" | Pacific Insurance Technology Co., Ltd., a wholly-owned subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC Life (HK)" | China Pacific Life Insurance (H.K.) Company Limited, a subsidiary of China Pacific Insurance (Group) Co., Ltd. |
| "CPIC Investment (HK) " | CPIC Investment Management (H.K.) Company Limited, a subsidiary of China Pacific Insurance (Group) Co., Ltd. |

| | |
|---|---|
| "C-ROSS II" | China Risk Oriented Solvency System Phase II |
| "CBIRC" | Former China Banking and Insurance Regulatory Commission |
| "NFRA" | National Financial Regulatory Administration |
| "CSDC" | China Securities Depository and Clearing Corporation Limited |
| "CSRC" | China Securities Regulatory Commission |
| "SSE" | Shanghai Stock Exchange |
| "SEHK" | The Stock Exchange of Hong Kong Limited |
| "LSE" | London Stock Exchange |
| "PRC GAAP" | China Accounting Standards for Business Enterprises issued by Ministry of Finance of the People's Republic of China, and the application guide, interpretation and other related regulations issued afterwards |
| "New Accounting Standards" | The Accounting Standard for Business Enterprises Nos. 22, 23, 24, 37 and 25 promulgated and revised by the Ministry of Finance of the People's Republic of China in 2017 and 2020 sequentially |
| "Articles of Association" | The articles of association of China Pacific Insurance (Group) Co., Ltd. |
| "Hong Kong Listing Rules" | The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| "Model Code for Securities Transactions" | Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| "Corporate Governance Code" | Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| "SFO" | The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| "Substantial Shareholder" | Has the meaning given to it under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being a person who has an interest in the relevant share capital of the Company, the nominal value of which is equal to or more than 5% of the nominal value of the relevant share capital of the Company |
| "GDR" | Global depositary receipts |
| "ESG" | Environmental, Social and Governance |
| "RMB" | Renminbi |
| "pt" | Percentage point |

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

Hong Kong, 27 August 2026

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

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

**INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED 30 JUNE 2026**

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**Review Report**

Ernst & Young Hua Ming (2026) Zhuan Zi No.70015004_B11
China Pacific Insurance (Group) Co., Ltd.

To the Shareholders of China Pacific Insurance (Group) Co., Ltd.,
(A joint stock company incorporated in the People's Republic of China with limited liability)

We have reviewed the accompanying interim financial statements of China Pacific Insurance (Group) Co., Ltd. (hereinafter "CPIC"), which comprise the interim consolidated and company balance sheets as at 30 June 2026, the interim consolidated and company income statements, the interim consolidated and company statements of changes in equity and the interim consolidated and company cash flow statements for the six-month period then ended, and the notes to the interim financial statements. Management of CPIC is responsible for the preparation of these interim financial statements in accordance with the requirements of Accounting Standard for Business Enterprises No.32 *Interim Financial Reporting* ("CAS 32"). Our responsibility is to issue a review report on these interim financial statements based on our review.

We conducted our review in accordance with Review Standard for Chinese Certified Public Accountants No.2101 *Review of Financial Statements*. This Standard requires that we plan and perform the review to obtain limited assurance as to whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data, thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with CAS 32.

Ernst & Young Hua Ming LLP    Chinese Certified Public Accountant:    Wang Ziqing

Chinese Certified Public Accountant:    Mo Aiqi

Beijing,
The People's Republic of China    27 August 2026

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

**INTERIM CONSOLIDATED BALANCE SHEET**
**AS AT 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| **ASSETS** | **Note V** | **30 June 2026** | **31 December 2025** |
|---|---|---|---|
| | | (Unaudited) | (Audited) |
| Cash at bank and on hand | 1 | 59,450 | 62,789 |
| Derivative financial assets | | 14 | 5 |
| Securities purchased under agreements to resell | 2 | 47,450 | 24,512 |
| Term deposits | 3 | 202,053 | 187,310 |
| Financial investments: | | 2,814,713 | 2,715,708 |
| Financial assets at fair value through profit or loss | 4 | 755,936 | 714,868 |
| Financial assets at amortised cost | 5 | 46,640 | 52,601 |
| Debt investments at fair value through other comprehensive income | 6 | 1,833,677 | 1,772,078 |
| Equity investments at fair value through other comprehensive income | 7 | 178,460 | 176,161 |
| Reinsurance contract assets | 14 | 46,097 | 47,746 |
| Long-term equity investments | 8 | 15,328 | 14,616 |
| Restricted statutory deposits | 9 | 7,319 | 6,900 |
| Investment properties | | 26,655 | 28,147 |
| Fixed assets | | 26,268 | 25,859 |
| Construction in progress | | 1,512 | 1,086 |
| Right-of-use assets | | 1,622 | 1,776 |
| Intangible assets | | 6,865 | 7,257 |
| Goodwill | | 1,357 | 1,357 |
| Deferred income tax assets | | 5,356 | 3,643 |
| Other assets | 10 | 17,332 | 16,056 |
| **TOTAL ASSETS** | | 3,279,391 | 3,144,767 |

The accompanying notes form an integral part of these financial statements.

**INTERIM CONSOLIDATED BALANCE SHEET (continued)**
**AS AT 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| LIABILITIES AND EQUITY | Note V | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| | | (Unaudited) | (Audited) |
| Derivative financial liabilities | | 1,064 | 2,372 |
| Securities sold under agreements to repurchase | 11 | 170,095 | 218,930 |
| Premium received in advance | | 6,171 | 20,237 |
| Employee benefits payable | | 8,490 | 11,116 |
| Taxes payable | | 5,115 | 3,722 |
| Bonds payable | 12 | 22,178 | 22,678 |
| Insurance contract liabilities | 13 | 2,631,251 | 2,466,607 |
| Commission and brokerage payable | | 6,888 | 5,835 |
| Insurance premium reserves | | 753 | 201 |
| Lease liabilities | | 1,440 | 1,571 |
| Deferred income tax liabilities | | 4,659 | 4,517 |
| Long-term borrowings | | 123 | 154 |
| Other liabilities | | 70,318 | 52,603 |
| **Total liabilities** | | 2,928,545 | 2,810,543 |
| Issued capital | 15 | 9,620 | 9,620 |
| Capital reserves | 16 | 79,913 | 79,932 |
| Other comprehensive income/(loss) | 31 | (20,970) | (17,390) |
| Surplus reserves | 17 | 5,114 | 5,114 |
| General reserves | 18 | 35,503 | 35,420 |
| Retained profits | 19 | 210,016 | 189,447 |
| Equity attributable to shareholders of the parent | | 319,196 | 302,143 |
| Non-controlling interests | | 31,650 | 32,081 |
| **Total equity** | | 350,846 | 334,224 |
| **TOTAL LIABILITIES AND EQUITY** | | 3,279,391 | 3,144,767 |

The financial statements are signed by the persons below:

| FU Fan | SU Gang | XU Zhen |
|---|---|---|
| Legal representative | Principal in charge of accounting | Head of accounting department |

The accompanying notes form an integral part of these financial statements.

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

**INTERIM CONSOLIDATED INCOME STATEMENT**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | Note V | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|---|
| | | (Unaudited) | (Unaudited) |
| **Operating income** | | 212,136 | 200,496 |
| Insurance revenue | 20 | 143,296 | 141,824 |
| Interest income | 21 | 30,123 | 29,061 |
| Investment income | 22 | 33,631 | 21,671 |
| Including: Share of profits/(losses) of associates and joint ventures | | 686 | (145) |
| Other income | | 137 | 106 |
| Gains arising from changes in fair value | 23 | 2,985 | 5,856 |
| Exchange losses | | (350) | (13) |
| Other operating income | 24 | 2,297 | 1,918 |
| Gains on disposal of assets | | 17 | 73 |
| **Operating expenses** | | (177,444) | (168,224) |
| Insurance service expenses | 25 | (119,071) | (120,169) |
| Allocation of reinsurance premiums | | (8,686) | (7,290) |
| Less: Recoveries of insurance service expenses from reinsurers | | 6,977 | 6,245 |
| Insurance finance expenses for insurance contracts issued | | (49,907) | (40,698) |
| Less: Reinsurance finance income for reinsurance contracts held | | 512 | 715 |
| Changes in insurance premium reserves | | (552) | (523) |
| Interest expenses | 26 | (1,896) | (2,217) |
| Commission and brokerage expenses | | (14) | (3) |
| Taxes and surcharges | | (343) | (216) |
| Operating and administrative expenses | 27 | (3,444) | (3,462) |
| Impairment losses on financial assets | 28 | 2 | (14) |
| Other operating expenses | 29 | (1,022) | (592) |
| **Operating profit** | | 34,692 | 32,272 |
| Add: Non-operating income | | 48 | 36 |
| Less: Non-operating expenses | | (87) | (49) |
| **Profit before tax** | | 34,653 | 32,259 |
| Less: Income tax | 30 | (2,999) | (3,453) |
| **Net profit** | | 31,654 | 28,806 |
| Classified by continuity of operations: | | | |
| Net profit from continuing operations | | 31,654 | 28,806 |
| Net profit from discontinued operations | | - | - |
| Classified by ownership of the equity: | | | |
| Attributable to shareholders of the parent | | 30,775 | 27,885 |
| Non-controlling interests | | 879 | 921 |

The accompanying notes form an integral part of these financial statements.

**INTERIM CONSOLIDATED INCOME STATEMENT (continued)**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | Note V | For the six months ended 30 June 2026 (Unaudited) | For the six months ended 30 June 2025 (Unaudited) |
|---|---|---|---|
| **Other comprehensive income/(loss)** | 31 | | |
| Other comprehensive income/(loss) that will not be reclassified to profit or loss: | | (8,578) | 1,478 |
| Changes in the fair value of equity investments at fair value through other comprehensive income | | (11,417) | 1,889 |
| Insurance finance income/(expenses) for insurance contracts issued that will not be reclassified to profit or loss | | 2,839 | (411) |
| Other comprehensive income/(loss) that will be reclassified to profit or loss: | | 5,901 | (28,978) |
| Share of other comprehensive income/(loss) that will be reclassified to profit or loss of investees accounted for using the equity method | | (33) | - |
| Changes in the fair value of debt instruments at fair value through other comprehensive income | | 15,525 | 5,388 |
| Changes in provisions for credit risks of debt instruments at fair value through other comprehensive income | | (625) | 102 |
| Exchange differences on translation of foreign operations | | (155) | (17) |
| Insurance finance income/(expenses) for insurance contracts issued that will be reclassified to profit or loss | | (8,806) | (34,484) |
| Insurance finance income/(expenses) for reinsurance contracts held that will be reclassified to profit or loss | | (5) | 33 |
| Other comprehensive income/(loss) | | (2,677) | (27,500) |
| **Total comprehensive income** | | 28,977 | 1,306 |
| Attributable to shareholders of the parent | | 28,135 | 853 |
| Attributable to non-controlling interests | | 842 | 453 |
| **Earnings per share** | 32 | | |
| Basic earnings per share (RMB per share) | | 3.20 | 2.90 |
| Diluted earnings per share (RMB per share) | | 2.95 | 2.90 |

The accompanying notes form an integral part of these financial statements.

**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | For the six months ended 30 June 2026 (Unaudited) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Attributable to shareholders of the parent | | | | | | | | |
| | Issued capital | Capital reserves | Other comprehensive income/(loss) | Surplus reserves | General reserves | Retained profits | Sub-total | Non-controlling interests | Total equity |
| Balance at the beginning of the period | 9,620 | 79,932 | (17,390) | 5,114 | 35,420 | 189,447 | 302,143 | 32,081 | 334,224 |
| Movements in the current period | - | (19) | (3,580) | - | 83 | 20,569 | 17,053 | (431) | 16,622 |
| Net profit | - | - | - | - | - | 30,775 | 30,775 | 879 | 31,654 |
| Other comprehensive income/(loss) (Note V 31) | - | - | (2,640) | - | - | - | (2,640) | (37) | (2,677) |
| Total comprehensive income | - | - | (2,640) | - | - | 30,775 | 28,135 | 842 | 28,977 |
| Other equity changes caused by equity method accounting | - | (19) | - | - | - | - | (19) | - | (19) |
| Profit distribution | - | - | - | - | 83 | (11,146) | (11,063) | (1,273) | (12,336) |
| Appropriations to general reserves | - | - | - | - | 83 | (83) | - | - | - |
| Profit distribution to shareholders | - | - | - | - | - | (11,063) | (11,063) | (663) | (11,726) |
| Profit distribution to other equity instrument holders | - | - | - | - | - | - | - | (610) | (610) |
| Transfer of other comprehensive income/(loss) to retained profits | - | - | (940) | - | - | 940 | - | - | - |
| Balance at the end of the period | 9,620 | 79,913 | (20,970) | 5,114 | 35,503 | 210,016 | 319,196 | 31,650 | 350,846 |

The accompanying notes form an integral part of these financial statements.

**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | For the six months ended 30 June 2025 (Unaudited) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Attributable to shareholders of the parent | | | | | | | | |
| | Issued capital | Capital reserves | Other comprehensive income/(loss) | Surplus reserves | General reserves | Retained profits | Sub-total | Non-controlling interests | Total equity |
| Balance at the beginning of the period | 9,620 | 79,948 | 14,917 | 5,114 | 29,928 | 151,890 | 291,417 | 27,064 | 318,481 |
| Movements in the current period | - | (9) | (27,307) | - | 80 | 17,690 | (9,546) | 4,271 | (5,275) |
| Net profit | - | - | - | - | - | 27,885 | 27,885 | 921 | 28,806 |
| Other comprehensive income/(loss) (Note V 31) | - | - | (27,032) | - | - | - | (27,032) | (468) | (27,500) |
| Total comprehensive income | - | - | (27,032) | - | - | 27,885 | 853 | 453 | 1,306 |
| Acquisition of subsidiaries | - | - | - | - | - | - | - | 4,670 | 4,670 |
| Other equity changes caused by equity method accounting | - | (9) | - | - | - | - | (9) | - | (9) |
| Profit distribution | - | - | - | - | 80 | (10,470) | (10,390) | (852) | (11,242) |
| Appropriations to general reserves | - | - | - | - | 80 | (80) | - | - | - |
| Profit distribution to shareholders | - | - | - | - | - | (10,390) | (10,390) | (347) | (10,737) |
| Profit distribution to other equity instrument holders | - | - | - | - | - | - | - | (505) | (505) |
| Transfer of other comprehensive income/(loss) to retained profits | - | - | (275) | - | - | 275 | - | - | - |
| Balance at the end of the period | 9,620 | 79,939 | (12,390) | 5,114 | 30,008 | 169,580 | 281,871 | 31,335 | 313,206 |

The accompanying notes form an integral part of these financial statements.

**INTERIM CONSOLIDATED CASH FLOW STATEMENT**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | Note V | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|---|
| | | (Unaudited) | (Unaudited) |
| **Cash flows from operating activities** | | | |
| Cash received from premium of insurance contracts issued | | 276,110 | 277,867 |
| Net cash received from reinsurance contracts held | | 793 | 2,142 |
| Net decrease in policy loans | | 664 | 2,201 |
| Refund of taxes and surcharges | | 11 | 228 |
| Cash received relating to other operating activities | | 5,168 | 2,712 |
| **Sub-total of cash inflows** | | 282,746 | 285,150 |
| Cash paid for claims under insurance contracts issued | | (92,801) | (93,624) |
| Net cash paid under reinsurance contracts issued | | (537) | (985) |
| Cash paid for commission and brokerage expenses | | (15,739) | (16,647) |
| Cash paid to and on behalf of employees | | (15,049) | (14,600) |
| Payments of taxes and surcharges | | (6,404) | (5,076) |
| Cash paid relating to other operating activities | | (37,136) | (33,715) |
| **Sub-total of cash outflows** | | (167,666) | (164,647) |
| **Net cash flows from operating activities** | | 115,080 | 120,503 |
| **Cash flows from investing activities** | | | |
| Cash received from disposal of investments | | 332,939 | 369,732 |
| Cash received from returns on investments and interest income | | 41,272 | 34,954 |
| Net cash received from disposal of subsidiaries and other business entities | | 26 | 133 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | | 34 | 52 |
| Cash received relating to other investing activities | | - | 112 |
| **Sub-total of cash inflows** | | 374,271 | 404,983 |
| Cash paid to acquire investments | | (414,717) | (496,360) |
| Net cash paid to acquire subsidiaries and other business entities | | (515) | (278) |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | | (1,048) | (2,061) |
| Cash paid relating to other investing activities | | (365) | (1,673) |
| **Sub-total of cash outflows** | | (416,645) | (500,372) |
| **Net cash flows used in investing activities** | | (42,374) | (95,389) |

The accompanying notes form an integral part of these financial statements.

**INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | Note V | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|---|
| | | (Unaudited) | (Unaudited) |
| **Cash flows from financing activities** | | | |
| Cash received relating to other financing activities | | 12,415 | 8,700 |
| **Sub-total of cash inflows** | | 12,415 | 8,700 |
| Cash repayments of borrowings | | (9,046) | (1,070) |
| Cash payments for distribution of dividends, profits or interest expenses | | (2,166) | (2,522) |
| Decrease in securities sold under agreements to repurchase, net | | (48,822) | (1,437) |
| Cash paid relating to other financing activities | | (4,244) | (1,223) |
| **Sub-total of cash outflows** | | (64,278) | (6,252) |
| **Net cash flows (used in)/from financing activities** | | (51,863) | 2,448 |
| **Effects of exchange rate changes on cash and cash equivalents** | | (1,294) | (43) |
| **Net increase in cash and cash equivalents** | | 19,549 | 27,519 |
| Add: Cash and cash equivalents at the beginning of the period | | 87,006 | 39,673 |
| **Cash and cash equivalents at the end of the period** | 33 | 106,555 | 67,192 |

The accompanying notes form an integral part of these financial statements.

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

**INTERIM COMPANY BALANCE SHEET**
**AS AT 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| ASSETS | 30 June 2026 | 31 December 2025 |
|---|---|---|
| | (Unaudited) | (Audited) |
| Cash at bank and on hand | 17,511 | 18,339 |
| Securities purchased under agreements to resell | 115 | 306 |
| Term deposits | 11,058 | 10,132 |
| Financial investments: | 57,406 | 56,139 |
| Financial assets at fair value through profit or loss | 27,352 | 26,311 |
| Financial assets at amortised cost | 5,767 | 6,327 |
| Debt investments at fair value through other comprehensive income | 18,956 | 18,785 |
| Equity investments at fair value through other comprehensive income | 5,331 | 4,716 |
| Long-term equity investments | 69,929 | 70,464 |
| Investment properties | 1,909 | 1,958 |
| Fixed assets | 1,691 | 1,787 |
| Construction in progress | - | 3 |
| Right-of-use assets | 196 | 226 |
| Intangible assets | 223 | 274 |
| Other assets | 12,816 | 494 |
| **Total assets** | 172,854 | 160,122 |
| **LIABILITIES AND EQUITY** | | |
| Derivative financial liabilities | 1,047 | 2,306 |
| Securities sold under agreements to repurchase | 940 | 700 |
| Employee benefits payable | 183 | 236 |
| Taxes payable | 12 | 13 |
| Bonds payable | 12,075 | 12,391 |
| Lease liabilities | 225 | 260 |
| Deferred income tax liabilities | 736 | 464 |
| Other liabilities | 11,741 | 632 |
| **Total liabilities** | 26,959 | 17,002 |
| Issued capital | 9,620 | 9,620 |
| Capital reserves | 79,312 | 79,312 |
| Other comprehensive income/(loss) | 921 | 1,110 |
| Surplus reserves | 4,810 | 4,810 |
| Retained profits | 51,232 | 48,268 |
| **Total equity** | 145,895 | 143,120 |
| **TOTAL LIABILITIES AND EQUITY** | 172,854 | 160,122 |

The accompanying notes form an integral part of these financial statements.

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

**INTERIM COMPANY INCOME STATEMENT**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | **For the six months ended 30 June 2026** | **For the six months ended 30 June 2025** |
|---|---|---|
| | (Unaudited) | (Unaudited) |
| **Operating income** | 15,497 | 12,049 |
| Interest income | 726 | 736 |
| Investment income | 13,137 | 11,010 |
| Including: Share of (losses)/profits of associates and joint ventures | (10) | 1 |
| Other income | 3 | 2 |
| Gains arising from changes in fair value | 1,480 | 30 |
| Exchange losses | (173) | (36) |
| Other operating income | 324 | 307 |
| **Operating expenses** | (1,075) | (835) |
| Interest expenses | (172) | (18) |
| Taxes and surcharges | (34) | (35) |
| Operating and administrative expenses | (748) | (697) |
| Impairment losses on financial assets | 3 | 26 |
| Other operating expenses | (124) | (111) |
| **Operating profit** | 14,422 | 11,214 |
| Add: Non-operating income | - | 3 |
| Less: Non-operating expenses | (28) | (5) |
| **Profit before tax** | 14,394 | 11,212 |
| Less: Income tax | (448) | (127) |
| **Net profit** | 13,946 | 11,085 |
| Classified by continuity of operations: | | |
| Net profit from continuing operations | 13,946 | 11,085 |
| Net profit from discontinued operations | - | - |
| **Other comprehensive income/(loss)** | | |
| Other comprehensive income/(loss) that will not be reclassified to profit or loss: | (214) | 41 |
| Changes in the fair value of equity investments at fair value through other comprehensive income | (214) | 41 |
| Other comprehensive income/(loss) that will be reclassified to profit or loss: | 106 | (73) |
| Share of other comprehensive income/(loss) that will be reclassified to profit or loss of investees accounted for using the equity method | (11) | - |
| Changes in the fair value of debt instruments at fair value through other comprehensive income | 117 | (73) |
| Other comprehensive income/(loss) | (108) | (32) |
| **Total comprehensive income** | 13,838 | 11,053 |

The accompanying notes form an integral part of these financial statements.

**INTERIM COMPANY STATEMENT OF CHANGES IN EQUITY**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | For the six months ended 30 June 2026 (Unaudited) | | | | | |
|---|---|---|---|---|---|---|
| | **Issued capital** | **Capital reserves** | **Other comprehensive income/(loss)** | **Surplus reserves** | **Retained profits** | **Total equity** |
| Balance at the beginning of the period | 9,620 | 79,312 | 1,110 | 4,810 | 48,268 | 143,120 |
| Movements in the current period | - | - | (189) | - | 2,964 | 2,775 |
| Net profit | - | - | - | - | 13,946 | 13,946 |
| Other comprehensive income/(loss) | - | - | (108) | - | - | (108) |
| Total comprehensive income | - | - | (108) | - | 13,946 | 13,838 |
| Profit distribution | - | - | - | - | (11,063) | (11,063) |
| Profit distribution to shareholders | - | - | - | - | (11,063) | (11,063) |
| Transfer of other comprehensive income/(loss) to retained profits | - | - | (81) | - | 81 | - |
| Balance at the end of the period | 9,620 | 79,312 | 921 | 4,810 | 51,232 | 145,895 |

| | For the six months ended 30 June 2025 (Unaudited) | | | | | |
|---|---|---|---|---|---|---|
| | **Issued capital** | **Capital reserves** | **Other comprehensive income/(loss)** | **Surplus reserves** | **Retained profits** | **Total equity** |
| Balance at the beginning of the period | 9,620 | 79,312 | 1,260 | 4,810 | 47,104 | 142,106 |
| Movements in the current period | - | - | (29) | - | 692 | 663 |
| Net profit | - | - | - | - | 11,085 | 11,085 |
| Other comprehensive income/(loss) | - | - | (32) | - | - | (32) |
| Total comprehensive income | - | - | (32) | - | 11,085 | 11,053 |
| Profit distribution | - | - | - | - | (10,390) | (10,390) |
| Profit distribution to shareholders | - | - | - | - | (10,390) | (10,390) |
| Transfer of other comprehensive income/(loss) to retained profits | - | - | 3 | - | (3) | - |
| Balance at the end of the period | 9,620 | 79,312 | 1,231 | 4,810 | 47,796 | 142,769 |

The accompanying notes form an integral part of these financial statements.

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

**INTERIM COMPANY CASH FLOW STATEMENT**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

| | For the six months ended 30 June 2026 (Unaudited) | For the six months ended 30 June 2025 (Unaudited) |
|---|---|---|
| **Cash flows from operating activities** | | |
| Refund of taxes and surcharges | - | 195 |
| Cash received relating to other operating activities | 903 | 242 |
| **Sub-total of cash inflows** | 903 | 437 |
| Cash paid to and on behalf of employees | (392) | (390) |
| Payments of taxes and surcharges | (57) | (135) |
| Cash paid relating to other operating activities | (304) | (283) |
| **Sub-total of cash outflows** | (753) | (808) |
| **Net cash flows from/(used in) operating activities** | 150 | (371) |
| **Cash flows from investing activities** | | |
| Cash received from disposal of investments | 4,395 | 8,920 |
| Cash received from returns on investments and interest income | 844 | 1,051 |
| Net cash received from disposal of subsidiaries and other business entities | - | 391 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | - | 1 |
| **Sub-total of cash inflows** | 5,239 | 10,363 |
| Cash paid to acquire investments | (5,482) | (8,943) |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | (42) | (85) |
| **Sub-total of cash outflows** | (5,524) | (9,028) |
| **Net cash flows (used in)/from investing activities** | (285) | 1,335 |
| **Cash flows from financing activities** | | |
| Increase in securities sold under agreements to repurchase, net | 240 | 40 |
| **Sub-total of cash inflows** | 240 | 40 |
| Cash payments for distribution of dividends, profits or interest expenses | (7) | (13) |
| Cash paid relating to other financing activities | (14) | (19) |
| **Sub-total of cash outflows** | (21) | (32) |
| **Net cash flows from financing activities** | 219 | 8 |
| **Effects of exchange rate changes on cash and cash equivalents** | (1,103) | (19) |
| **Net (decrease)/increase in cash and cash equivalents** | (1,019) | 953 |
| Add: Cash and cash equivalents at the beginning of the period | 18,645 | 5,163 |
| **Cash and cash equivalents at the end of the period** | 17,626 | 6,116 |

The accompanying notes form an integral part of these financial statements.

## I. GENERAL INFORMATION

China Pacific Insurance (Group) Co., Ltd. (the "Company") was restructured from China Pacific Insurance Co., Ltd. in October 2001 pursuant to the approval of the State Council of the People's Republic of China (the PRC) and Circular [2001] No. 239 issued by the former China Insurance Regulatory Commission (the "CIRC"). After the restructuring, the Company obtained a business licence (No. 1000001001110) on 24 October 2001 newly issued by the former State Administration for Industry and Commerce of the PRC, and had an original issued capital of RMB 2,006.39 million, with its registered address and headquarters in Shanghai. The Company increased its issued capital to RMB 6,700 million through issuance of new shares to its then existing shareholders and new shareholders in 2002 and from February to April 2007.

In December 2007, the Company conducted a public offering of 1,000 million A shares on the Shanghai Stock Exchange to increase its issued capital to RMB 7,700 million. On 25 December 2007, the Company's A shares were listed and traded on the Shanghai Stock Exchange.

In December 2009, the Company conducted a global offering of overseas listed foreign shares ("H shares"). Upon the completion of the H share offering, the issued capital was increased to RMB 8,600 million. On 23 December 2009, the Company's H shares were listed and traded on the Hong Kong Stock Exchange.

In November 2012, the Company conducted a non-public offering of 462 million H shares. Upon completion of the H share offering, the issued capital was increased to RMB 9,062 million, and the Company received the approval from the former CIRC in December 2012 for the change of its registered capital. The Company obtained the business licence (registration No. 100000000011107) on 5 February 2013. The Company renewed its business licence on 15 December 2015, and its unified social credit code is No. 91310000132211707B.

In June 2020, the Company issued 102,873,300 Global Depositary Receipts ("GDRs") on the London Stock Exchange (the "LSE") and became listed on the LSE. In July 2020, the Company further issued 8,794,991 GDRs. Each GDR represents five A shares of the Company. After the GDR issuance, the issued capital of the Company was increased to approximately RMB 9,620 million.

The authorised business scope of the Company includes investing in insurance enterprises; supervising and managing the domestic and overseas reinsurance businesses of subsidiaries and their utilisation of funds; and participating in approved international insurance activities. The principal activities of the Company and its subsidiaries (the "Group" or "CPIC Group") are property and casualty insurance businesses, life and health insurance businesses, pension and annuity insurance businesses, as well as investments with insurance funds, etc.

Major subsidiaries included in the consolidation scope in the current period are detailed in Note IV.

## II. BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with Accounting Standards for Business Enterprises - Basic Standards, the specific accounting standards promulgated and revised subsequently, the Guidelines for the Application of Accounting Standards for Business Enterprises, the Interpretation of Accounting Standards for Business Enterprises and other relevant provisions (hereinafter collectively referred to as “CASs”) promulgated by the Ministry of Finance of the People's Republic of China. These interim financial statements are presented and disclosed in accordance with the requirements of CAS No. 32 - Interim Financial Reporting promulgated by the Ministry of Finance of the People's Republic of China, Standard on the Content and Format of Information Disclosure by Companies Offering Securities to the Public No. 3 - Content and Format of Interim Reports (revised in 2025) promulgated by the China Securities Regulatory Commission (“CSRC”) and Appendix XVI of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Therefore, they do not include all information and disclosures in the annual financial statements.

The financial statements have been prepared on a going concern basis.

They have been prepared under the historical cost convention, other than financial instruments that have been measured at fair value, insurance contracts and reinsurance contracts held that have been measured primarily based on actuarial methods. If the assets are impaired, corresponding provisions for impairment shall be made according to relevant regulations.

The accounting policies applied in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2025. These financial statements should be read in conjunction with the Group's financial statements for 2025.

## III. TAXES

The main types of taxes and tax rates applicable to the Group in China are set out below:

| | | |
|---|---|---|
| Corporate income tax | - | 25% on its taxable income under current tax laws and relevant regulations |
| Value-added tax (“VAT”) | - | The taxable value-added amount (Tax payable is calculated using the taxable sales amount multiplied by the applicable tax rate less deductible VAT input of the current period) determined under current tax laws and relevant regulations, applicable tax rates: 3%, 5%, 6%, 9% or 13% |
| City maintenance and construction tax | - | 1%, 5% or 7% of the VAT actually paid |
| Educational supplementary tax | - | 3% of the VAT actually paid |
| Local educational supplementary tax | - | 2% of the VAT actually paid |

The main types of taxes and tax rates of payable by the Group with regard to its overseas businesses are paid in accordance with relevant regulations of local tax laws.

The taxes to be paid by the Group will be verified by relevant tax authorities.

## IV. SCOPE OF CONSOLIDATION

1. Particulars of the Company's incorporated subsidiaries as at 30 June 2026 are as follows:

| Name | Type of legal entity | Business scope and principal activities | Place of incorporation/ registration | Place of operations | Registered capital (RMB thousand, unless otherwise specified) | Issued capital /Paid-up capital (RMB thousand, unless otherwise specified) | Percentage of equity attributable to the Company (%) | | Percentage of voting rights attributable to the Company (%) | Note |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Direct | Indirect | | |
| China Pacific Property Insurance Co., Ltd. ("CPIC Property") | Joint stock limited company | Property and casualty insurance | Shanghai | The PRC | 19,948,088 | 19,948,088 | 98.50 | - | 98.50 | |
| China Pacific Life Insurance Co., Ltd. ("CPIC Life") | Joint stock limited company | Life and health insurance | Shanghai | The PRC | 8,628,200 | 8,628,200 | 98.29 | - | 98.29 | |
| Pacific Asset Management Co., Ltd. ("CPIC Asset Management") | Limited liability company | Investment management | Shanghai | Shanghai | 2,100,000 | 2,100,000 | 80.00 | 19.67 | 100.00 | |
| China Pacific Insurance Co., (H.K.) Ltd. ("CPIC H.K.") | Limited liability company | Property and casualty insurance | Hong Kong | Hong Kong | HKD 250,000 thousand | HKD 250,000 thousand | - | 98.50 | 100.00 | |
| Shanghai Pacific Insurance Real Estate Management Co., Ltd. ("CPIC Real Estate") | Limited liability company | Real estate management | Shanghai | Shanghai | 115,000 | 115,000 | 100.00 | - | 100.00 | |
| Changjiang Pension Insurance Co., Ltd. ("Changjiang Pension") | Joint stock limited company | Pension fund and insurance asset management | Shanghai | Shanghai | 3,000,000 | 3,000,000 | - | 61.10 | 62.16 | |
| CPIC Investment Management (H.K.) Company Limited ("CPIC Investment (H.K.)") | Limited liability company | Investment management | Hong Kong | Hong Kong | HKD 200,000 thousand | HKD 200,000 thousand | 12.25 | 87.46 | 100.00 | |
| City Island Developments Limited ("City Island") | Limited liability company | Investment holding | The British Virgin Islands | The British Virgin Islands | USD 50,000 | USD 1,000 | - | 98.29 | 100.00 | |
| Great Winwick Limited * | Limited liability company | Investment holding | The British Virgin Islands | The British Virgin Islands | USD 50,000 | USD 100 | - | 98.29 | 100.00 | |
| Great Winwick (Hong Kong) Limited * | Limited liability company | Investment holding | Hong Kong | Hong Kong | HKD 10,000 | HKD 1 | - | 98.29 | 100.00 | |
| Newscott Investments Limited * | Limited liability company | Investment holding | The British Virgin Islands | The British Virgin Islands | USD 50,000 | USD 100 | - | 98.29 | 100.00 | |
| Newscott (Hong Kong) Investments Limited * | Limited liability company | Investment holding | Hong Kong | Hong Kong | HKD 10,000 | HKD 1 | - | 98.29 | 100.00 | |

## IV. SCOPE OF CONSOLIDATION (continued)

1. Particulars of the Company's incorporated subsidiaries as at 30 June 2026 are as follows: (continued)

| Name | Type of legal entity | Business scope and principal activities | Place of incorporation/ registration | Place of operations | Registered capital (RMB thousand, unless otherwise specified) | Issued capital /Paid-up capital (RMB thousand, unless otherwise specified) | Percentage of equity attributable to the Company (%) Direct | Percentage of equity attributable to the Company (%) Indirect | Percentage of voting rights attributable to the Company (%) | Note |
|---|---|---|---|---|---|---|---|---|---|---|
| Shanghai Xin Hui Property Development Co., Ltd. * | Limited liability company | Real estate | Shanghai | Shanghai | USD 15,600 thousand | USD 15,600 thousand | - | 98.29 | 100.00 | |
| Shanghai He Hui Property Development Co., Ltd. * | Limited liability company | Real estate | Shanghai | Shanghai | USD 46,330 thousand | USD 46,330 thousand | - | 98.29 | 100.00 | |
| Pacific Insurance Online Services Technology Co., Ltd. ("CPIC Online Services") | Limited liability company | Consulting services, etc. | Shandong | The PRC | 200,000 | 200,000 | 100.00 | - | 100.00 | |
| Tianjin Trophy Real Estate Co., Ltd. | Limited liability company | Real estate | Tianjin | Tianjin | 353,690 | 353,690 | - | 98.29 | 100.00 | |
| Pacific Insurance Senior Living Investment Management Co., Ltd. ("CPIC Senior Living Investment") | Limited liability company | Senior living property investment, etc. | Shanghai | Shanghai | 5,000,000 | 5,000,000 | - | 98.29 | 100.00 | |
| Pacific Health Insurance Co., Ltd. ("CPIC Health") | Joint stock limited company | Health insurance | Shanghai | The PRC | 3,600,000 | 3,600,000 | 85.05 | 14.69 | 100.00 | |
| Pacific Anxin Agricultural Insurance Co., Ltd. ("PAAIC") | Joint stock limited company | Property and casualty insurance | Shanghai | The PRC | 1,080,000 | 1,080,000 | - | 66.76 | 67.78 | |
| Pacific Medical & Healthcare Management Co., Ltd. ("Pacific Medical & Healthcare") | Limited liability company | Medical consulting services, etc. | Shanghai | Shanghai | 2,200,000 | 2,200,000 | - | 98.29 | 100.00 | |
| Pacific Insurance Agency Co., Ltd. | Limited liability company | Insurance agency | Shanghai | Shanghai | 50,000 | 50,000 | - | 100.00 | 100.00 | |
| CPIC Fund Management Co., Ltd. ("CPIC Fund") | Limited liability company | Fund management | Shanghai | Shanghai | 150,000 | 150,000 | - | 50.83 | 51.00 | |
| CPIC Senior Living Development (Chengdu) Co., Ltd. ("Chengdu Project Company") | Limited liability company | Senior living property investment and construction, etc. | Chengdu | Chengdu | 1,083,475 | 1,083,475 | - | 98.29 | 100.00 | |
| CPIC Senior Living Development (Hangzhou) Co., Ltd. ("Hangzhou Project Company") | Limited liability company | Senior living property investment and construction, etc. | Hangzhou | Hangzhou | 1,200,000 | 1,100,000 | - | 98.29 | 100.00 | (1) |

## IV. SCOPE OF CONSOLIDATION (continued)

1. Particulars of the Company's incorporated subsidiaries as at 30 June 2026 are as follows: (continued)

| Name | Type of legal entity | Business scope and principal activities | Place of incorporation/ registration | Place of operations | Registered capital (RMB thousand, unless otherwise specified) | Issued capital /Paid-up capital (RMB thousand, unless otherwise specified) | Percentage of equity attributable to the Company (%) | | Percentage of voting rights attributable to the Company (%) | Note |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Direct | Indirect | | |
| CPIC Senior Living Development (Xiamen) Co., Ltd. | Limited liability company | Senior living property investment and construction, etc. | Xiamen | Xiamen | 900,000 | 900,000 | - | 98.29 | 100.00 | |
| Pacific Care Home (Chengdu) Senior Living Service Co., Ltd. | Limited liability company | Seniors care and health consultation, etc. | Chengdu | Chengdu | 60,000 | 43,000 | - | 98.29 | 100.00 | |
| CPIC Senior Living Development (Nanjing) Co., Ltd. ("Nanjing Project Company") | Limited liability company | Senior living property investment and construction, etc. | Nanjing | Nanjing | 702,000 | 702,000 | - | 98.29 | 100.00 | (2) |
| Pacific Care Home (Dali) Co., Ltd. | Limited liability company | "Migrant-style" senior living, etc. | Dali | Dali | 608,000 | 608,000 | - | 74.70 | 76.00 | |
| CPIC (Shanghai) Senior Care Development Co., Ltd. | Limited liability company | Senior living property investment and construction, etc. | Shanghai | Shanghai | 250,000 | 250,000 | - | 98.29 | 100.00 | |
| Pacific Care Home (Hangzhou) Senior Living Service Co., Ltd. | Limited liability company | Seniors care and health consultation, etc. | Hangzhou | Hangzhou | 60,000 | 42,200 | - | 98.29 | 100.00 | |
| CPIC Senior Living Development (Wuhan) Co., Ltd. | Limited liability company | Elderly service, real estate development and operation, etc. | Wuhan | Wuhan | 980,000 | 980,000 | - | 98.29 | 100.00 | |
| CPIC Capital Company Limited. ("CPIC Capital") | Limited liability company | Private equity investment fund management services | Shanghai | Shanghai | 100,000 | 100,000 | - | 99.67 | 100.00 | |
| Shanghai Chongming Pacific Care Home Senior Living Service Co., Ltd. | Limited liability company | "Migrant-style" senior living, etc. | Shanghai | Shanghai | 1,253,000 | 1,070,000 | - | 98.29 | 100.00 | |

## IV. SCOPE OF CONSOLIDATION (continued)

1. Particulars of the Company's incorporated subsidiaries as at 30 June 2026 are as follows: (continued)

| Name | Type of legal entity | Business scope and principal activities | Place of incorporation/ registration | Place of operations | Registered capital (RMB thousand, unless otherwise specified) | Issued capital /Paid-up capital (RMB thousand, unless otherwise specified) | Percentage of equity attributable to the Company (%) | | Percentage of voting rights attributable to the Company (%) | Note |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Direct | Indirect | | |
| Shanghai (Putuo) Pacific Care Home Senior Living Service Co., Ltd. | Limited liability company | Seniors care, nursing service and health consultation, etc. | Shanghai | Shanghai | 30,000 | 28,000 | - | 98.29 | 100.00 | |
| Beijing Borui Heming Insurance Agency Co., Ltd. | Limited liability company | Insurance agency | Beijing | The PRC | 52,000 | 52,000 | - | 98.29 | 100.00 | |
| China Pacific Life Insurance (H.K.) Company Limited ("CPIC Life (H.K.)") | Limited liability company | Life and health insurance | Hong Kong | Hong Kong | HKD 4,000,000 thousand | HKD 4,000,000 thousand | - | 98.29 | 100.00 | |
| CPIC Senior Living Development (Qingdao) Co., Ltd. | Limited liability company | Elderly service, real estate development and operation, etc. | Qingdao | Qingdao | 227,000 | 193,000 | - | 98.29 | 100.00 | |
| Pacific Care Home (Xiamen) Senior Living Service Co., Ltd. | Limited liability company | Seniors care and health consultation, etc. | Xiamen | Xiamen | 40,000 | 30,000 | - | 98.29 | 100.00 | |
| CPIC Senior Living Development (Zhengzhou) Co., Ltd. | Limited liability company | Elderly service, real estate development and operation, etc. | Zhengzhou | Zhengzhou | 650,000 | 650,000 | - | 98.29 | 100.00 | |
| CPIC Senior Living Development (Beijing) Co., Ltd. | Limited liability company | Elderly service, real estate development and operation, etc. | Beijing | Beijing | 800,000 | 800,000 | - | 98.29 | 100.00 | |
| Pacific Insurance Technology Co., Ltd. ("CPIC Technology") | Limited liability company | Technical services, cloud computing services, big data services | Shanghai | Shanghai | 700,000 | 700,000 | 100.00 | - | 100.00 | |
| Xinbaoyu (Guangzhou) Co., Ltd. ("Xinbaoyu") | Limited liability company | Business service, property management, and lease of non-residential real estate | Guangzhou | Guangzhou | 3,649,990 | 3,649,990 | - | 98.46 | 100.00 | (3) |
| Pacific Insurance Technology Services (Wuhan) Co., Ltd. | Limited liability company | Technical services, technical consulting services | Wuhan | Wuhan | 100,000 | 100,000 | - | 100.00 | 100.00 | |

## IV. SCOPE OF CONSOLIDATION (continued)

1. Particulars of the Company's incorporated subsidiaries as at 30 June 2026 are as follows: (continued)

| Name | Type of legal entity | Business scope and principal activities | Place of incorporation/ registration | Place of operations | Registered capital (RMB thousand, unless otherwise specified) | Issued capital /Paid-up capital (RMB thousand, unless otherwise specified) | Percentage of equity attributable to the Company (%) | | Percentage of voting rights attributable to the Company (%) | Note |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Direct | Indirect | | |
| Pacific Health Management (Sanya) Co., Ltd | Limited liability company | Elderly service, real estate development and operation, etc. | Sanya | Sanya | 490,000 | 490,000 | - | 98.29 | 100.00 | |
| Pacific Care Home (Nanjing) Senior Living Service Co., Ltd | Limited liability company | Seniors care and health consultation, etc. | Nanjing | Nanjing | 30,000 | 7,000 | - | 98.29 | 100.00 | |
| Shanghai (Jing'an) Pacific Care Home Senior Living Service Co., Ltd. | Limited liability company | "Migrant-style" senior living, etc. | Shanghai | Shanghai | 426,367 | 426,367 | - | 98.29 | 100.00 | |
| Pacific Care Home (Wuhan) Senior Living Service Co., Ltd | Limited liability company | Seniors care, nursing service and health consultation, etc. | Wuhan | Wuhan | 30,000 | 18,500 | - | 98.29 | 100.00 | |
| Xiamen Yuanshen Rehabilitation Hospital Co., Ltd. | Limited liability company | Medical service, hospital management, etc. | Xiamen | Xiamen | 160,000 | 160,000 | - | 98.29 | 100.00 | |
| Pacific Care Home (Suzhou) Senior Living Service Co., Ltd | Limited liability company | Seniors care and health consultation, etc. | Suzhou | Suzhou | 30,000 | 11,000 | - | 98.29 | 100.00 | |
| Pacific Care Home (Beijing) Senior Living Service Co., Ltd | Limited liability company | Seniors and disability care | Beijing | Beijing | 30,000 | 3,000 | - | 98.29 | 100.00 | |
| Pacific Care Home (Zhengzhou) Senior Living Service Co., Ltd | Limited liability company | Seniors and disability care | Zhengzhou | Zhengzhou | 45,000 | 10,000 | - | 98.29 | 100.00 | |
| CPIC Senior Living Development (Guangzhou) Co., Ltd. ("Guangzhou Project Company") | Limited liability company | Senior living property investment and construction, etc. | Guangzhou | Guangzhou | 830,000 | 548,000 | - | 98.29 | 100.00 | (4) |
| CPIC Senior Living Development (Suzhou) Co., Ltd. | Limited liability company | Elderly services, lease of real estate, etc. | Suzhou | Suzhou | 300,000 | 300,000 | - | 98.29 | 100.00 | |

## IV. SCOPE OF CONSOLIDATION (continued)

1. Particulars of the Company’s incorporated subsidiaries as at 30 June 2026 are as follows: (continued)

| Name | Type of legal entity | Business scope and principal activities | Place of incorporation/ registration | Place of operations | Registered capital (RMB thousand, unless otherwise specified) | Issued capital /Paid-up capital (RMB thousand, unless otherwise specified) | Percentage of equity attributable to the Company (%) | | Percentage of voting rights attributable to the Company (%) | Note |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Direct | Indirect | | |
| Jinan Yuanshen Rehabilitation Hospital Co., Ltd. (“Jinan Rehabilitation Hospital”) | Limited liability company | Medical service, hospital management, etc. | Jinan | Jinan | 260,000 | 174,000 | - | 98.29 | 100.00 | (5) |
| Shanghai Ruiyongjing Real Estate Development Co., Ltd. (“Ruiyongjing Real Estate”) | Limited liability company | Real estate development and operation, property management, etc. | Shanghai | Shanghai | 14,050,000 | 14,050,000 | - | 68.80 | 70.00 | |
| Pacific NanShanJu (Shanghai) Senior Care Service Co., Ltd. | Limited liability company | Seniors care, nursing service, etc. | Shanghai | Shanghai | 5,600 | 5,600 | - | 98.29 | 100.00 | |
| Pacific Care Home (Sanya) Senior Living Service Co., Ltd (“Pacific Care Home at Sanya”) | Limited liability company | Elderly services, lease of real estate, etc. | Sanya | Sanya | 30,000 | 19,000 | - | 98.29 | 100.00 | (6) |
| CPIC Zhiyuan (Shanghai) Private Equity Fund Management Co., Ltd (“CPIC Zhiyuan”) | Limited liability company | Private securities investment fund management service | Shanghai | Shanghai | 10,000 | 10,000 | - | 99.67 | 100.00 | |

* Subsidiaries of City Island

## IV. SCOPE OF CONSOLIDATION (continued)

1. Particulars of the Company's incorporated subsidiaries as at 30 June 2026 are as follows: (continued)

(1) Hangzhou Project Company

Hangzhou Project Company, a wholly-owned subsidiary funded by CPIC Life, with registered capital of RMB 1,200 million. As of 30 June 2026, the paid-up investment amount of CPIC Life had increased to RMB 1,100 million.

(2) Nanjing Project Company

Nanjing Project Company, a wholly-owned subsidiary funded by CPIC Life, with registered capital of RMB 702 million. As of 30 June 2026, CPIC Life has fully paid in the total investment amount.

(3) Xinbaoyu

Taibao Xinyi NO.1 Private Investment Fund (Shanghai) Partnership (Limited Partnership)("Taibao Xinyi NO.1") is one of consolidated structured entities of the Group. Xinbaoyu, a jointly-owned subsidiary funded by CPIC Capital and Taibao Xinyi NO.1, with original registered capital of RMB 3,650 million. On 15 June 2026, CPIC Capital reduced its subscribed capital contribution by RMB 10 thousand. Xinbaoyu updated the business license on 16 June 2026. After the change of Xinbaoyu's registered capital, Taibao Xinyi NO.1 as the sole shareholder of Xinbaoyu, with a total subscribed contribution of RMB 3,649.99 million, has fully paid in the total investment amount on 29 August 2022.

(4) Guangzhou Project Company

Guangzhou Project Company, a wholly-owned subsidiary funded by CPIC Life, with registered capital of RMB 830 million. As of 30 June 2026, the paid-up investment amount of CPIC Life had increased to RMB 548 million.

(5) Jinan Rehabilitation Hospital

Jinan Rehabilitation Hospital, a wholly-owned subsidiary funded by Pacific Medical & Healthcare, with registered capital of RMB 260 million. As of 30 June 2026, the paid-up investment amount of Pacific Medical & Healthcare had increased to RMB 174 million.

(6) Pacific Care Home at Sanya

Pacific Care Home at Sanya, a wholly-owned subsidiary funded by CPIC Senior Living Investment, with registered capital of RMB 30 million. As of 30 June 2026, the paid-up investment amount of CPIC Senior Living Investment had increased to RMB 19 million.

## IV. SCOPE OF CONSOLIDATION (continued)

2. As at 30 June 2026, material consolidated structured entities of the Group are as follows:

| Name | Collective holding by the Group (%) | Product scale (units in RMB thousand) | Nature of business |
|---|---|---|---|
| CPIC Zhiyuan No. 1 Private Securities Investment Fund | 100.00 | 19,776,709 | The fund's investment scope includes:<br>(1) Equity instruments: Stocks listed and traded on domestic securities exchanges (including private placements, excluding new share subscriptions), and stocks within the Hong Kong Connect eligibility list;<br>(2) Fixed income instruments: Cash, bank demand deposits, and bond general pledged repurchase agreements. |
| China Pacific Changhang Equity Investment Fund (Wuhan) Partnership (Limited Partnership) ("China Pacific Changhang") | 99.98 | 10,189,204 | Investing in equity investments, investment management and asset management activities with private funds (yet subject to related regulations of the Asset Management Association of China ("AMAC")) (except for projects subject to approval according to law, independently carry out business activities that are not prohibited or restricted by laws and regulations with business license). |
| CPIC Zengfu Annually Open Pure Debt Type Launching Securities Investment Fund | 100.00 | 8,062,610 | Investing in financial instruments with high liquidity including national bonds, government bonds, local treasury bonds, financial bonds, enterprise bonds, corporate bonds, Central Bank bills, medium term notes, short-term commercial paper, super short-term commercial paper, SME private debt, asset-backed security, subordinated debt, the debt part of the convertible bonds, bonds repo, bank deposits (including agreement deposits, notice deposits and term deposits), NCDs, money market instrument, treasury bond futures and other financial instruments that laws and regulations or the CSRC allow funds to invest (yet subject to related regulations of the CSRC). |
| CPIC Health Industry Private Investment Fund (Shanghai) Partnership (Limited Partnership) ("CPIC Health Fund") | 90.90 | 8,001,113 | Investing in equity investments, investment management and asset management activities with private funds (yet subject to related regulations of the AMAC). |
| CPIC Zengyu Annually Open Pure Debt Type Launching Securities Investment Fund | 91.69 | 5,851,609 | Investing in financial instruments with high liquidity including national bonds, government bonds, local treasury bonds, financial bonds, enterprise bonds, corporate bonds, Central Bank bills, medium term notes, short-term commercial paper, super short-term commercial paper, SME private debt, asset-backed security, subordinated debt, the debt part of the convertible bonds, bonds repo, bank deposits (including agreement deposits, notice deposits and term deposits), NCDs, money market instrument, treasury bond futures and other financial instruments that laws and regulations or the CSRC allow funds to invest (yet subject to related regulations of the CSRC). |

CPIC Fund, CPIC Capital and CPIC Zhiyuan, etc. are the asset managers of these consolidated structured entities included in the scope of the Group.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Cash at bank and on hand

| | | 30 June 2026 | | |
|---|---|---|---|---|
| | Currency | Original currency | Exchange rate | RMB |
| Bank deposits | RMB | 37,699 | 1.00000 | 37,699 |
| | USD | 751 | 6.81090 | 5,114 |
| | HKD | 17,198 | 0.86855 | 14,937 |
| | Others | | | 10 |
| | Subtotal | | | 57,760 |
| Other cash balances | RMB | 1,690 | 1.00000 | 1,690 |
| | Subtotal | | | 1,690 |
| Total | | | | 59,450 |

| | | 31 December 2025 | | |
|---|---|---|---|---|
| | Currency | Original currency | Exchange rate | RMB |
| Bank deposits | RMB | 37,854 | 1.00000 | 37,854 |
| | USD | 773 | 7.02880 | 5,433 |
| | HKD | 19,735 | 0.90322 | 17,825 |
| | Others | | | 3 |
| | Subtotal | | | 61,115 |
| Other cash balances | RMB | 1,674 | 1.00000 | 1,674 |
| | Subtotal | | | 1,674 |
| Total | | | | 62,789 |

As at 30 June 2026, the Group’s cash at bank and on hand deposited overseas amounted equivalent to RMB 3,863 million (31 December 2025: amounted equivalent to RMB 5,297 million). Under PRC’s foreign exchange regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business after obtaining approval from foreign exchange regulatory authorities.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

1. Cash at bank and on hand (continued)

As at 30 June 2026, RMB 9,328 million were time deposits with original maturity of no more than three months (31 December 2025: RMB 4,081 million).

As at 30 June 2026, RMB 335 million in the Group's cash at bank and on hand balance were restricted for special-purpose use (31 December 2025: RMB 288 million).

Bank deposits comprise current deposits and short-term time deposits. Current deposits earn interest at rates based on daily bank deposit rates. Short-term time deposits are made for varying periods between one day and three months depending on the immediate cash requirements of the Group, and earn interest at respective short-term time deposit rates. The bank balances and deposits are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash at bank and on hand approximate their fair values.

2. Securities purchased under agreements to resell

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Securities - bonds | | |
| Inter-bank market | 31,902 | 18,795 |
| Stock exchange | 15,548 | 5,717 |
| Subtotal | 47,450 | 24,512 |
| Less: Impairment provisions | - | - |
| Total | 47,450 | 24,512 |

The Group does not sell or re-pledge the collateral underlying the securities purchased under agreements to resell.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

3. Term deposits

| Term to maturity | 30 June 2026 | 31 December 2025 |
|---|---|---|
| At amortised cost | | |
| Within 3 months (inclusive) | 2,760 | 5,181 |
| 3 months to 1 year (inclusive) | 11,018 | 7,262 |
| 1 to 2 years (inclusive) | 4,339 | 9,797 |
| 2 to 3 years (inclusive) | 13,032 | 3,302 |
| 3 to 4 years (inclusive) | 8,860 | 11,910 |
| 4 to 5 years (inclusive) | 4,382 | 10,618 |
| Less: Impairment provisions | (20) | (29) |
| Fair value through other comprehensive income | | |
| Within 3 months (inclusive) | 10,951 | 2,587 |
| 3 months to 1 year (inclusive) | 25,257 | 26,077 |
| 1 to 2 years (inclusive) | 26,670 | 27,744 |
| 2 to 3 years (inclusive) | 40,613 | 22,219 |
| 3 to 4 years (inclusive) | 20,641 | 37,798 |
| 4 to 5 years (inclusive) | 33,550 | 22,844 |
| Including: | | |
| Amortised cost | 155,717 | 137,358 |
| Accumulated changes in fair value | 1,965 | 1,911 |
| Total | 202,053 | 187,310 |

As at 30 June 2026, the impairment provision recognised for term deposits at fair value through other comprehensive income was RMB 69 million (31 December 2025: RMB 108 million).

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

4. Financial assets at fair value through profit or loss

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Listed | 267,218 | 249,761 |
| Unlisted | 488,718 | 465,107 |
| Total | 755,936 | 714,868 |
| Bonds | 282,973 | 272,353 |
| Government bonds | 3,335 | 4,919 |
| Finance bonds | 260,783 | 245,192 |
| Enterprise bonds | 18,855 | 22,242 |
| Stocks | 242,545 | 212,808 |
| Funds | 84,610 | 84,887 |
| Unlisted equity shares investments | 78,583 | 72,334 |
| Debt investment plans | 35,720 | 35,795 |
| Investment in asset management products | 16,640 | 24,586 |
| Others | 14,865 | 12,105 |
| Total | 755,936 | 714,868 |

5. Financial assets at amortised cost

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Listed | 2,963 | 3,112 |
| Unlisted | 45,604 | 51,429 |
| Subtotal | 48,567 | 54,541 |
| Less: Impairment provisions | (1,927) | (1,940) |
| Net value | 46,640 | 52,601 |
| Bonds | 18,695 | 18,726 |
| Government bonds | 17,624 | 17,385 |
| Enterprise bonds | 1,071 | 1,341 |
| Debt investment plans | 25,693 | 30,461 |
| Investment trust | 1,223 | 1,363 |
| Others | 2,956 | 3,991 |
| Subtotal | 48,567 | 54,541 |
| Less: Impairment provisions | (1,927) | (1,940) |
| Net value | 46,640 | 52,601 |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

6. Debt investments at fair value through other comprehensive income

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Listed | 85,339 | 75,021 |
| Unlisted | 1,748,338 | 1,697,057 |
| Total | 1,833,677 | 1,772,078 |
| Bonds | 1,647,974 | 1,564,577 |
| Government bonds | 1,401,546 | 1,330,002 |
| Finance bonds | 86,426 | 89,064 |
| Enterprise bonds | 160,002 | 145,511 |
| Debt investment plans | 132,229 | 150,039 |
| Investment trust | 13,703 | 15,854 |
| Preferred shares | 33,035 | 33,847 |
| Others | 6,736 | 7,761 |
| Total | 1,833,677 | 1,772,078 |
| Including: | | |
| Amortised cost | 1,646,563 | 1,605,701 |
| Accumulated changes in fair value | 187,114 | 166,377 |

As at 30 June 2026, the impairment provision for the Group's debt investment at fair value through other comprehensive income was RMB 3,244 million (31 December 2025: RMB 4,039 million).

7. Equity investments at fair value through other comprehensive income

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Stocks | 128,752 | 124,846 |
| Preferred shares | 8,225 | 8,705 |
| Perpetual bonds | 9,118 | 9,699 |
| Others | 32,365 | 32,911 |
| Total | 178,460 | 176,161 |
| Including: | | |
| Cost | 175,775 | 156,736 |
| Accumulated changes in fair value | 2,685 | 19,425 |

The equity investments at fair value through other comprehensive income, designated by the Group, are non-trading equity investments with the primary objective of being held for a long time or obtaining dividends during the holding period.

For the six months ended 30 June 2026, the Group disposed equity investments at fair value through other comprehensive income of RMB 7,317 million (For the six months ended 30 June 2025: RMB 9,926 million) because of the optimisation of asset allocation and asset and liability management. The amount transferred from other comprehensive income/(loss) to retained profits was RMB 1,096 million (For the six months ended 30 June 2025: RMB 425 million) due to the disposals, etc.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

8. Long-term equity investments

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Joint ventures | 41 | 43 |
| Associates | | |
| Taijiashan Health Industry Equity Investment Fund (Shanghai) LLP. ("Taijiashan") | 3,605 | 3,343 |
| Yangtze River Delta Synergy Industry Investment Fund | 2,260 | 2,124 |
| Shanghai Sci-Tech Innovation Centre Capital II LLP. | 1,830 | 1,669 |
| Shanghai Hi-Tech Park United Development Co., Ltd. | 1,824 | 1,826 |
| Shanghai Xingqi Hengtai Enterprise Management Partnership (Limited Partnership) | 956 | 956 |
| Zhongbao Rongxin Private Equity Fund Co., Ltd. | 924 | 889 |
| Shanghai Lingang GLP International Logistics Development Co., Ltd. | 902 | 915 |
| Shanghai Biomedical Industry Equity Investment Fund LLP. | 745 | 817 |
| Others | 2,241 | 2,034 |
| Subtotal | 15,287 | 14,573 |
| Total | 15,328 | 14,616 |

9. Restricted statutory deposits

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| CPIC Property | 3,989 | 3,989 |
| CPIC Life | 1,726 | 1,726 |
| CPIC Health | 920 | 720 |
| PAAIC | 530 | 260 |
| Subtotal | 7,165 | 6,695 |
| Add: Interest receivables | 156 | 207 |
| Less: Impairment provisions | (2) | (2) |
| Total | 7,319 | 6,900 |

In accordance with relevant provision of Insurance Law of the PRC, CPIC Property, CPIC Life, CPIC Health and PAAIC should place 20% of their issued capital as restricted statutory deposits, respectively.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

10. Other assets

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Other receivables | 11,522 | 11,406 |
| Leasehold improvements | 836 | 951 |
| Others | 4,974 | 3,699 |
| Total | 17,332 | 16,056 |

11. Securities sold under agreements to repurchase

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Securities - bonds | | |
| Inter-bank market | 152,338 | 195,923 |
| Stock exchange | 17,757 | 23,007 |
| Total | 170,095 | 218,930 |

As at 30 June 2026, the Group’s bonds with par value of approximately RMB 158,994 million (31 December 2025: approximately RMB 206,540 million) were pledged for the inter-bank securities sold under agreements to repurchase.

As at 30 June 2026, the Group’s standard bonds with par value of approximately RMB 17,753 million (31 December 2025: approximately RMB 23,003 million) were pledged for the stock exchange securities sold under agreements to repurchase.

Securities sold under agreements to repurchase are generally repurchased within 12 months from the date the securities are sold.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

12. Bonds payable

On 9 March 2023, CPIC Property issued a 10-year capital replenishment bond with a total face value of RMB 7 billion in the interbank market. CPIC Property has a conditional option to redeem the bond at the end of the fifth interest-bearing year. The capital replenishment bond pays interest at an initial coupon rate of 3.72% per annum. If CPIC Property does not exercise the early redemption option, the annual coupon rate for the next five years would increase to 4.72% from the sixth interest-bearing year to the maturity of the debt.

On 3 April 2023, CPIC Property issued a 10-year capital replenishment bond with a total face value of RMB 3 billion in the interbank market. CPIC Property has a conditional option to redeem the bond at the end of the fifth interest-bearing year. The capital replenishment bond pays interest at an initial coupon rate of 3.55% per annum. If CPIC Property does not exercise the early redemption option, the annual coupon rate for the next five years would increase to 4.55% from the sixth interest-bearing year to the maturity of the debt.

On 18 September 2025, the Company publicly issued the 5-year zero coupon convertible bonds due 2030 in the aggregate principal amount of HKD 15.556 billion on The Stock Exchange of Hong Kong Limited (the "Convertible Bonds"). Subject to the terms and conditions, the bondholders may exercise their rights to convert the Convertible Bonds into the Company’s H-shares at the stipulated conversion price at any time on or after the 41st day after the issue date up to the close of business on the date falling seven working days prior to the maturity date. Under certain conditions, the Convertible Bonds have the cash settlement option, issuer’s redemption option and bondholders’ redemption option. The initial conversion price was HKD 39.04 per H share. The conversion price of the Convertible Bonds shall be adjusted in accordance with the adjustment mechanisms and calculation formulas stipulated in the terms.

| Issuer | 31 December 2025 | Issuance | Amortisation of bond premium or discount | Interest accrued in the period | Interest payment/ reimbursement in the period | Others | 30 June 2026 |
|---|---|---|---|---|---|---|---|
| The Company | 12,391 | - | 162 | - | - | (478) | 12,075 |
| CPIC Property | 10,287 | - | - | 183 | (367) | - | 10,103 |
| Total | 22,678 | - | 162 | 183 | (367) | (478) | 22,178 |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

13. Insurance contract liabilities/(assets)

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

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Insurance contract liabilities | | |
| Liabilities for remaining coverage | 2,515,624 | 2,356,563 |
| Including: Excluding loss component | 2,500,503 | 2,341,068 |
| Loss component | 15,121 | 15,495 |
| Liabilities for incurred claims | 115,627 | 110,044 |
| Total insurance contract liabilities | 2,631,251 | 2,466,607 |
| Net liabilities of insurance contracts | 2,631,251 | 2,466,607 |

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

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Insurance contract liabilities | | |
| Present value of future cash flows | 2,084,965 | 1,938,661 |
| Risk adjustment for non-financial risk | 22,661 | 22,211 |
| Contractual service margin | 368,779 | 356,842 |
| Total insurance contract liabilities | 2,476,405 | 2,317,714 |
| Net liabilities of insurance contracts | 2,476,405 | 2,317,714 |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

13. Insurance contract liabilities/(assets) (continued)

The impact on the balance sheet of insurance contracts not measured under the premium allocation approach that were initially recognised in the period is as follows:

| | For the six months ended 30 June 2026 | | |
|---|---|---|---|
| | Group of onerous contracts initially recognised in the period | Others | Total |
| Insurance acquisition cash flows | 401 | 11,320 | 11,721 |
| Others | 21,666 | 107,723 | 129,389 |
| Present value of future cash outflows | 22,067 | 119,043 | 141,110 |
| Present value of future cash inflows | (21,761) | (131,770) | (153,531) |
| Risk adjustment for non-financial risk | 47 | 471 | 518 |
| Contractual service margin | - | 12,256 | 12,256 |
| Impact of insurance contracts initially recognised in the current period | 353 | - | 353 |

| | For the six months ended 30 June 2025 | | |
|---|---|---|---|
| | Group of onerous contracts initially recognised in the period | Others | Total |
| Insurance acquisition cash flows | 1,529 | 8,977 | 10,506 |
| Others | 39,426 | 79,572 | 118,998 |
| Present value of future cash outflows | 40,955 | 88,549 | 129,504 |
| Present value of future cash inflows | (40,262) | (101,186) | (141,448) |
| Risk adjustment for non-financial risk | 341 | 874 | 1,215 |
| Contractual service margin | - | 11,763 | 11,763 |
| Impact of insurance contracts initially recognised in the current period | 1,034 | - | 1,034 |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

14. Reinsurance contract assets/(liabilities)

The analysis of reinsurance contract assets for remaining coverage and for incurred claims is as follows:

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Reinsurance contract assets | | |
| Assets for remaining coverage | 18,331 | 18,652 |
| Including: Excluding loss-recovery component | 16,967 | 17,338 |
| Loss-recovery component | 1,364 | 1,314 |
| Assets for incurred claims | 27,766 | 29,094 |
| Total reinsurance contract assets | 46,097 | 47,746 |
| Net assets of reinsurance contract | 46,097 | 47,746 |

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

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Reinsurance contract assets | | |
| Present value of future cash flows | 12,239 | 12,429 |
| Risk adjustment for non-financial risk | 274 | 246 |
| Contractual service margin | 2,894 | 2,791 |
| Total reinsurance contract assets | 15,407 | 15,466 |
| Net assets of reinsurance contract | 15,407 | 15,466 |

15. Issued capital

Shares of the Company as well as the percentages of shareholding are shown below:

| | As at 1 January 2026 | | Increase/(Decrease) of number of shares | | As at 30 June 2026 | |
|---|---|---|---|---|---|---|
| | Number of shares | Percentage of shareholding | Newly issued | Others | Number of shares | Percentage of shareholding |
| I. Shares with trading restrictions | | | | | | |
| Shares held by domestic non-state owned legal persons | - | 0% | - | - | - | 0% |
| Subtotal | - | 0% | - | - | - | 0% |
| II. Shares without trading restrictions | | | | | | |
| Ordinary shares denominated in RMB | 6,844 | 71% | - | - | 6,844 | 71% |
| Foreign shares listed overseas | 2,776 | 29% | - | - | 2,776 | 29% |
| Subtotal | 9,620 | 100% | - | - | 9,620 | 100% |
| III. Total | 9,620 | 100% | - | - | 9,620 | 100% |

As at 30 June 2026, the number of shares which the Company issued and fully paid at RMB 1 each is 9,620 million. As at 31 December 2025, the number of shares which the Company issued and fully paid at RMB 1 each is 9,620 million.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

16. Capital reserves

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Capital premium | 79,008 | 79,008 |
| Impact of capital injection to subsidiaries, etc. | 2,105 | 2,105 |
| Impact of equity transactions with non-controlling interests | (131) | (131) |
| Impact of other changes in the equity of investees accounted for using the equity method | 317 | 336 |
| Redistribution of cumulative changes in fair value of available-for-sale financial assets when purchasing equity from non-controlling interests | (1,413) | (1,413) |
| Impact of phased business combinations | 28 | 28 |
| Impact of capital invested by other equity instrument holders | (3) | (3) |
| Others | 2 | 2 |
| Total | 79,913 | 79,932 |

Capital reserves mainly represent share premiums from issuance of shares and the deemed disposal of an equity interest in CPIC Life to certain foreign investors in December 2005, and the subsequent repurchase of the shares mentioned above in the same subsidiary by the Company in April 2007. In addition, the Company issued GDRs and listed them on the LSE in 2020 which also increased the capital reserves.

17. Surplus reserves

| | Statutory surplus reserve (the "SSR") |
|---|---|
| 1 January 2025 and 31 December 2025 | 5,114 |
| Appropriations | - |
| 30 June 2026 | 5,114 |

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

18. General reserves

In accordance with relevant regulations, general risk provisions should be made to cover catastrophic risks or losses as incurred by companies engaged in the insurance, banking, trust, securities, futures, fund management, leasing and financial guarantee businesses. Companies undertaking insurance activities are required to set aside 10% of their net profit to general reserves, while companies undertaking asset management activities are required to set aside 10% of their management fee income to the risk reserves until the balance reaches 1% of the balance of products under management.

In accordance with relevant regulations, as part of the profit distribution and as presented in their annual financial statements, the Group's subsidiaries engaged in the above-mentioned businesses make appropriations to their general reserves on the basis of their annual net profit, year-end risk assets or management fee income from products under management where appropriate. Such general reserves cannot be used for dividends distribution or conversion to capital.

19. Profit distribution and retained profits

According to the Articles of Association of the Company, the amount of retained profits available for distribution of the Company should be the amount determined under CASs, or determined under CASs if permissible by local rules where the Company is listed. According to the Articles of Association of the Company and applicable laws and regulations, the Company's profit distribution is made the following order:

(1) Making up for losses brought forward from prior years;
(2) Appropriating to SSR at 10% of the net profit;
(3) Making appropriation to the discretionary surplus reserve ("DSR") in accordance with the resolution of the Shareholders' Meeting; and
(4) Paying dividends to shareholders.

The Company can cease the appropriation to SSR when SSR accumulates to more than 50% of the registered capital. The SSR may be used to make up for losses, if any, and, subject to the approval of the Shareholders' Meeting, may also be converted into registered capital to make to fund an issue of new shares to shareholders on a proportionate basis. However, the conversion of SSR to capital should not bring the retained SSR to below 25% of the registered capital.

The balance of SSR reached 50% of the respective registered capital. The Company did not set aside SSR for the six months ended 30 June 2026.

After making necessary appropriations to the SSR, the Company and its subsidiaries in the PRC may also appropriate a portion of their net profit to the DSR upon the approval of the Shareholders' Meetings. Subject to the approval of the shareholders, the DSR may be used to offset accumulated losses, if any, and may be converted into registered capital. The Company did not set aside DSR for the six months ended 30 June 2026.

Pursuant to the resolution of the 21st meeting of the 10th Board of Directors of the Company held on 26 March 2026, a final dividend of approximately RMB 11,063 million (equivalent to annual cash dividend of RMB 1.15 per share (including tax)) was proposed. The profit distribution plan was approved by the Shareholders' Meeting on 10 June 2026.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

19. Profit distribution and retained profits(continued)

According to the resolution of the Shareholders' Meeting, Board of Directors of the Company is authorized to formulate the company's mid-term profit distribution plan for 2026 and implement it within the specified period, provided that the conditions for profit distribution are met. According to the resolution of the 25th meeting of the 10th Board of Directors of the Company on August 27, 2026, a mid-term dividend of approximately RMB 4,041 million (RMB 0.42 per share (including tax)) will be distributed for 2026.

20. Insurance revenue

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| **Insurance contracts not measured under the premium allocation approach** | | |
| Amounts relating to the changes in the liability for remaining coverage: | 30,301 | 30,296 |
| Amortisation of contractual service margin | 13,807 | 13,105 |
| Changes in the risk adjustment for non-financial risk | 556 | 544 |
| Insurance service expenses expected to be incurred in the period | 15,353 | 15,739 |
| Experience adjustments for premium receipts that relate to current or past services | 585 | 908 |
| Amortisation of insurance acquisition cash flows | 10,595 | 10,885 |
| **Subtotal of insurance contracts not measured under the premium allocation approach** | 40,896 | 41,181 |
| **Insurance contracts measured under the premium allocation approach** | 102,400 | 100,643 |
| **Total of insurance revenue** | 143,296 | 141,824 |

21. Interest income

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Interest income of debt investments at fair value through other comprehensive income | 25,659 | 24,446 |
| Interest income of term deposits | 3,036 | 3,021 |
| Interest income of financial assets at amortised cost | 958 | 1,179 |
| Interest income of securities purchased under agreements to resell | 102 | 95 |
| Interest income of restricted statutory deposits | 92 | 101 |
| Others | 276 | 219 |
| Total | 30,123 | 29,061 |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

22. Investment income

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Realised gains/(losses) | | |
| Financial instruments held for trading and other financial instruments at fair value through profit or loss | 17,266 | 4,739 |
| Debt investments at fair value through other comprehensive income | 3,421 | 2,327 |
| Long-term equity investments | - | 1,603 |
| Derivatives | 38 | (48) |
| Gains during the holding period | | |
| Financial instruments held for trading and other financial instruments at fair value through profit or loss | 8,553 | 9,746 |
| Dividend income from equity investments at fair value through other comprehensive income | 3,667 | 3,449 |
| Share of profits/(losses) of associates and joint ventures | 686 | (145) |
| Total | 33,631 | 21,671 |

As at the balance sheet date, there was no significant restriction on the repatriation of the Group's investment income.

23. Gains arising from changes in fair value

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Stock investments | (8,729) | 2,588 |
| Bond investments | 3,892 | (1,368) |
| Fund investments | 4,205 | 3,915 |
| Derivatives | 1,282 | 21 |
| Others | 2,335 | 700 |
| Total | 2,985 | 5,856 |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

24. Other operating income

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Income from management fee | 1,410 | 1,258 |
| Rental income from investment properties | 425 | 311 |
| Others | 462 | 349 |
| Total | 2,297 | 1,918 |

25. Insurance service expenses

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Insurance contracts not measured under the premium allocation approach | | |
| Incurred claims and other expenses in the period | 13,831 | 14,502 |
| Amortisation of insurance acquisition cash flows | 10,595 | 10,885 |
| Recognition and reversals of loss component | 851 | 1,769 |
| Changes in fulfilment cash flows related to liabilities for incurred claims | (1,497) | (965) |
| Subtotal | 23,780 | 26,191 |
| Insurance contracts measured under the premium allocation approach | | |
| Incurred claims and other expenses in the period | 74,640 | 73,502 |
| Amortisation of insurance acquisition cash flows | 23,771 | 23,652 |
| Recognition and reversals of loss component | (171) | (868) |
| Changes in fulfilment cash flows related to liabilities for incurred claims | (2,949) | (2,308) |
| Subtotal | 95,291 | 93,978 |
| Total | 119,071 | 120,169 |

26. Interest expenses

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Securities sold under agreements to repurchase | 1,341 | 1,815 |
| Debt | 349 | 187 |
| Interest expenses on lease liabilities | 18 | 37 |
| Others | 188 | 178 |
| Total | 1,896 | 2,217 |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

27. Operating and administrative expenses

The Group's operating and administrative fee details by item are as follows:

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Payroll and welfare benefits | 10,883 | 10,707 |
| Professional service fees | 3,482 | 3,256 |
| Advertising expenses (including business publicity expenses) | 3,400 | 3,007 |
| Outsourcing service fees | 1,466 | 1,568 |
| Insurance security funds withdrawal | 1,351 | 1,432 |
| General office and travel expenses | 905 | 988 |
| Depreciation of fixed assets | 648 | 595 |
| Amortisation of intangible assets | 567 | 578 |
| Depreciation of right-of-use assets | 400 | 516 |
| Property management fees | 345 | 359 |
| Consulting fees | 312 | 251 |
| Labour costs | 245 | 281 |
| Amortisation of other long-term assets | 191 | 196 |
| Short-term and low-value assets leasing fees | 33 | 11 |
| Others | 2,595 | 2,135 |
| Subtotal | 26,823 | 25,880 |
| Less: Insurance acquisition cash flows incurred in the period | (17,649) | (17,047) |
| Other insurance fulfilment cash flows incurred in the period | (5,730) | (5,371) |
| Total | 3,444 | 3,462 |

28. Impairment losses on financial assets

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Impairment loss of debt investments at fair value through other comprehensive income | (57) | 117 |
| Impairment loss of financial assets at amortised cost | (13) | (129) |
| Impairment loss of term deposits | (48) | 22 |
| Impairment loss of others | 116 | 4 |
| Total | (2) | 14 |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

29. Other operating expenses

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Depreciation of investment properties | 425 | 194 |
| Interest expenses for policyholders' investment contract liabilities | 45 | 56 |
| Others | 552 | 342 |
| Total | 1,022 | 592 |

30. Income tax

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Current income tax | 3,668 | 3,182 |
| Deferred income tax | (669) | 271 |
| Total | 2,999 | 3,453 |

The relationship between income tax expenses and profit before tax is shown below:

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Profit before tax | 34,653 | 32,259 |
| Taxes calculated at the statutory tax rate of 25% | 8,663 | 8,065 |
| Income tax adjustment for prior years | 84 | 109 |
| Non-taxable income | (5,651) | (5,232) |
| Non-deductible expenses | 266 | 287 |
| Others | (363) | 224 |
| Income tax calculated at applicable tax rates | 2,999 | 3,453 |

The income tax of the Group is provided at applicable tax rate in accordance with the estimated taxable income obtained in Mainland China. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

### 31. Other comprehensive income/(loss)

| | Other comprehensive income/(loss) in balance sheet | | | Other comprehensive income/(loss) in income statement | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1 January 2026 | Attributable to the Company - net of tax | 30 June 2026 | Amount incurred before income tax | Less: Recognised in other comprehensive income/(loss) in previous period but transferred to profit or loss in current period | Less: Recognised in other comprehensive income/(loss) in previous period but transferred to retained profits in current period | Less: Income tax | Attributable to the Company - net of tax | Attributable to non-controlling interests - net of tax |
| Other comprehensive income/(loss) that will not be reclassified to profit or loss | 11,888 | (9,375) | 2,513 | (11,437) | - | (940) | 2,859 | (9,375) | (143) |
| Changes in the fair value of equity investments at fair value through other comprehensive income | 14,328 | (12,321) | 2,007 | (15,222) | - | (1,096) | 3,805 | (12,321) | (192) |
| Insurance finance income/(expenses) for insurance contracts issued that will not be reclassified to profit or loss | (2,440) | 2,946 | 506 | 3,785 | - | 156 | (946) | 2,946 | 49 |
| Other comprehensive income/(loss) that will be reclassified to profit or loss | (29,278) | 5,795 | (23,483) | 11,669 | (3,748) | - | (2,020) | 5,795 | 106 |
| Share of other comprehensive income/(loss) that will be reclassified to profit or loss of investees accounted for using the equity method | (119) | (33) | (152) | (44) | - | - | 11 | (33) | - |
| Changes in the fair value of debt instruments at fair value through other comprehensive income | 124,756 | 15,256 | 140,012 | 23,572 | (2,872) | - | (5,175) | 15,256 | 269 |
| Changes in provisions for credit risks of debt instruments at fair value through other comprehensive income | 3,164 | (615) | 2,549 | (96) | (738) | - | 209 | (615) | (10) |
| Exchange differences on translation of foreign operations | 38 | (152) | (114) | (155) | - | - | - | (152) | (3) |
| Insurance finance income/(expenses) for insurance contracts issued that will be reclassified to profit or loss | (157,125) | (8,656) | (165,781) | (11,603) | (138) | - | 2,935 | (8,656) | (150) |
| Insurance finance income/(expenses) for reinsurance contracts held that will be reclassified to profit or loss | 8 | (5) | 3 | (5) | - | - | - | (5) | - |
| Total | (17,390) | (3,580) | (20,970) | 232 | (3,748) | (940) | 839 | (3,580) | (37) |

(All amounts expressed in RMB million unless otherwise specified)

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

### 31. Other comprehensive income/(loss) (continued)

| | Other comprehensive income/(loss) in balance sheet | | | Other comprehensive income/(loss) in income statement | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1 January 2025 | Attributable to the Company - net of tax | 30 June 2025 | Amount incurred before income tax | Less: Recognised in other comprehensive income/(loss) in previous period but transferred to profit or loss in current period | Less: Recognised in other comprehensive income/(loss) in previous period but transferred to retained profits in current period | Less: Income tax | Attributable to the Company - net of tax | Attributable to non-controlling interests - net of tax |
| Other comprehensive income/(loss) that will not be reclassified to profit or loss | 5,191 | 1,173 | 6,364 | 1,970 | - | (275) | (492) | 1,173 | 30 |
| Changes in the fair value of equity investments at fair value through other comprehensive income | 7,457 | 1,428 | 8,885 | 2,518 | - | (425) | (629) | 1,428 | 36 |
| Insurance finance income/(expenses) for insurance contracts issued that will not be reclassified to profit or loss | (2,266) | (255) | (2,521) | (548) | - | 150 | 137 | (255) | (6) |
| Other comprehensive income/(loss) that will be reclassified to profit or loss | 9,726 | (28,480) | (18,754) | (36,167) | (2,355) | - | 9,544 | (28,480) | (498) |
| Share of other comprehensive income/(loss) that will be reclassified to profit or loss of investees accounted for using the equity method | (97) | - | (97) | - | - | - | - | - | - |
| Changes in the fair value of debt instruments at fair value through other comprehensive income | 181,397 | 5,298 | 186,695 | 9,686 | (2,502) | - | (1,796) | 5,298 | 90 |
| Changes in provisions for credit risks of debt instruments at fair value through other comprehensive income | 3,260 | 101 | 3,361 | 138 | (2) | - | (34) | 101 | 1 |
| Exchange differences on translation of foreign operations | 83 | (17) | 66 | (17) | - | - | - | (17) | - |
| Insurance finance income/(expenses) for insurance contracts issued that will be reclassified to profit or loss | (174,881) | (33,895) | (208,776) | (46,019) | 149 | - | 11,386 | (33,895) | (589) |
| Insurance finance income/(expenses) for reinsurance contracts held that will be reclassified to profit or loss | (36) | 33 | (3) | 45 | - | - | (12) | 33 | - |
| Total | 14,917 | (27,307) | (12,390) | (34,197) | (2,355) | (275) | 9,052 | (27,307) | (468) |

## V. NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

32. Earnings per share

(1) Basic earnings per share

Basic earnings per share was calculated by dividing the net profit of the current period attributable to the shareholders of the parent by the weighted average number of ordinary shares issued by the Company.

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Consolidated net profit for the period attributable to shareholders of the parent | 30,775 | 27,885 |
| Weighted average number of ordinary shares in issue (million shares) | 9,620 | 9,620 |
| Basic earnings per share (RMB Yuan) | 3.20 | 2.90 |

(2) Diluted earnings per share

Assuming the HKD 15,556 million zero coupon convertible bonds issued by the Company in 2025 have been converted, diluted earnings per share is calculated by dividing the adjusted consolidated net profit for the period attributable to shareholders of the parent by the adjusted weighted average number of ordinary shares in issue. For the six months ended 30 June 2025, there were no dilutive potential ordinary shares.

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Consolidated net profit for the period attributable to shareholders of the parent | 30,775 | 27,885 |
| Add: Interest expense and exchange (gains)/losses related to convertible bonds (after tax),net | (237) | - |
| Add: (Gains)/losses from changes in fair value of the conversion right of the convertible bonds (after tax) | (944) | - |
| Adjusted consolidated net profit for the period attributable to shareholders of the parent | 29,594 | 27,885 |
| Weighted average number of ordinary shares in issue (million shares) | 9,620 | 9,620 |
| Add: Weighted average number of ordinary shares assuming full conversion of the convertible bonds (million shares) | 415 | - |
| Adjusted weighted average number of ordinary shares in issue (million shares) | 10,035 | 9,620 |
| Diluted earnings per share (RMB Yuan) | 2.95 | 2.90 |

33. Cash and cash equivalents

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Cash: | | |
| Cash at bank readily available for payments | 57,419 | 60,824 |
| Other cash balances readily available for payments | 1,690 | 1,674 |
| Cash equivalents: | | |
| Investments with an initial term within 3 months | 47,446 | 24,508 |
| Total | 106,555 | 87,006 |

## VI. SEGMENT INFORMATION

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

For management purpose, the Group is organised into business units based on their products and services. Different operating segments provide products and services with different risks and rewards.

The Group's operating segments are listed as follows:

- The life and health insurance segment (mainly including CPIC Life, CPIC Health and CPIC Life (H.K.)) offers a wide range of life and health insurance in RMB and foreign currencies;
- The property and casualty insurance segment (including CPIC Property, PAAIC and CPIC H.K.) provides a wide range of property and casualty insurance in RMB and foreign currencies;
- The asset management segment (including CPIC Asset Management, Changjiang Pension, CPIC Investment (H.K.), CPIC Fund, CPIC Capital and CPIC Zhiyuan) provides asset-management services;
- Except for the above business segments, other business segments have no material impact on the Group's operating results and are therefore not presented separately.

Intersegment sales and transfers are measured based on the actual transaction price.

More than 99% of the Group's revenue is derived from its operations in Mainland China. More than 99% of the Group's assets are located in Mainland China.

(All amounts expressed in RMB million unless otherwise specified)

## VI. SEGMENT INFORMATION (continued)

| | For the six months ended 30 June 2026 | | | | |
|---|---|---|---|---|---|
| Items | Life and health insurance | Property and casualty insurance | Asset management | Others and eliminations | Total |
| Insurance revenue | 45,179 | 98,409 | - | (292) | 143,296 |
| Interest income | 27,155 | 2,181 | 106 | 681 | 30,123 |
| Investment income | 35,360 | 1,874 | 28 | (3,631) | 33,631 |
| Including: Share of profits/(losses) of associates and joint ventures | 6,073 | 15 | 3 | (5,405) | 686 |
| Other income | 23 | 66 | 38 | 10 | 137 |
| (Losses)/gains arising from changes in fair value | (4,059) | (582) | 35 | 7,591 | 2,985 |
| Exchange losses | (131) | (46) | - | (173) | (350) |
| Other operating income | 556 | 144 | 1,974 | (377) | 2,297 |
| Gains on disposal of assets | 4 | 15 | - | (2) | 17 |
| Operating income | 104,087 | 102,061 | 2,181 | 3,807 | 212,136 |
| Insurance service expenses | (28,465) | (90,888) | - | 282 | (119,071) |
| Allocation of reinsurance premiums | (907) | (8,023) | - | 244 | (8,686) |
| Less: Recoveries of insurance service expenses from reinsurers | 460 | 6,706 | - | (189) | 6,977 |
| Insurance finance expenses for insurance contracts issued | (47,643) | (1,099) | - | (1,165) | (49,907) |
| Less: Reinsurance finance income for reinsurance contracts held | 267 | 250 | - | (5) | 512 |
| Others | (2,884) | (1,446) | (1,083) | (1,856) | (7,269) |
| Operating expenses | (79,172) | (94,500) | (1,083) | (2,689) | (177,444) |
| Operating profit | 24,915 | 7,561 | 1,098 | 1,118 | 34,692 |
| Add: Non-operating income | 5 | 42 | - | 1 | 48 |
| Less: Non-operating expenses | (26) | (29) | (3) | (29) | (87) |
| Profit before tax | 24,894 | 7,574 | 1,095 | 1,090 | 34,653 |
| Less: Income tax | (586) | (1,549) | (263) | (601) | (2,999) |
| Net profit for the period | 24,308 | 6,025 | 832 | 489 | 31,654 |

(All amounts expressed in RMB million unless otherwise specified)

## VI. SEGMENT INFORMATION (continued)

| | For the six months ended 30 June 2026 | | | | |
|---|---|---|---|---|---|
| Items | Life and health insurance | Property and casualty insurance | Asset management | Others and eliminations | Total |
| Supplementary information: | | | | | |
| Capital expenditure | 89 | 214 | 29 | 506 | 838 |
| Depreciation and amortisation | 810 | 711 | 105 | 790 | 2,416 |
| Impairment losses on financial assets | (90) | 97 | (5) | (4) | (2) |
| As at 30 June 2026 | | | | | |
| Long-term equity investments | 150,357 | 247 | 11 | (135,287) | 15,328 |
| Financial assets* | 2,465,641 | 172,255 | 10,392 | 166,439 | 2,814,727 |
| Reinsurance contract assets | 15,418 | 31,351 | - | (672) | 46,097 |
| Term deposits | 160,239 | 30,313 | - | 11,501 | 202,053 |
| Others | 88,278 | 35,397 | 4,982 | 72,529 | 201,186 |
| Segment assets | 2,879,933 | 269,563 | 15,385 | 114,510 | 3,279,391 |
| Insurance contract liabilities | 2,472,005 | 159,876 | - | (630) | 2,631,251 |
| Bonds payable | - | 10,103 | - | 12,075 | 22,178 |
| Securities sold under agreements to repurchase | 162,536 | 300 | 948 | 6,311 | 170,095 |
| Others | 58,658 | 25,857 | 4,230 | 16,276 | 105,021 |
| Segment liabilities | 2,693,199 | 196,136 | 5,178 | 34,032 | 2,928,545 |

*Financial assets include financial assets at fair value through profit or loss, derivative financial assets, financial assets at amortised cost, debt investments at fair value through other comprehensive income and equity investments at fair value through other comprehensive income.

(All amounts expressed in RMB million unless otherwise specified)

## VI. SEGMENT INFORMATION (continued)

| | For the six months ended 30 June 2025 | | | | |
|---|---|---|---|---|---|
| Items | Life and health insurance | Property and casualty insurance | Asset management | Others and eliminations | Total |
| Insurance revenue | 43,882 | 98,193 | - | (251) | 141,824 |
| Interest income | 25,882 | 2,222 | 111 | 846 | 29,061 |
| Investment income | 18,515 | 1,326 | 28 | 1,802 | 21,671 |
| Including: Share of profits/(losses) of associates and joint ventures | 88 | 15 | 1 | (249) | (145) |
| Other income | 27 | 41 | 15 | 23 | 106 |
| Gains arising from changes in fair value | 4,859 | 816 | 37 | 144 | 5,856 |
| Exchange gains/(losses) | 7 | (1) | - | (19) | (13) |
| Other operating income | 560 | 136 | 1,761 | (539) | 1,918 |
| Gains on disposal of assets | 55 | 18 | - | - | 73 |
| Operating income | 93,787 | 102,751 | 1,952 | 2,006 | 200,496 |
| Insurance service expenses | (27,978) | (92,413) | - | 222 | (120,169) |
| Allocation of reinsurance premiums | (317) | (7,251) | - | 278 | (7,290) |
| Less: Recoveries of insurance service expenses from reinsurers | 232 | 6,184 | - | (171) | 6,245 |
| Insurance finance expenses for insurance contracts issued | (40,208) | (812) | - | 322 | (40,698) |
| Less: Reinsurance finance income for reinsurance contracts held | 532 | 189 | - | (6) | 715 |
| Others | (3,419) | (1,376) | (1,051) | (1,181) | (7,027) |
| Operating expenses | (71,158) | (95,479) | (1,051) | (536) | (168,224) |
| Operating profit | 22,629 | 7,272 | 901 | 1,470 | 32,272 |
| Add: Non-operating income | 4 | 26 | - | 6 | 36 |
| Less: Non-operating expenses | (14) | (26) | (4) | (5) | (49) |
| Profit before tax | 22,619 | 7,272 | 897 | 1,471 | 32,259 |
| Less: Income tax | (1,648) | (1,553) | (203) | (49) | (3,453) |
| Net profit for the period | 20,971 | 5,719 | 694 | 1,422 | 28,806 |

(All amounts expressed in RMB million unless otherwise specified)

## VI. SEGMENT INFORMATION (continued)

| | For the six months ended 30 June 2025 | | | | |
|---|---|---|---|---|---|
| Items | Life and health insurance | Property and casualty insurance | Asset management | Others and eliminations | Total |
| Supplementary information: | | | | | |
| Capital expenditure | 51 | 719 | 41 | 829 | 1,640 |
| Depreciation and amortisation | 910 | 728 | 107 | 410 | 2,155 |
| Impairment losses on financial assets | 81 | (40) | - | (27) | 14 |
| As at 31 December 2025 | | | | | |
| Long-term equity investments | 143,744 | 231 | 8 | (129,367) | 14,616 |
| Financial assets* | 2,383,600 | 161,183 | 9,889 | 161,041 | 2,715,713 |
| Reinsurance contract assets | 15,646 | 32,879 | - | (779) | 47,746 |
| Term deposits | 141,382 | 31,320 | - | 14,608 | 187,310 |
| Others | 69,839 | 31,384 | 4,957 | 73,202 | 179,382 |
| Segment assets | 2,754,211 | 256,997 | 14,854 | 118,705 | 3,144,767 |
| Insurance contract liabilities | 2,314,906 | 152,475 | - | (774) | 2,466,607 |
| Bonds payable | - | 10,287 | - | 12,391 | 22,678 |
| Securities sold under agreements to repurchase | 210,497 | 1,043 | 1,159 | 6,231 | 218,930 |
| Others | 54,907 | 22,822 | 2,789 | 21,810 | 102,328 |
| Segment liabilities | 2,580,310 | 186,627 | 3,948 | 39,658 | 2,810,543 |

*Financial assets include financial assets at fair value through profit or loss, derivative financial assets, financial assets at amortised cost, debt investments at fair value through other comprehensive income and equity investments at fair value through other comprehensive income.

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1. Major related parties

The Company's major related parties comprise:

(1) Subsidiaries of the Company;
(2) Investors who exert significant influence on the Company;
(3) Joint ventures and associates of the Company;
(4) Key management personnel of the Company and close family members of such individuals;
(5) Enterprise annuity fund established by the Group; and
(6) Legal entities or other organisations other than the Company and its holding subsidiaries, in which the Company's associated natural persons serve as directors and senior management personnel.

Except for being controlled by the state together with the Company, an enterprise that has no other related party relations with the Company is not a related party to the Company.

2. Related party relationships

(1) Related parties controlled by the Company

Related parties controlled by the Company are mainly subsidiaries of the Company. Their basic information and relationships with the Company are set out in Note IV.

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

### 2. Related party relationships (continued)

### (2) Other major related parties

| Name of entity | Relationship with the Company |
|---|---|
| Hwabao Investments Co., Ltd. | Shareholder with over 5% voting rights of the Company |
| Shenergy (Group) Company Limited | Shareholder with over 5% voting rights of the Company |
| Shanghai State-Owned Assets Operation Co., Ltd. | Shareholder with over 5% voting rights of the Company |
| China Baowu Steel Group Corporation Limited | Parent company of shareholders holding over 5% voting rights of the Company |
| Shanghai International Group Co., Ltd. | Parent company of shareholders holding over 5% voting rights of the Company |
| Baoshan Iron & Steel Co., Ltd. | Subsidiary of parent company of shareholders holding over 5% voting rights of the Company |
| Baowu Carbon Technology Co., Ltd. | Subsidiary of parent company of shareholders holding over 5% voting rights of the Company |
| Shanghai Baoxin Software Co., Ltd. | Subsidiary of parent company of shareholders holding over 5% voting rights of the Company |
| Taiyuan Iron & Steel (Group) Co., Ltd. | Subsidiary of parent company of shareholders holding over 5% voting rights of the Company |
| Hwabao WP Fund Management Co., Ltd. | Subsidiary of parent company of shareholders holding over 5% voting rights of the Company |
| Shanghai International Group Asset Management Co., Ltd. | Subsidiary of parent company of shareholders holding over 5% voting rights of the Company |
| Hainan Shenergy New Energy Co., Ltd. | Subsidiary of shareholders holding over 5% voting rights of the Company |
| Shanghai Gas Co., Ltd. | Subsidiary of shareholders holding over 5% voting rights of the Company |
| Shenergy Company Limited | Subsidiary of shareholders holding over 5% voting rights of the Company |
| Shanghai LNG Company Ltd. | Subsidiary of shareholders holding over 5% voting rights of the Company |
| Shanghai Binjiang-Xiangrui Investment and Construction Co., Ltd. (“Binjiang-Xiangrui”) | Joint venture of the Company |
| Pacific Euler Hermes Insurance Sales Co., Ltd. (“Euler Hermes”) | Joint venture of the Company |
| Shanghai Juche Information Technology Co., Ltd. (“Juche”) | Associate of the Company |
| Zhongdao Automobile Rescue Industry Co., Ltd. (“Zhongdao”) | Associate of the Company |
| Shanghai Shantai Healthcare and Technology Company Limited (“Shantai Healthcare”) | Associate of the Company |
| Hangzhou Dayu Internet Technology Co., Ltd. (“Dayu Technology”) | Associate of the Company |
| The Company’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Property’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Life’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Asset Management’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Online Services’ enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Health’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Senior Living Investment’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| PAAIC’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Real Estate’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| Pacific Medical & Healthcare’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Fund’s enterprise annuity plan | Enterprise annuity fund established by the Group |
| Pacific Insurance Agency enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Technology enterprise annuity plan | Enterprise annuity fund established by the Group |
| CPIC Capital enterprise annuity plan | Enterprise annuity fund established by the Group |
| Hwabao Trust Co., Ltd. | Company of which the Group’s related natural persons serve as directors or senior management personnel |

(All amounts expressed in RMB million unless otherwise specified)

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

3. Major transactions with related parties

3.1 Major transactions between the Group and related parties

The transaction amount for the period was calculated since the entity was identified as a related party of the Group.

(1) Sale of insurance contracts

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Hainan Shenergy New Energy Co., Ltd. | 8 | - |
| Baoshan Iron & Steel Co., Ltd. | 7 | 24 |
| Shenergy Company Limited | 5 | 5 |
| Shanghai Gas Co., Ltd. | 1 | 2 |
| Shanghai International Group Co., Ltd. | 1 | 1 |
| Shanghai International Group Asset Management Co., Ltd. | 1 | 1 |
| Shanghai LNG Company Ltd. | 1 | 1 |
| China Baowu Steel Group Corporation Limited | - | 5 |
| Taiyuan Iron & Steel (Group) Co., Ltd. | - | 2 |
| Shanghai State-Owned Assets Operation Co., Ltd. | - | 1 |
| Baowu Carbon Technology Co., Ltd. | - | 1 |
| Shanghai Baoxin Software Co., Ltd. | - | 1 |
| Total | 24 | 44 |

Sale of insurance contracts to shareholders who individually own more than 5% of voting rights of the Company and the shareholders' parent company was RMB 1 million for the six months ended 30 June 2026 (For the six months ended 30 June 2025: RMB 7 million).

The Group's above related party transactions were entered into based on normal commercial terms during the normal course of insurance business. For the six months ended 30 June 2026 and 30 June 2025, the proportion of the scale premium of related parties to the total scale premium of the Group's was less than 1%.

(All amounts expressed in RMB million unless otherwise specified)

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

3. Major transactions with related parties (continued)

3.1 Major transactions between the Group and related parties (continued)

(2) Fund subscription and redemption transactions

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Hwabao WP Fund Management Co., Ltd. [Note1] | 199 | 125 |

(3) Transaction of asset management products

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Hwabao Trust Co., Ltd. [Note1] | 259 | 8 |

Note1: The subscription and redemption transactions of funds between the Group and Hwabao WP Fund Management Co., Ltd., and the asset management products transactions between the Group and Hwabao Trust Co., Ltd. constitute continuing connected transactions as stipulated under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and are subject to the requirements for reporting and announcement but exempt from the independent shareholders' approval requirements. The Group has complied with the applicable requirements under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

(4) Distribution of cash dividends

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Shenergy (Group) Company Limited | 1,618 | 1,513 |
| Hwabao Investments Co., Ltd. | 1,477 | 1,387 |
| Shanghai State-Owned Assets Operation Co., Ltd. | 758 | 705 |
| Total | 3,853 | 3,605 |

Distribution of cash dividends to shareholders who individually own more than 5% of voting rights of the Company was RMB 3,853 million for the six months ended 30 June 2026 ( For the six months ended 30 June 2025: RMB 3,605 million).

(All amounts expressed in RMB million unless otherwise specified)

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

3. Major transactions with related parties (continued)

3.1 Major transactions between the Group and related parties (continued)

(5) Remuneration of key management

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Salary and other benefits | 10 | 11 |

(6) The related party transactions between the Group and the established enterprise annuity funds during the periods are as follows:

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Contribution to the enterprise annuity plans | 376 | 329 |

(7) The major related party transactions between the Group and joint ventures during the periods are as follows:

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Binjiang-Xiangrui | | |
| Fees for leasing office buildings of Binjiang-Xiangrui | 37 | 38 |
| Ruiyongjing Real Estate[Note2] | | |
| Fees for leasing office buildings of Ruiyongjing Real Estate | - | 59 |
| Grant loans | - | 347 |
| Loan interests | - | 151 |
| Euler Hermes | | |
| Purchase services | 15 | 15 |

Note2: For the six months ended 30 June 2025, Ruiyongjing Real Estate was a joint venture of the Group. Ruiyongjing Real Estate has become a subsidiary of the Group since 30 June 2025.

(8) The major related party transactions between the Group and associates during the periods are as follows:

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Purchase services | | |
| Zhongdao | 108 | 101 |
| Shantai Healthcare | 73 | 46 |
| Juche | 48 | 57 |
| Dayu Technology | 5 | - |
| Total | 234 | 204 |

(All amounts expressed in RMB million unless otherwise specified)

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

3. Major transactions with related parties (continued)

3.2 Major transactions between the Company and related parties

(1) The major related party transactions between the Company and subsidiaries during the periods are as follows:

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Purchase of insurance contracts | | |
| CPIC Health | 6 | - |
| CPIC Property | 4 | 3 |
| Total | 10 | 3 |
| Rental income from office buildings | | |
| CPIC Property | 50 | 47 |
| CPIC Technology | 15 | 15 |
| Changjiang Pension | 6 | 3 |
| CPIC Life | 5 | 5 |
| CPIC Senior Living Investment | 2 | 2 |
| Pacific Medical & Healthcare | 2 | 2 |
| CPIC Health | 1 | 1 |
| CPIC Asset Management | 1 | 1 |
| Total | 82 | 76 |
| Income from shared centre services | | |
| CPIC Property | 24 | 28 |
| CPIC Life | 22 | 19 |
| CPIC Asset Management | 2 | 2 |
| CPIC Health | 2 | 2 |
| CPIC Technology | 1 | 1 |
| CPIC Online Services | 1 | 1 |
| CPIC Senior Living Investment | 1 | 1 |
| Total | 53 | 54 |
| Rental income from equipment leasing | | |
| CPIC Technology | 71 | 58 |
| Asset management fee | | |
| CPIC Asset Management | 17 | 14 |
| Technology service fee | | |
| CPIC Technology | 147 | 150 |
| Medical examination fee | | |
| CPIC Health | 3 | - |
| Commission fee | | |
| CPIC Real Estate | 7 | 4 |

(All amounts expressed in RMB million unless otherwise specified)

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

3. Major transactions with related parties (continued)

3.2 Major transactions between the Company and related parties (continued)

(1) The major related party transactions between the Company and subsidiaries during the periods are as follows: (continued)

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Rental fees | | |
| CPIC Life | 1 | 1 |
| CPIC Property | 1 | 1 |
| Xinbaoyu | 1 | 1 |
| Total | 3 | 3 |
| Text messaging service fee | | |
| CPIC Technology | 1 | 1 |
| Publicity expenses | | |
| CPIC Technology | 1 | - |
| Dividend income from subsidiaries | | |
| CPIC Life | 8,820 | 6,869 |
| CPIC Property | 2,947 | 3,144 |
| CPIC Asset Management | 465 | 382 |
| CPIC Online Services | 50 | - |
| CPIC Technology | 38 | 24 |
| CPIC Real Estate | 9 | 18 |
| Total | 12,329 | 10,437 |
| Proceeds from disposal of subsidiaries | | |
| CPIC Property | - | 167 |

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

3. Major transactions with related parties (continued)

3.2 Major transactions between the Company and related parties (continued)

(1) The major related party transactions between the Company and subsidiaries during the periods are as follows: (continued)

The rental income from office buildings charged by the Company from CPIC Property, CPIC Technology, CPIC Life, Changjiang Pension, CPIC Senior Living Investment, CPIC Health, CPIC Asset Management and Pacific Medical & Healthcare is determined at the price negotiated by both parties. The income from shared centre services charged by the Company from CPIC Life, CPIC Property, CPIC Asset Management, CPIC Health, CPIC Technology, CPIC Senior Living Investment and CPIC Online Services is based on the cost of the service provider and distributed in the proportion mutually agreed by both parties. The rental income from equipment leasing charged by the Company from CPIC Technology is determined at the price negotiated by both parties. The asset management fee charged by CPIC Asset Management to the Company is determined by considering the type of entrusted assets, the size of the entrusted assets and the actual operating costs. The technology service fee charged by CPIC Technology to the Company is determined at the price negotiated by both parties. The commission fee charged by CPIC Real Estate to the Company is determined at the price negotiated by both parties. The medical examination fee incurred between the Company and CPIC Health is determined at the price negotiated by both parties. The rental fees of the office building incurred among the Company, CPIC Property, CPIC Life and Xinbaoyu are determined at the price negotiated by both parties. The text messaging service fee charged by CPIC Technology to the Company is determined at the price negotiated by both parties. The publicity expenses charged by CPIC Technology to the Company are determined at the price negotiated by both parties.

(2) The major related party transactions between the Company and other related party of the Group during the periods are as follows:

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Fees for leasing office buildings | | |
| Binjiang-Xiangrui | 26 | 26 |

(All amounts expressed in RMB million unless otherwise specified)

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

4. Receivables from and payables to related parties

(1) Receivables and payables between the Company and its subsidiaries are as follows:

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Dividends receivable | | |
| CPIC Life | 8,820 | - |
| CPIC Property | 2,947 | - |
| CPIC Asset Management | 465 | - |
| CPIC Technology | 38 | - |
| CPIC Real Estate | 9 | - |
| Total | 12,279 | - |
| Other receivables | | |
| CPIC Life | 119 | 95 |
| CPIC Technology | 99 | 48 |
| CPIC Property | 88 | 45 |
| CPIC Health | 4 | 3 |
| CPIC Asset Management | 3 | 3 |
| CPIC Senior Living Investment | 2 | 1 |
| Changjiang Pension | 5 | 7 |
| CPIC Online Services | 1 | 1 |
| Pacific Medical & Healthcare | 1 | - |
| Total | 322 | 203 |
| Other payables | | |
| CPIC Technology | 126 | 123 |
| CPIC Asset Management | 50 | 33 |
| Xinbaoyu | 8 | 6 |
| CPIC Real Estate | 2 | 4 |
| CPIC Property | 1 | - |
| CPIC Life | 1 | - |
| CPIC Capital | - | 3 |
| Total | 188 | 169 |

(All amounts expressed in RMB million unless otherwise specified)

## VII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

4. Receivables from and payables to related parties (continued)

(2) Receivables and payables between the Group and its joint ventures are as follows:

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Other receivables | | |
| Binjiang-Xiangrui | 1,772 | 1,772 |
| Other payables | | |
| Binjiang-Xiangrui | 383 | 354 |

The receivable due from Binjiang-Xiangrui is interest-free with no determined maturity date.

## VIII. CONTINGENCIES

In light of the nature of the insurance business, the Group makes estimates for contingencies and legal proceedings in the ordinary course of business, both in the capacity as plaintiff or defendant in litigation and as claimant or respondent in arbitration proceedings. Legal proceedings mostly involve claims on the Group's insurance policies. Provisions have been made for the probable losses to the Group, including those claims where the management can reasonably estimate the outcome of the litigations taking into account legal advice, if any. No provision is made for contingencies and legal proceedings when the outcome cannot be reasonably estimated by the management or the probability of loss is extremely low.

In addition to the legal proceedings of the above natures, as at 30 June 2026, the Group was the defendant in certain pending litigations. Provisions were made for the possible losses based on estimates by the Group and the Group would only be contingently liable for any claim that is in excess of the provision made. No provision was made for contingencies and legal proceedings when the outcome cannot be reasonably estimated by the management or the probability of loss is extremely low.

(All amounts expressed in RMB million unless otherwise specified)

## IX. COMMITMENTS

1. Major projects with capital commitments

| | | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| Capital commitments | | | |
| Contracted, but not provided for | (1)(2)(3)(4)(5) | 11,782 | 15,807 |
| Authorised, but not contracted for | (1) | 757 | 2,779 |
| | | 12,539 | 18,586 |

As at 30 June 2026, major projects with capital commitments were as follows:

(1) CPIC Life and CPIC Senior Living Investment obtained the use rights of 15 parcels of land located at Wenjiang District in Chengdu, Sichuan, etc., and set up 15 project companies named Chengdu Project Company, etc., accordingly as the owners of the land use rights to parcels of land and construction development subjects for the construction project “CPIC Home”. As at 30 June 2026, the cumulative amount incurred amounted to approximately RMB 728 million to projects still in progress. Of the balance, approximately RMB 1,227 million was disclosed as a capital commitment contracted but not provided for and approximately RMB 757 million was disclosed as a capital commitment authorised but not contracted for.

(2) CPIC Life and a third party jointly established Taijiashan. The total investment of this project is approximately RMB 5,050 million. Among which CPIC Life subscribed capital contribution of RMB 5,000 million, accounted for 99.01% of the capital. As at 30 June 2026, CPIC Life has cumulatively made a capital contribution of RMB 3,150 million. Of the balance, RMB 1,850 million was disclosed as a capital commitment contracted but not provided for.

(3) CPIC Life and CPIC Capital together subscribed 99.99% of the shares of Nanjing Taibao Xinhui Zhiyuan Equity Investment Fund Management Partnership (Limited Partnership) (“Xinhui Zhiyuan”). As at 30 June 2026, Xinhui Zhiyuan has invested in 11 equity investment funds with a total subscribed contribution of RMB 7,209 million, paid-in contribution of approximately RMB 4,176 million, and uncontributed capital of approximately RMB 3,033 million, which was listed as a capital commitment contracted but not provided for.

(4) CPIC Life and CPIC Capital together subscribed 99.98% of the shares of China Pacific Changhang. As at 30 June 2026, China Pacific Changhang has invested in 1 listed equity and 2 unlisted equity and 33 equity investment funds (not including consolidated structured entities included in the scope of the Group) with a total subscribed contribution of RMB 10,239 million, paid-in contribution of RMB 8,642 million, and uncontributed capital of RMB 1,597 million, which was listed as a capital commitment contracted but not provided for.

(5) The Company, CPIC Life and CPIC Capital together subscribed 90.90% of the shares of CPIC Health Fund. As at 30 June 2026, CPIC Health Fund has invested in 30 equity investment funds (excluding consolidated structured entities included in the scope of the Group), with a total subscribed contribution of RMB 6,697 million, paid-in contribution of approximately RMB 5,755 million, and uncontributed capital of approximately RMB 942 million, which was listed as capital commitments contracted but not provided for.

(All amounts expressed in RMB million unless otherwise specified)

## IX. COMMITMENTS (continued)

2. Operating lease rental receivables

The Group leases its investment properties under various rental agreements. Future minimum lease receivables under non-cancellable operating leases are as follows:

| | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Within 1 year (inclusive) | 739 | 757 |
| 1 to 2 years (inclusive) | 613 | 675 |
| 2 to 3 years (inclusive) | 463 | 462 |
| 3 to 5 years (inclusive) | 511 | 507 |
| Over 5 years | 76 | 151 |
| | 2,402 | 2,552 |

## X. RISK MANAGEMENT

1. Insurance risk

(1) Category of insurance risk and concentration of insurance risk

The risk under an insurance contract arises from the possibility of occurrence of an insured event and the uncertainty of the amount as well as time of any resulting claim. The major risk the Group faces under such contracts is that the actual claims payments and the costs of claims settlement exceed the carrying amount of insurance contract reserves, which are affected by factors such as claim frequency, severity of claim, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

Insurance risk could occur due to any of the following factors:

Occurrence risk - the possibility that the number of insured events will differ from that expected;

Severity risk - the possibility that the cost of the events will differ from that expected;

Development risk - the possibility that changes may occur in the amount of an insurer’s obligation at the end of the contract period.

The above risk exposure is mitigated by the diversification across a large portfolio of insurance contracts. The variability of risks is also reduced by careful selection and implementation of underwriting strategy and guidelines, as well as the use of reinsurance arrangements.

The businesses of the Group mainly comprise long-term life insurance contracts (mainly including life insurance and long-term health insurance), short-term life insurance contracts (mainly including short-term health insurance and accident insurance) and property and casualty insurance contracts. For contracts where death is the insured risk, the significant factors that could increase the overall frequency of claims are epidemics, widespread changes in lifestyle and natural disasters, resulting in earlier or more claims than expected. For contracts where survival is the insured risk, the most significant factor is continued improvement in medical science and social conditions that would increase longevity. For property and casualty insurance contracts, claims are often affected by natural disasters, calamities, terrorist attacks, etc.

## X. RISK MANAGEMENT (continued)

1. Insurance risk (continued)

(1) Category of insurance risk and concentration of insurance risk (continued)

Currently, the Group's insurance risk does not vary significantly in relation to the locations of the risks insured by the Group whilst undue concentration by amounts could have an impact on the severity of benefit payments on a portfolio basis.

There would be no significant mitigating terms and conditions that reduce the insured risk accepted for contracts with fixed and guaranteed benefits and fixed future premiums. Meanwhile, insurance risk is also affected by the policyholders' rights to terminate the contract, to pay reduced premiums, to refuse to pay premiums or to avail the guaranteed annuity option. Thus, the resultant insurance risk is subject to the policyholders' behaviour and decisions.

In order to manage insurance risks more effectively, the Group manages insurance risks through reinsurance to reduce the effect of potential losses to the Group. Three major types of reinsurance agreements, ceding on a quota share basis or a surplus basis or excess reinsurance, are usually used to cover insurance liability risk, with retention limits varying by product line and territory. The reinsurance contract basically covers all insurance contracts with risk liability. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders. The Group's placement of reinsurance is diversified such that neither it is dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

(2) Assumptions

Long-term life insurance contracts

Material judgement is required in choosing discount rate assumption, insurance incident occurrence rate assumption (mainly including mortality and morbidity), surrender rate assumption, expense assumption and policy dividend assumption relating to long-term life insurance contracts. These measurement assumptions are based on current information available at the balance sheet date.

Property and casualty and short-term life insurance contracts

The calculation for liability for incurred claims is based on the Group's past claim development experience, including assumptions in respect of average claim costs, claim expenses, inflation factors and number of claims for each accident period. Additional qualitative judgement is used to assess the extent to which past trends may not apply in the future (for example, changes in external factors such as one-off events, public attitudes to claims, market factors such as economic conditions, judicial decisions and government legislation, as well as changes in internal factors such as portfolio mix, policy conditions and claims handling procedures).

Other key assumptions include risk adjustment for non-financial risk, delays in settlement, etc.

## X. RISK MANAGEMENT (continued)

2. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk principally comprises three types of risks, namely interest rate risk arising from market interest rates, price risk arising from market prices and currency risk arising from foreign exchange rates.

The following policies and procedures are in place to mitigate the Group's exposure to market risk:

- A market risk policy of the Group setting out the assessment and determination of what constitutes market risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the Risk Compliance Committee of the Group. The policy is reviewed regularly by the management of the Group for pertinence and for changes in the risk environment.

(1) Currency risk

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates.

Since the Group operates principally in Mainland China, the Group has only limited exposure to currency risk, which arises primarily from certain insurance policies denominated in foreign currencies, bank deposits and common stocks, etc. denominated in the foreign currency.

(2) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group's interest risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and floating rate instruments. The policy also requires it to manage the maturity of interest-bearing financial assets and interest-bearing financial liabilities. Interest on floating rate instruments is generally repriced once a year. Interest on fixed rate instruments is priced on initial recognition of related financial instruments and remains constant until maturity date.

The Group is not exposed to significant concentration risks.

(3) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), regardless of whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group's price risk policy requires it to manage such risk by setting and monitoring investment objectives, adopting related strategies and managing fluctuations arising from price risk in operating performance.

Financial investments exposed to market price risk mainly consist of stocks and equity investment funds under financial assets at fair value through profit or loss and equity investments at fair value through other comprehensive income.

## X. RISK MANAGEMENT (continued)

3. Credit risk

Credit risk is the risk that one party to a financial instrument or an insurance contract will cause a financial loss to the other party by failing to discharge an obligation.

The Group is exposed to credit risks primarily associated with deposit arrangements with commercial banks, financial assets at amortised cost, debt investments at fair value through other comprehensive income, securities purchased under agreements to resell, reinsurance contract assets and other assets.

Due to the restriction of the National Financial Regulatory Administration, majority of the Group's financial assets are government bonds, government institutional bonds, enterprise bonds, term deposits, debt investment plans and wealth management products. Term deposits are placed with national commercial banks or comparatively sound financial institutions, and most of enterprise bonds, debt investment plans and wealth management products are guaranteed by qualified institutions. Hence, the related credit risk of the investment should be regarded as relatively low. Meanwhile, the Group will perform credit assessments and risk appraisals for each investment before signing contracts, and determine to invest in those programs released by highly rated issuers and project initiators.

For securities purchased under agreements to resell and policy loans, there is a security pledge and the maturity period is less than one year. Premium receivables from life insurance are mainly renew premium within grace period. Hence, the related credit risk should not have significant impact on the Group's consolidated financial statements. The Group grants a short credit period and arranges instalment payment to reduce the property and casualty insurance businesses credit risk. The Group performs regular credit assessment of the reinsurance companies. Reinsurance of the Group is mainly entered into with highly rated reinsurance companies.

The Group mitigates credit risk by utilising credit control policies, undertaking credit analysis on potential investments, and imposing aggregate counterparty exposure limits.

Measurement of expected credit loss

In accordance with the new accounting standard for financial instruments, the Group applies the "expected credit loss model" to measure the impairment of financial assets such as financial assets at amortised cost and debt investments at fair value through other comprehensive income.

*Criteria for judging significant changes in credit risk*

Under the new financial instruments accounting standard, the Group assesses at each balance sheet date whether the credit risk of the relevant financial instruments has changed significantly since its initial recognition when considering the credit risk stages of financial assets. When determining the impairment stage of financial assets, the Group fully considers all reasonable and well-founded information, including forward-looking information, that reflects whether there has been a significant change in its credit risk. The main factors to be considered are regulatory and operating environment, internal and external credit rating, solvency, operating capacity, etc. The Group based on individual financial instruments or portfolios of financial instruments with similar credit risk characteristics to determine the stage classification of financial instruments by comparing the credit risks of the financial instruments at the reporting date with initial recognition.

## X. RISK MANAGEMENT (continued)

### 3. Credit risk (continued)

Measurement of expected credit loss (continued)

*Criteria for judging significant changes in credit risk* (continued)

The Group sets quantitative and qualitative criteria to determine whether the credit risk of financial instruments has changed significantly since the initial recognition, mainly including changes in the debtor's probability of default ("PD"), changes in credit risk classification, and other circumstances indicating significant changes in credit risk. In determining whether the credit risk of a financial instrument has changed significantly since the initial recognition, the Group considers overdue more than 30 days as one of the criteria for a significant increase in credit risk in accordance with the requirements of the standard.

*Definition of financial assets that are credit-impaired*

The criteria adopted by the Group in determining whether credit impairment has incurred are consistent with internal credit risk management objectives for the relevant financial instruments, taking into account quantitative and qualitative indicators. When assessing whether a debtor has incurred credit impairment, the Group mainly considers the following factors:

- The debtor is more than 90 days overdue after the due date of payment in the contract;
- Internal credit rating is a default rating;
- For economic or contractual reasons related to the debtor's financial difficulties, the creditor gives the debtor concessions that the creditor would not otherwise consider;
- Significant financial difficulties of the issuer or debtor;
- Breach of contract by the debtor, such as default or overdue payment of interest or principal;
- The debtor is likely to go bankrupt or other financial restructuring;
- Financial difficulties of the issuer or debtor lead to the disappearance of an active market for that financial asset;
- Purchase or originate a financial asset at a significant discount that reflects the fact that a credit loss has occurred.

Credit impairment of financial assets may be caused by a combination of multiple events, not necessarily by individually identifiable events.

**X. RISK MANAGEMENT (continued)**

3. Credit risk (continued)

Measurement of expected credit loss (continued)

*Parameters of the expected credit loss measurement*

The models, parameters and assumptions used in measuring expected credit loss are described as follows:

Impairment provisions are measured in terms of expected credit losses over the next 12 months or throughout the lifetime of the assets, based on whether there has been a significant increase in credit risk and whether the asset has undergone credit impairment. The expected credit loss is the result of discounting the product of the company's exposure at default ("EAD"), PD and rate of loss given default ("LGD") under reasonable and evidence-based forward-looking information that can be obtained without undue cost or effort.

i) EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime;
ii) PD is the likelihood that the debtor will not be able to meet its payment obligations in the next 12 months or throughout the remaining lifetime;
iii) LGD is the Group's expectation of the percentage of loss on the EAD will be lost. LGD varies depending on the type of counterparty, the manner and priority of recourse, and the availability of collateral or other credit support.

When assessing whether the credit risk of a financial instrument has increased significantly since its initial recognition, the Group takes into account changes in the risk of default over the expected lifetime of the financial instruments. The lifetime PD is derived from the 12-month PD based on the maturity information. Impairment for assets assessed on a collective basis is based on observable historical data and on the assumption that assets with the same credit rating and in the same portfolio for collective assessment are in the same situation. The above analysis is based on industry experience and supported by historical data.

Credit risk exposure

Without regard to the impact of guarantees or other credit enhancement methods, the carrying amount of financial assets in the Group's balance sheet reflects its maximum credit risk exposure at the balance sheet date.

(All amounts expressed in RMB million unless otherwise specified)

## X. RISK MANAGEMENT (continued)

3. Credit risk (continued)

Credit risk exposure (continued)

The following table sets out the credit risk exposure of financial instruments under the scope of the expected credit loss assessment:

| | 30 June 2026 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Maximum credit risk exposure |
| Cash at bank and on hand | 59,450 | - | - | 59,450 |
| Securities purchased under agreements to resell | 47,450 | - | - | 47,450 |
| Term deposits | 195,803 | 6,250 | - | 202,053 |
| Financial Investments: | 1,872,491 | 5,756 | 2,070 | 1,880,317 |
| Financial assets at amortised cost | 45,287 | 709 | 644 | 46,640 |
| Debt investments at fair value through other comprehensive income | 1,827,204 | 5,047 | 1,426 | 1,833,677 |
| Restricted statutory deposits | 7,319 | - | - | 7,319 |
| Others | 13,740 | 319 | 97 | 14,156 |
| Total | 2,196,253 | 12,325 | 2,167 | 2,210,745 |

| | 31 December 2025 | | | |
|---|---|---|---|---|
| | Stage 1 | Stage 2 | Stage 3 | Maximum credit risk exposure |
| Cash at bank and on hand | 62,789 | - | - | 62,789 |
| Securities purchased under agreements to resell | 24,512 | - | - | 24,512 |
| Term deposits | 175,894 | 11,416 | - | 187,310 |
| Financial Investments: | 1,814,586 | 7,836 | 2,257 | 1,824,679 |
| Financial assets at amortised cost | 51,301 | 618 | 682 | 52,601 |
| Debt investments at fair value through other comprehensive income | 1,763,285 | 7,218 | 1,575 | 1,772,078 |
| Restricted statutory deposits | 6,900 | - | - | 6,900 |
| Others | 12,222 | 294 | 89 | 12,605 |
| Total | 2,096,903 | 19,546 | 2,346 | 2,118,795 |

As at 30 June 2026 and 31 December 2025, the collateral for the financial assets that have suffered credit impairment includes stocks and equity, etc.

The Group closely monitors collaterals for financial assets that have undergone credit impairment.

## X. RISK MANAGEMENT (continued)

### 4. Liquidity risk

Liquidity risk is the risk of capital shortage in the performance of repaying maturing debts or fulfilling other payment obligations.

Liquidity risk may result from the surrender, reduction or early termination of insurance contracts in other forms, the indemnity and payment, and the daily expenses of the Group.

When surrender, reduction or other forms of early termination happens, the Group determines the amounts that are payable on demand to policyholders in accordance with the terms of insurance contracts, which are usually the unearned premiums or the cash values of the relevant part of contracts, after deducting the applicable early termination fees. The Group seeks to manage its liquidity risk by setting out guidelines on asset allocation, portfolio limit structures and the maturity profiles of assets, in order to match the maturities of investment assets with the maturities of corresponding insurance liabilities, to provide funds for the Group to fulfil payment obligations in a timely manner.

The following policies and procedures are in place to mitigate the Group's exposure to liquidity risk:

- Setting up a liquidity risk policy for the assessment and determination of what constitutes liquidity risk for the Group. Compliance with the policy is monitored, and exposures and breaches of the policy are reported to the risk compliance committee of the Group. The policy is regularly reviewed by the management of the Group for pertinence and for changes in the risk environment;
- Setting up emergency fund plans which specify the sources of emergency funds, the minimum amount of daily reserve funds, and the specific events that would trigger such plans.

(All amounts expressed in RMB million unless otherwise specified)

## X. RISK MANAGEMENT (continued)

### 4. Liquidity risk (continued)

The tables below summarise the maturity profiles of the main financial assets and financial liabilities of the Group based on undiscounted contractual cash flows and remaining maturity of expected cash flows:

| | 30 June 2026 | | | | | |
|---|---|---|---|---|---|---|
| | On demand/ Overdue | Within 1 year | 1 to 5 years | Over 5 years | Undated | Total |
| Financial assets: | | | | | | |
| Cash at bank and on hand | 55,725 | 3,731 | - | - | - | 59,456 |
| Derivative financial assets | - | 14 | - | - | - | 14 |
| Securities purchased under agreements to resell | - | 47,453 | - | - | - | 47,453 |
| Term deposits | - | 53,096 | 159,876 | - | - | 212,972 |
| Financial investments: | | | | | | |
| Financial assets at fair value through profit or loss | 435 | 23,362 | 163,589 | 186,791 | 430,909 | 805,086 |
| Financial assets at amortised cost | - | 5,180 | 25,832 | 35,989 | - | 67,001 |
| Debt investments at fair value through other comprehensive income | - | 139,594 | 617,709 | 3,497,635 | - | 4,254,938 |
| Equity investments at fair value through other comprehensive income | - | - | - | - | 192,465 | 192,465 |
| Restricted statutory deposits | - | 3,712 | 3,815 | - | - | 7,527 |
| Others | 1,472 | 10,607 | 2,577 | 41 | 1 | 14,698 |
| Subtotal | 57,632 | 286,749 | 973,398 | 3,720,456 | 623,375 | 5,661,610 |
| Financial liabilities: | | | | | | |
| Derivative financial liabilities | 1,047 | 17 | - | - | - | 1,064 |
| Securities sold under agreements to repurchase | - | 170,129 | - | - | - | 170,129 |
| Bonds payable | - | 367 | 22,442 | - | - | 22,809 |
| Commission and brokerage payable | 1,288 | 5,330 | 247 | 23 | - | 6,888 |
| Lease liabilities | - | 579 | 689 | 244 | - | 1,512 |
| Long-term borrowings | - | 64 | 65 | - | - | 129 |
| Others | 15,194 | 47,522 | 1,668 | - | - | 64,384 |
| Subtotal | 17,529 | 224,008 | 25,111 | 267 | - | 266,915 |
| Net amount | 40,103 | 62,741 | 948,287 | 3,720,189 | 623,375 | 5,394,695 |

(All amounts expressed in RMB million unless otherwise specified)

## X. RISK MANAGEMENT (continued)

### 4. Liquidity risk (continued)

The tables below summarise the maturity profiles of the main financial assets and financial liabilities of the Group based on undiscounted contractual cash flows and remaining maturity of expected cash flows: (continued)

| | 31 December 2025 | | | | | |
|---|---|---|---|---|---|---|
| | On demand/ Overdue | Within 1 year | 1 to 5 years | Over 5 years | Undated | Total |
| Financial assets: | | | | | | |
| Cash at bank and on hand | 58,708 | 4,081 | - | - | - | 62,789 |
| Derivative financial assets | - | 5 | - | - | - | 5 |
| Securities purchased under agreements to resell | - | 24,516 | - | - | - | 24,516 |
| Term deposits | - | 45,131 | 153,587 | - | - | 198,718 |
| Financial investments: | | | | | | |
| Financial assets at fair value through profit or loss | 388 | 28,880 | 90,239 | 317,599 | 399,340 | 836,446 |
| Financial assets at amortised cost | - | 9,292 | 24,025 | 40,432 | - | 73,749 |
| Debt investments at fair value through other comprehensive income | - | 100,965 | 452,076 | 2,541,911 | - | 3,094,952 |
| Equity investments at fair value through other comprehensive income | - | - | - | - | 192,297 | 192,297 |
| Restricted statutory deposits | - | 2,756 | 4,310 | - | - | 7,066 |
| Others | 964 | 7,445 | 4,606 | 25 | 2 | 13,042 |
| Subtotal | 60,060 | 223,071 | 728,843 | 2,899,967 | 591,639 | 4,503,580 |
| Financial liabilities: | | | | | | |
| Derivative financial liabilities | 2,306 | 66 | - | - | - | 2,372 |
| Securities sold under agreements to repurchase | - | 219,015 | - | - | - | 219,015 |
| Bonds payable | - | 367 | 23,125 | - | - | 23,492 |
| Commission and brokerage payable | 1,580 | 3,870 | 354 | 31 | - | 5,835 |
| Lease liabilities | - | 633 | 926 | 216 | - | 1,775 |
| Long-term borrowings | - | 64 | 94 | - | - | 158 |
| Others | 1,011 | 45,057 | 1,665 | - | - | 47,733 |
| Subtotal | 4,897 | 269,072 | 26,164 | 247 | - | 300,380 |
| Net amount | 55,163 | (46,001) | 702,679 | 2,899,720 | 591,639 | 4,203,200 |

## X. RISK MANAGEMENT (continued)

5. Operational risk

Operation risk is the risk of loss arising from existed issues on internal procedures, employees and information system failure, and impacts from the external events. When controls fail to perform, operational risk can affect the steady development and reputation of the company, give rise to legal or regulatory matters, or lead to financial loss to the Group.

The Group is exposed to many types of operational risks, including inadequate, or failure to obtain, proper authorisations or supporting documentation to comply with operational and informational system procedures that prevent frauds or errors by employees.

Through the establishment and implementation of internal control manuals, continuous optimisation of information systems, and monitoring and response to potential risks, the Group has established a long-term internal control mechanism to mitigate the impact of operational risks on the Group.

The following internal control measures are in place to mitigate the Group's exposure to operational risk:

- Setting up effective segregation of duties, access controls, authorisation and reconciliation procedures and user and authority controls for information system;
- Adopting supervisory measures such as compliance checks, risk investigations and internal audits;
- Regularly carrying out risk and internal control self-assessment and implementing rectification of defects;
- Implementing staff education and appraisals.

6. Mismatching risk of assets and liabilities

Mismatching risk of assets and liabilities is the risk due to the Group's inability to match its assets with its liabilities on the basis of duration, cash flow and investment return. Under the current regulatory and market environment, the Group is lack of investment in assets with a duration of sufficient length to match the duration of its medium and long-term life insurance liabilities. When the current regulatory and market environment permits, the Group will increase the profile of securities with fixed investment returns and lengthen the duration of its assets to narrow the gap of duration and investment returns of the existing assets and liabilities.

In order to further enhance the management of matching of assets and liabilities, the board of directors of the Group has the Strategy and Investment Decision & ESG Committee and Risk Compliance Committee to make significant decisions on asset-liability management. Besides, the Executive Management Committee of the Group has an asset-liability working group which is responsible for providing professional support for asset-liability management and matching.

(All amounts expressed in RMB million unless otherwise specified)

## X. RISK MANAGEMENT (continued)

7. Capital management risk

Capital management risk primarily refers to the risk of insufficient solvency as a result of the operation and administration of the Company or certain external events.

It is the Group's objective to maintain a strong credit rating and adequate solvency in order to support its business objectives and to maximise shareholder value. The specific measures are as follows:

- Managing its capital requirements by assessing shortfalls between reported and targeted capital levels on a regular basis;
- Stepping up efforts to maintain multiple sources of financing in order to meet solvency margin needs arising from future expansion in business activities;
- Continuously and proactively adjusting the portfolio of insurance business, optimising asset allocation and improving asset quality to enhance operating performance and the profitability.

The table below summarises the core capital, actual capital and minimum required capital of the Group and its major insurance subsidiaries determined according to solvency supervision rules:

| **CPIC Group** | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Core capital | 442,375 | 450,600 |
| Actual capital | 588,356 | 596,647 |
| Minimum required capital | 231,123 | 218,444 |
| Core solvency margin ratio | 191% | 206% |
| Comprehensive solvency margin ratio | 255% | 273% |

| **CPIC Life** | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Core capital | 280,750 | 292,993 |
| Actual capital | 411,097 | 425,176 |
| Minimum required capital | 196,240 | 186,103 |
| Core solvency margin ratio | 143% | 157% |
| Comprehensive solvency margin ratio | 209% | 228% |

| **CPIC Property** | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Core capital | 65,633 | 63,335 |
| Actual capital | 79,857 | 76,143 |
| Minimum required capital | 33,268 | 31,203 |
| Core solvency margin ratio | 197% | 203% |
| Comprehensive solvency margin ratio | 240% | 244% |

(All amounts expressed in RMB million unless otherwise specified)

## X. RISK MANAGEMENT (continued)

7. Capital management risk (continued)

The table below summarises the core capital, actual capital and minimum required capital of the Group and its major insurance subsidiaries determined according to solvency supervision rules: (continued)

| **CPIC Health** | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Core capital | 3,700 | 3,763 |
| Actual capital | 4,806 | 4,566 |
| Minimum required capital | 2,353 | 2,094 |
| Core solvency margin ratio | 157% | 180% |
| Comprehensive solvency margin ratio | 204% | 218% |

| **PAAIC** | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Core capital | 2,797 | 2,929 |
| Actual capital | 3,100 | 3,182 |
| Minimum required capital | 948 | 917 |
| Core solvency margin ratio | 295% | 319% |
| Comprehensive solvency margin ratio | 327% | 347% |

(All amounts expressed in RMB million unless otherwise specified)

## XI. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value estimates are made at a specific point in time based on relevant market information and information about financial instruments. When an active market exists, such as an authorised securities exchange, the market value is the best reflection of the fair value of financial instruments. For financial instruments where there is no active market, fair value is determined using valuation techniques.

The Group's financial assets mainly include cash at bank and on hand, derivative financial assets, securities purchased under agreements to resell, term deposits, financial assets at fair value through profit or loss, financial assets at amortised cost, debt investments at fair value through other comprehensive income, equity investments at fair value through other comprehensive income and restricted statutory deposits, etc.

The Group's financial liabilities mainly include long-term borrowings, derivative financial liabilities, securities sold under agreements to repurchase and bonds payable, etc.

Fair value of financial assets and liabilities not carried at fair value

The following table summarises the carrying values and estimated fair values of financial assets at amortised cost, long-term borrowings and bonds payable whose fair values are not presented in the consolidated balance sheet.

| | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets: | | | | |
| Financial assets at amortised cost | 46,640 | 51,137 | 52,601 | 56,812 |
| Financial liabilities: | | | | |
| Long-term borrowings | 123 | 123 | 154 | 154 |
| Bonds payable | 22,178 | 22,591 | 22,678 | 23,103 |

The carrying amounts of other financial assets and financial liabilities approximate their fair values.

## XII. 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 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:

(1) Fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities ("Level 1");
(2) 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
(3) 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 significance 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 prices from Chinese interbank market or from valuation service providers. Substantially most financial instruments classified within Level 2 of the fair value hierarchy of the Group are debt investments. 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.

For Level 3 financial instruments, prices are determined using valuation methodologies such as discounted cash flow models and other similar techniques. Determination to classify fair value measures within Level 3 of the valuation hierarchy is 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. The Group's valuation team may choose to apply internally developed valuation method to the assets or liabilities being measured, determine the main inputs for valuation, and analyse the change of the valuation and report it to management. Key inputs involved in internal valuation services are not based on observable market data. They reflect assumptions made by management based on judgements and experiences.

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 reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(All amounts expressed in RMB million unless otherwise specified)

## XII. 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:

| | 30 June 2026 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total fair value |
| Assets measured at fair value | | | | |
| Term deposits measured at fair value | - | - | 157,682 | 157,682 |
| Financial assets at fair value through profit or loss | | | | |
| - Stocks | 239,673 | - | 2,872 | 242,545 |
| - Funds | 84,193 | 387 | 30 | 84,610 |
| - Bonds | 5,381 | 277,204 | 388 | 282,973 |
| - Others | 12,613 | 13,712 | 119,483 | 145,808 |
| | 341,860 | 291,303 | 122,773 | 755,936 |
| Debt investments at fair value through other comprehensive income | | | | |
| - Bonds | 11,175 | 1,633,740 | 3,059 | 1,647,974 |
| - Others | - | 320 | 185,383 | 185,703 |
| | 11,175 | 1,634,060 | 188,442 | 1,833,677 |
| Equity investments at fair value through other comprehensive income | | | | |
| - Stocks | 128,752 | - | - | 128,752 |
| - Preferred stocks | - | 8,225 | - | 8,225 |
| - Others | 1,278 | 12,696 | 27,509 | 41,483 |
| | 130,030 | 20,921 | 27,509 | 178,460 |
| Derivative financial assets | - | 14 | - | 14 |
| Liabilities measured at fair value | | | | |
| Derivative financial liabilities | - | 17 | 1,047 | 1,064 |
| Assets for which fair values are disclosed | | | | |
| Financial assets at amortised cost (Note XI) | - | 21,963 | 29,174 | 51,137 |
| Investment properties | - | - | 30,760 | 30,760 |
| Liabilities for which fair values are disclosed (Note XI) | | | | |
| Long-term borrowings | - | - | 123 | 123 |
| Bonds payable | - | - | 22,591 | 22,591 |

(All amounts expressed in RMB million unless otherwise specified)

## XII. 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 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total fair value |
| Assets measured at fair value | | | | |
| Term deposits measured at fair value | - | - | 139,269 | 139,269 |
| Financial assets at fair value through profit or loss | | | | |
| - Stocks | 211,735 | - | 1,073 | 212,808 |
| - Funds | 78,318 | 6,569 | - | 84,887 |
| - Bonds | 6,989 | 264,976 | 388 | 272,353 |
| - Others | 16,140 | 13,985 | 114,695 | 144,820 |
| | 313,182 | 285,530 | 116,156 | 714,868 |
| Debt investments at fair value through other comprehensive income | | | | |
| - Bonds | 4,364 | 1,557,090 | 3,123 | 1,564,577 |
| - Others | - | 377 | 207,124 | 207,501 |
| | 4,364 | 1,557,467 | 210,247 | 1,772,078 |
| Equity investments at fair value through other comprehensive income | | | | |
| - Stocks | 124,846 | - | - | 124,846 |
| - Preferred stocks | - | 8,705 | - | 8,705 |
| - Others | 1,335 | 12,508 | 28,767 | 42,610 |
| | 126,181 | 21,213 | 28,767 | 176,161 |
| Derivative financial assets | - | 5 | - | 5 |
| Liabilities measured at fair value | | | | |
| Derivative financial liabilities | - | 66 | 2,306 | 2,372 |
| Assets for which fair values are disclosed | | | | |
| Financial assets at amortised cost (Note XI) | - | 21,689 | 35,123 | 56,812 |
| Investment properties | - | - | 32,305 | 32,305 |
| Liabilities for which fair values are disclosed (Note XI) | | | | |
| Long-term borrowings | - | - | 154 | 154 |
| Bonds payable | - | - | 23,103 | 23,103 |

## XII. FAIR VALUE MEASUREMENT (continued)

Valuation techniques

The fair value of the unquoted debt investments is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities, with appropriate adjustment where applicable.

The fair value of the equity investments has been determined using valuation techniques such as discounted cash flow method, comparison method of listed companies, recent transaction prices of the same or similar instruments, etc., with appropriate adjustments have been made where applicable, for example, for lack of liquidity using option pricing models. The valuation requires management to use parameters as unobservable inputs to the model, major assumptions include the expected time-to-market of unlisted equity investments, and the major parameters include discount rate, etc.

The fair value of investment properties is determined using discounted cash flow method with unobservable inputs including estimated rental value per square metre per month and discount rate, etc. This method involves the projection of a series of cash flows from valuation date to economic life maturity date. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset.

## XIII. EVENTS AFTER THE BALANCE SHEET DATE

The Group does not have significant post balance sheet events.

## XIV. APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These interim consolidated financial statements have been approved for issue by the board of directors of the Company on 27 August 2026.

**APPENDIX: SUPPLEMENTARY INFORMATION TO THE INTERIM FINANCIAL STATEMENTS**
**FOR THE SIX MONTHS ENDED 30 JUNE 2026**
(All amounts expressed in RMB million unless otherwise specified)

## I. NET ASSET RETURN AND EARNINGS PER SHARE

| | For the six months ended 30 June 2026 | | |
|---|---|---|---|
| | Weighted average return on net assets | Earnings per share (RMB Yuan) | |
| | | Basic | Diluted |
| Net profit attributable to shareholders of the parent | 9.7% | 3.20 | 2.95 |
| Net profit attributable to shareholders of the parent net of non-recurring profit or loss | 9.4% | 3.10 | 2.94 |

| | For the six months ended 30 June 2025 | | |
|---|---|---|---|
| | Weighted average return on net assets | Earnings per share (RMB Yuan) | |
| | | Basic | Diluted |
| Net profit attributable to shareholders of the parent | 9.6% | 2.90 | 2.90 |
| Net profit attributable to shareholders of the parent net of non-recurring profit or loss | 9.0% | 2.73 | 2.73 |

Net profit attributable to shareholders of the parent net of non-recurring profit or loss are listed as follows:

| | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Net profit attributable to shareholders of the parent | 30,775 | 27,885 |
| Add/(Less): Non-recurring profit or loss items | | |
| Government grants recognised in current profit or loss | (100) | (66) |
| Gains on disposal of fixed assets, intangible assets and other long-term assets, including write-off of provision for assets impairment | (17) | (73) |
| Other net non-operating income and expenses other than aforesaid items | 40 | 14 |
| Other items confirming to the definition of non-recurring profit or loss* | (1,259) | (1,603) |
| Effect of income tax relating to non-recurring profit or loss | 344 | 38 |
| Net profit less non-recurring profit or loss | 29,783 | 26,195 |
| Less: Net non-recurring profit or loss attributable to non-controlling interests | 1 | 29 |
| Net profit attributable to shareholders of the parent net of non-recurring profit or loss | 29,784 | 26,224 |

* For the six months ended 30 June 2026, the revaluation gains or losses on the conversion value of convertible bonds issued by the Company and other impacts related to convertible bonds resulted in approximately RMB 1,259 million in total. Ruiyongjing Real Estate has become a subsidiary of the group since 30 June 2025. Ruiyongjing Real Estate was included in the scope of the Group's consolidated financial statements, resulting in a one-time profit of RMB1,603 million.