

眾安在綫財產保險股份有限公司

ZhongAn Online P & C Insurance Co., Ltd.*

A joint stock limited company incorporated in the People's Republic of China with limited liability and carrying on business in Hong Kong as "ZA Online Fintech P & C"

(Stock Code : 6060)

ANNUAL REPORT 2025



科技驅動金融 做有溫度的保險



* For identification purposes only





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Five-Year Financial Summary

(RMB'000)	As at December 31 or for the Year Ended December 31				
	2025	2024	2023	2022	2021
					Based on HKFRS 4 Insurance Contracts
		Based on HKFRS 17 Insurance Contracts			
Insurance revenue	33,484,568	31,744,343	27,535,275	22,189,381	—
Net profit/(loss) attributable to owners of the parent	1,101,605	603,456	4,077,855	(1,112,414)	1,164,590
Adjusted net profit/(loss) attributable to owners of the parent ²	1,800,060	603,456	293,644	(1,112,414)	1,164,590
Basic earnings/(loss) per share (in RMB)	0.70	0.41	2.77	(0.76)	0.79
Adjusted basic earnings/(loss) per share (in RMB) ²	1.14	0.41	0.20	(0.76)	0.79
Total assets	46,709,636	45,284,579	42,863,606	47,648,878	51,772,329
Total liabilities	21,260,372	24,358,178	22,790,183	30,033,758	32,642,132
Total equity	25,449,264	20,926,401	20,073,423	17,615,120	19,130,197
Equity attributable to owners of the parent	25,449,264	20,926,401	20,073,423	15,766,090	16,748,402
Underwriting combined ratio (%)	95.8%	96.9%	95.2%	94.2%	99.6%
Comprehensive solvency margin ratio ¹ (%)	242%	227%	240%	299%	472%

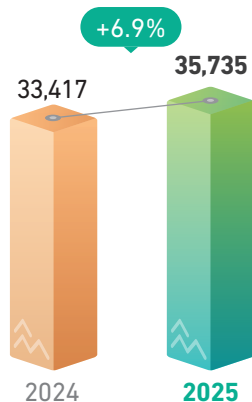
1 The Company formally implemented the Regulatory Rules on the Solvency of Insurance Companies (II) ("C-ROSS Phase II Rules") since January 1, 2022. The impacts of changes in C-ROSS Phase II Rules have been reflected in the comprehensive solvency margin ratio as at December 31, 2022, December 31, 2023, December 31, 2024 and December 31, 2025.

2 The adjusted net profit attributable to owners of the parent considered the effect of changes in the valuation of the Company's shares or impairment in its joint venture.

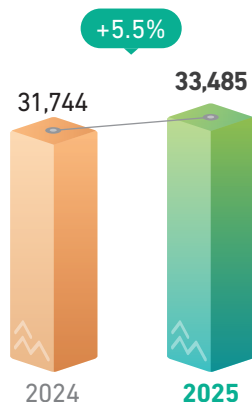
Results Summary

Overall Operating Results

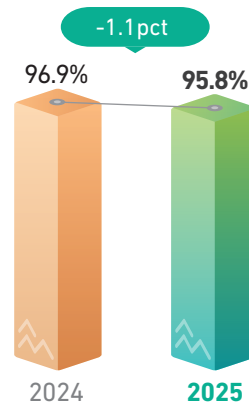
Gross written premiums
(RMB million)



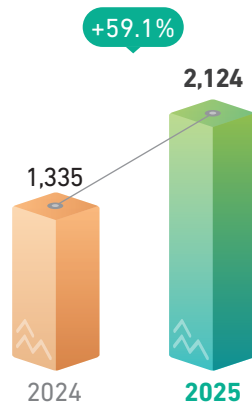
Insurance revenue
(RMB million)



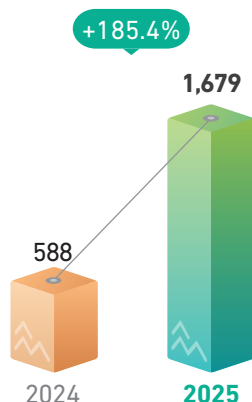
Underwriting combined ratio
(%)



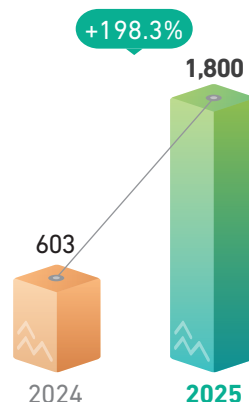
Total investment income from insurance assets
(RMB million)



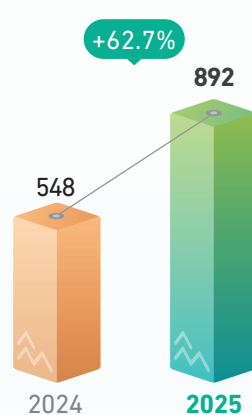
Net profit of the insurance segment
(RMB million)



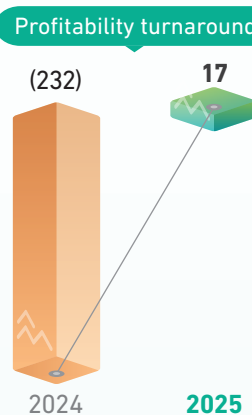
Adjusted net profit attributable to owners of the parent¹
(RMB million)



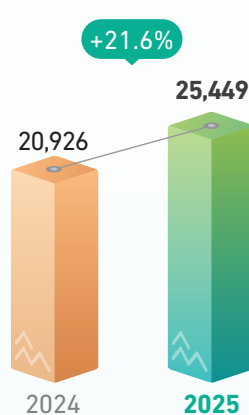
Net revenue² of ZA Bank
(HKD million)



Net profit/(loss) of ZA Bank
(HKD million)



Equity attributable to owners of the parent
(RMB million)



¹ The adjusted net profit attributable to owners of the parent for 2025 equals the net profit attributable to owners of the parent plus the impairment loss provided in 2025 in respect of its joint venture.
² Net revenue is the sum of net interest income, net fee and commission income, net gain/(loss) from other financial instruments and other income. For the avoidance of doubt, ZA Bank is a subsidiary of ZA Global, a joint venture of our Company, whose results are not consolidated into those of the Group.

Message from the Chairman

Dear Shareholders, Customers, Partners and Colleagues,

In this dynamic and volatile environment, as market players are racing to the top, it is the right moment for us to set sail and forge ahead.

2025 marks the concluding year of China's "14th Five-Year Plan" and a pivotal year of bridging the past and the future. This year, the international environment remained complex, with intensified geopolitical rivalry, rising global trade protectionism, tariff frictions and supply chain restructuring reshaping the world economic landscape. Meanwhile, China's macroeconomy stabilized and improved under proactive policy initiatives, with coordinated fiscal and monetary measures, enhanced counter-cyclical adjustments and comprehensive policies to expand domestic demand, demonstrating the resilience of the national economy.

Amid this complex and ever-changing market environment, ZhongAn Online has consistently adhered to its mission of "empowering finance with technology and providing insurance service with a caring hand". We uphold the dual-engine strategy of "Insurance + Technology" and a user-centric approach to pursue high-quality and sustainable growth. Over the past year, ZhongAn maintained a steady operational pace amid challenging circumstances and achieved hard-earned results. GWP grew steadily, underwriting profitability reached new heights, and the Company's overall profitability improved significantly. These accomplishments stem from the relentless efforts of all ZhongAn employees and, more importantly, from the trust and support of our shareholders, customers and partners.

At present, the wave of artificial intelligence is profoundly reshaping the global industrial landscape, and digital transformation has become an irreversible trend of the era. ZhongAn has always regarded technological innovation as its core competitive advantage and continues to increase R&D investment in cutting-edge technologies. We firmly believe that technology is not merely a tool for improving efficiency but a key force in reshaping the insurance value chain and infusing insurance with greater humanistic care. By strengthening the empowerment of technology across the entire insurance process and exploring new pathways for international technology services, ZhongAn embraces change with an open stance and leverages technology to build strength for future development.

While pursuing commercial value, ZhongAn always keeps its corporate social responsibility in mind. We actively practice ESG sustainable development principles, uphold the inclusive nature of insurance, and wholeheartedly serve society and livelihood. Serving as an economic "shock absorber" and social "stabilizer", insurance bears a vital mission. We will continue to leverage technology to drive the development towards more inclusive and intelligent insurance, enabling more people to experience heart-warming of insurance.

Looking ahead to 2026, while the global economy remains subject to numerous uncertainties, we remain confident in the long-term positive trajectory of China's economy. The upcoming "15th Five-Year Plan" will unveil a new development blueprint, with the digital economy and the cultivation of new quality productive forces creating vast growth opportunities for the insurance industry. ZhongAn will maintain an entrepreneurial mindset, firmly uphold its core strategy of technology-driven development, continuously enhance its capabilities to serve the real economy and secure people's livelihoods, and strive to create greater long-term value for its shareholders.

Finally, on behalf of the Board of the Company, I would like to extend my most sincere gratitude to all shareholders for their enduring trust, to our customers for their consistent choice, to our partners for their strong support, and to all employees for their diligent services. Their joint efforts and unwavering support have been indispensable for ZhongAn to navigate such a challenging market environment and achieve lasting progress.

The greatest truths are the simplest, and steady progress leads to far-reaching success. Let us join hands and move forward together, illuminating the path of progress with technology and safeguarding every act of trust with the heart-warming insurance, as we jointly embark on a new chapter of insurance services in this era of digital economy.

Hai Yin
Chairman

Message from the General Manager

The year 2025 has just passed, and it marks a crucial year for ZhongAn Insurance to firmly implement its dual-engine growth strategy of "Insurance + Technology", deepen its ecosystem layout, and achieve high-quality growth in a complex environment.

During the year, we continued to advance the development of our four core ecosystems: health, digital lifestyle, auto and consumer finance, integrating artificial intelligence (AI) technologies deeply into the entire insurance value chain to drive continuous improvement in operational efficiency and service experience. The annual gross written premiums ("GWP") reached RMB35.7 billion, maintaining our 8th place in the P&C insurance industry. Since the Company's establishment, we have consistently led the industry in terms of GWP growth, achieving underwriting profit for five consecutive years since 2021. In 2025, our Hong Kong digital banking business achieved a breakthrough by turning from loss to profit, contributing to the steady improvement of the Group's overall profitability. This solid and stable performance fully demonstrates the long-term vitality and core value of our "Insurance + Technology" model.

The insurance industry is currently embracing a significant historical opportunity to accelerate its transformation toward new quality productive forces. We hereby review our business practices and capability accumulation in 2025, and look ahead to the Company's future-oriented strategic layout and high-quality development path.

Further developing our ecosystems to solidify the foundation for insurance business growth

We always prioritize user needs and provide full-cycle protection solutions around diverse life scenarios. By leveraging the synergies of our four core ecosystems – each excelling in its unique strengths – we continuously enhance service experiences, making insurance services more inclusive and customer-centric.

In the health ecosystem, we focused on building a multi-tiered product matrix to drive high-quality and high-growth development in this sector. Leveraging our two core brands, "Personal Clinic Policy (尊享e生)" and "Zhong Min Bao (眾民保)", we established a full-scenario protection system. In particular, the "Zhong Min Bao (眾民保)" series, focusing on inclusive scenarios with simplified underwriting, recorded a 456% year-on-year increase in GWP, becoming a vital pillar of inclusive health protection.

In the digital lifestyle ecosystem, we leveraged innovative insurance as a link to deeply connect with the upstream and downstream of the consumer industry. Our core innovative business, pet insurance, recorded a year-on-year GWP growth of nearly 88.2%, capitalizing on the dividends of consumption upgrades and the pet economy. Meanwhile, we continued to advance the development of sectors such as e-commerce, travel, food delivery, the low-altitude economy, household property, and comprehensive coverage for micro, small and medium-sized enterprises. By deeply integrating with sports scenarios such as marathons and cycling, we continued to shape the professional brand image of "Sports × ZhongAn".

In the auto ecosystem, we actively embraced the trends of online motor insurance and the development of new energy vehicle (NEV) insurance, driving rapid growth in the GWP of the auto ecosystem. In particular, NEV insurance recorded a year-on-year increase of over 200% in GWP, which accounted for 28% of the overall GWP of the auto ecosystem, a share higher than the industry average. In 2025, we successfully achieved independent operation of compulsory traffic accident liability insurance in Shanghai and Zhejiang, marking a new chapter for the business. Moving forward, we will steadily expand our operational regions and continue to refine the layout of the auto ecosystem.

In the consumer finance ecosystem, amid external uncertainties in 2025, we adhered to the principles of controllable risks and high-quality development by proactively optimizing our business structure and scaled down operations, while focusing on building capabilities in refined operations and risk control to solidify the foundation for long-term stable growth.

Five years of accumulation: digital banking achieved profitability breakthrough

In 2025, as ZA Bank celebrated its fifth anniversary, the business maintained strong growth momentum. Driven by rapid growth in non-interest income, the bank recorded full-year net revenue of HK\$892 million, representing a year-on-year increase of 62.7%. As revenue scale expanded rapidly, economies of scale continued to materialize, leading to a significant improvement in the cost-to-income ratio and a historic profitability breakthrough, with full-year net profit reaching HK\$17.27 million. ZA Bank's achievement of profitability fully validates the feasibility and competitiveness of our digital banking business model, while also opening up broad prospects for the long-term high-quality development of the Group's financial innovation segment.

Message from the General Manager

Empowering with technology: reshaping a new paradigm of operations and services

Since our establishment, we have remained steadfast in our technology investment, propelling the Company's comprehensive transition from a digital-native to an AI-native enterprise. With the "Zhongyou Lingxi (眾有靈犀)" core engine as our foundation, we have fully implemented the One AI strategy, establishing a deep closed loop encompassing "data foundation, engine-driven capabilities, and full-scenario implementation". To date, the Company has 220 active robots, achieving over 2 billion large model invocations and consuming over 3 trillion tokens throughout 2025. This has enabled technology to be deeply embedded across the entire insurance value chain, effectively translating into tangible operational results that drive high-quality development.

Looking ahead: embarking on a new journey with innovative breakthroughs

In 2025, ZhongAn celebrated its twelfth anniversary. In Chinese culture, twelve years constitute a "ji" (cycle), representing not only a complete cycle of growth but also the starting point of a new journey. Over the past twelve years, we have remained steadfast in our core objective of compounding growth, cultivating the InsureTech sector with a long-term perspective.

Looking ahead, we will stay true to our original aspirations, empowering the entire insurance value chain with technology. We will gain deep insights into and continuously meet the increasingly diverse insurance protection and financial service needs of our customers, embarking on a new era of journey of innovative breakthroughs. We firmly believe that, relying on our forward-looking strategic layout and deep technological expertise, ZhongAn will steadily advance and jointly journey toward a boundless future where insurance and AI are deeply integrated.

Xing Jiang
General Manager

Our Milestones

October 9, 2013

ZhongAn Online P & C Insurance Co., Ltd. was incorporated

2013

2014

April 2014

ZhongAn's self-developed core system called "Wujieshan" was launched.

June 2015

ZhongAn completed the series A financing with proceeds amounting to RMB5,775 million.

2015

October 2015

ZhongAn launched the million-yuan coverage medical insurance, "Personal Clinic Policy (尊享e生)".

November 2015

ZhongAn launched Baobiao Auto Insurance (now renamed as "ZA & PA Joint Auto Insurance") based on the co-insurance model jointly developed with Ping An Insurance.

2016

July 7, 2016

ZhongAn Information and Technology Services Co., Ltd., a wholly-owned subsidiary of the Company, was incorporated.

September 28, 2017

ZhongAn was listed on the Main Board of the Hong Kong Stock Exchange (stock code: 6060).

2017

December 4, 2017

ZhongAn was selected as a constituent stock of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect.

December 8, 2017

ZhongAn announced the establishment of a joint venture company – ZhongAn Technologies International Group Limited in Hong Kong, acting as an international development platform for ZhongAn Technology to explore international business development, cooperation and investment opportunities in relation to FinTech and InsurTech businesses in overseas markets.

2018

September 2018

We assisted Sampo Japan Insurance Inc. ("SOMPO") in approaching digital transformation with its next generation cloud based end-to-end insurance core system.

March 2019

ZA Bank became one of the first batch of companies who were granted a virtual bank license in Hong Kong and launched its trial pilot on December 18, 2019.

2019

July 2019

The Internet hospital was officially launched in December 2019, which provides users with one stop services covering online medical advice and doorstep medicine delivery, establishing a closed-loop health ecosystem.

July 2025

ZhongAn completed a placing of H shares of approximately USD500 million, marking the largest share issuance by an insurance company in Hong Kong in the past decade, and also the largest placing in the Hong Kong financial sector in the past three years.

2025

December 2025

ZhongAn was selected as one of the first constituent stocks of the HKEX Tech 100 Index, reflecting market recognition of its AI-driven technology strength.

2024

February 2024

ZA Bank officially introduced its US stock trading services

November 2024

ZhongAn obtained approval to conduct compulsory auto insurance business in Shanghai and Zhejiang

December 2024

ZhongAn moved up one place to the 8th in the domestic P&C insurance industry as measured by GWP

May 2023

ZhongAn Insurance and ZhongAn Technology jointly released the "White Paper on AIGC/ChatGPT Applications in the Insurance Industry" (《AIGC/ChatGPT保險行業應用白皮書》), the first white paper on the AIGC (AI-generated content technology) applications in the domestic insurance industry

2023

July 2023

ZhongAn Insurance was the only InsurTech company listed in the 2023 China 500 published by the Fortune magazine

2022

January 2022

ZA Bank started its investment and wealth management business and became the first virtual bank in Hong Kong to be granted a Type 1 regulated activity (dealing in securities) license by the Securities and Futures Commission, and launched fund sales services in August 2022.

May 2022

ZhongAn Insurance was selected as a Specialized and Sophisticated Enterprise in Shanghai.

October 2021

ZATI completed the first round of financing to promote the expansion of international FinTech business.

2021

December 2021

ZhongAn achieved underwriting profit for the first time since its listing, and the combined ratio for the year was optimized to 99.6% (HKFRS 4 Insurance Contracts).

May 2020

ZA Life obtained a virtual insurance license in Hong Kong to engage in the long term insurance business and officially opened for business on May 18, 2020.

December 2020

ZhongAn publicly issued an aggregate of USD1 billion senior unsecured notes, setting the highest financing record in the global InsurTech industry in 2020.

December 2020

ZhongAn completed the H Share full circulation programme.

2020

Management Discussion and Analysis¹

The Group has adopted HKFRS 17 Insurance Contracts to replace HKFRS 4 Insurance Contracts since January 1, 2023. In this annual report, except for GWP-related disclosures, financial data are all disclosed in accordance with HKFRS 17 Insurance Contracts.

Our Mission

Empowering finance with technology and providing insurance service with a caring hand.

Overview

As the first Internet-based InsurTech company in China, ZhongAn aims to redefine insurance with cutting-edge technology and innovative business models. We embrace a dual-engine strategy of "Insurance + Technology" and adhere to conducting end-to-end deep integration of technology and insurance, using technology to empower the insurance value chain. With an ecosystem-oriented approach, we start from users' internet life scenarios through proprietary channels and ecosystem partner platforms, providing innovative, inclusive and diverse insurance products and services to meet users' diversified protection needs and create an effective value proposition for users. We continuously improve and upgrade technology strengths during the operation of our insurance business, and we export InsurTech systems and functional modules to global insurance companies and industry chain clients in a productized way, so as to facilitate the digital transformation of the industry. In addition, we also applied years of experience in Internet insurance and Internet finance operations to the Hong Kong market. In March 2020, ZA Bank, a subsidiary of our joint venture, ZhongAn International, whose results are not consolidated into those of the Group, became the first digital bank to officially commence operations to Hong Kong and has been providing a convenient, inclusive and innovative one-stop financial service experience for retail customers and SMEs in the Hong Kong market under the "ZA" brand.

2025 Results Review

In 2025, the Company recorded GWP of RMB35,735 million, representing a year-on-year increase of 6.9%, with insurance revenue amounting to RMB33,485 million, representing a year-on-year increase of 5.5%. In 2025, ZhongAn Insurance ranked 8th in the domestic P&C insurance industry as measured by GWP as we further gained market share.

Adhering to the strategy of high-quality growth, our underwriting combined ratio² in 2025 was 95.8%, representing an improvement of 1.1 percentage points as compared to the corresponding period of 2024, with loss ratio³ of 57.1% and expense ratio⁴ of 38.7%. In 2025, the Company recorded underwriting profit of RMB1,412 million, representing an increase of 42.5% compared with 2024. Meanwhile, benefiting from the recovery of the capital markets throughout the year, total investment income from insurance investment assets increased significantly by 59.1% year-on-year. As a result of the above, the adjusted net profit attributable to the parent of the Company reached RMB1,800 million in 2025, representing a year-on-year increase of 198.3%.

ZA Bank aims to build a one-stop digital financial service platform in Hong Kong to provide diversified, convenient and inclusive financial services to retail customers and SMEs. At present, ZA Bank has become one of the digital banks in the Hong Kong market that offers the most comprehensive functions and products, building a one-stop integrated digital financial service platform through its mobile app, which operates in a fully digitalized mode. ZA Bank maintained its rapid growth momentum throughout 2025. Driven by the rapid growth in non-interest income, it recorded net revenue⁵ of HKD892 million, representing a year-on-year increase of 62.7%. With the rapid growth of revenue and the emerging economies of scale, ZA Bank's cost-to-income ratio improved by 32 percentage points year-on-year and achieved a historical breakthrough, recording a net profit of HKD17.27 million for the year.

As of December 31, 2025, the Group had total assets of RMB46,710 million and net assets of RMB25,449 million, representing an increase of 3.1% and 21.6%, respectively, as compared to that at the beginning of the year. The comprehensive solvency margin ratio remained sufficient at 242%. Due to its steady operation and abundant capital, the Company received an investment grade of Baa1 for its insurance financial strength rating and a grade of Baa2 rating for its senior unsecured debts from Moody's, with the outlook upgraded to positive.

1 Unless otherwise specified, the insurance business data mentioned in the management discussion and analysis does not include the life insurance business in Hong Kong.
 2 Underwriting combined ratio is defined as the sum of insurance service expenses, net income/(expenses) from reinsurance contracts held, finance expenses from insurance contracts issued and finance income/(expenses) from reinsurance contracts held divided by insurance revenue. Underwriting combined ratio is calculated in accordance with HKFRS 17 Insurance Contracts, only takes into account the online P&C insurance business in the PRC, and is the result after inter-segment elimination.
 3 Loss ratio is defined as the sum of incurred claims and claim expenses, changes in the fulfilment cash flows relating to the liability for incurred claims, finance expenses from insurance contracts issued, losses on onerous contracts and reversal of those losses, net income/(expenses) from reinsurance contracts held and finance income/(expenses) from reinsurance contracts held divided by insurance revenue.
 4 Expense ratio is defined as the sum of insurance acquisition cash flows amortization and maintenance expenses divided by insurance revenue.
 5 Net revenue is the sum of net interest income, net fee and commission income, net gain/(loss) from other financial instruments and other income.

Segment Financial Overview

The following table sets forth the key items of the segment statement of profit or loss for the year ended December 31, 2025 and the year ended December 31, 2024, respectively. Specifically, the insurance segment offers online property and casualty insurance and services in the PRC; the technology segment provides technology export related services to global insurance companies and insurance industry chain clients; the banking segment offers digital banking services in Hong Kong; and others segment includes entities other than the aforesaid segments, such as ZA Life and ZhongAn Insurance Broker.

Segment statement of profit or loss for the year ended December 31, 2025

(RMB'000)	Insurance	Technology	Banking	Others	Eliminations	Total
Insurance revenue	33,485,519	—	—	11,153	(12,104)	33,484,568
Underwriting profit	1,217,153	—	—	(21,657)	216,054	1,411,550
Net investment income	1,767,581	83,885	243,800	27,221	(270,880)	1,851,607
Net fair value changes through profit or loss	352,211	(12,877)	—	(27,004)	3,180	315,510
Other income	148,884	930,796	286,748	861,838	(1,568,781)	659,485
Foreign exchange gains/(losses)	37,017	1,180	22,205	(1,457)	(21,928)	37,017
Other finance costs	(305,098)	(7,628)	(8)	(3,981)	6,898	(309,817)
Net profit	1,679,357	51,960	5,050	32,338	(667,100)	1,101,605
Attributable to:						
– Owners of the parent						1,101,605

Segment statement of profit or loss for the year ended December 31, 2024

(RMB'000)	Insurance	Technology	Banking	Others	Eliminations	Total
Insurance revenue	31,746,109	—	—	8,334	(10,100)	31,744,343
Underwriting profit	898,966	—	—	(12,474)	103,765	990,257
Net investment income	348,881	108,189	204,782	33,234	(233,598)	461,488
Net fair value changes through profit or loss	989,622	(9,293)	—	40,247	3,114	1,023,690
Other income	101,219	882,919	243,217	768,523	(964,148)	1,031,730
Foreign exchange gains/(losses)	(104,506)	(988)	(11,883)	8,628	9,778	(98,971)
Other finance costs	(439,493)	(9,508)	(11)	(4,374)	6,705	(446,681)
Net profit/(loss)	588,485	77,605	(92,012)	74,337	(44,959)	603,456
Attributable to:						
– Owners of the parent						603,456

Management Discussion and Analysis

The Group recorded an adjusted net profit attributable to owners of the parent of RMB1,800 million in 2025, representing an increase of 198.3% as compared to the corresponding period of last year. The specific performance of each segment is as follows:

- 1) Insurance segment: in 2025, insurance revenue increased by 5.5%. Adhering to the long-term business strategy of "sustainable growth with quality", the Company's underwriting combined ratio reached 95.8%, representing a year-on-year improvement of 1.1 percentage points, driving the underwriting profit increased by 42.5% to RMB1,412 million. Additionally, benefiting from the strong performance of capital markets, total investment income from onshore insurance assets increased by 59.1% to RMB2,124 million as compared to last year. As a result of the above, the net profit of the insurance segment increased by 185.4% to RMB1,679 million.
- 2) Technology segment: benefiting from the ongoing digital transformation in the domestic and overseas financial industry, in 2025, our technology segment recorded a net profit of RMB51.96 million.
- 3) Banking segment: ZA Bank maintained its rapid growth momentum throughout 2025. Driven by the rapid growth in non-interest income, it recorded net revenue of HKD892 million, representing a year-on-year increase of 62.7%. With the rapid growth of revenue and the emerging economies of scale, ZA Bank's cost-to-income ratio improved year-on-year and achieved a historical breakthrough, recording a net profit of HKD17.27 million for the year.

Our Ecosystems

The following table sets forth GWP in absolute amounts and as percentages of total GWP by ecosystem for the year ended December 31, 2025 and the year ended December 31, 2024, respectively:

(RMB'000)	2025		2024		Year-on-year change (%)
	GWP	As percentage of the total	GWP	As percentage of the total	
Ecosystems					
Health	12,681,755	35.5%	10,337,716	30.9%	22.7%
Digital lifestyle	15,972,524	44.7%	16,196,652	48.5%	(1.4%)
Consumer finance	4,320,401	12.1%	4,832,276	14.5%	(10.6%)
Auto	2,760,314	7.7%	2,050,773	6.1%	34.6%
Total	35,734,994	100%	33,417,417	100%	6.9%

The following table sets forth a breakdown of (i) GWP, (ii) insurance revenue, (iii) expense ratio, (iv) loss ratio, and (v) underwriting combined ratio, by ecosystem for the year ended December 31, 2025 and the year ended December 31, 2024, respectively. Specifically, net income/(expenses) from reinsurance contracts held and finance income/(expenses) from reinsurance contracts held are not taken into account in the calculation of the expense ratio, loss ratio and underwriting combined ratio:

(RMB'000)	2025	2024
Ecosystems		
Health		
GWP	12,681,755	10,337,716
Insurance revenue	12,128,861	9,738,012
Expense ratio (%)	50.0%	56.7%
Loss ratio (%)	42.1%	39.0%
Underwriting combined ratio (%)	92.1%	95.7%
Digital lifestyle		
GWP	15,972,524	16,196,652
Insurance revenue	14,348,687	15,786,205
Expense ratio (%)	34.6%	31.7%
Loss ratio (%)	65.3%	68.0%
Underwriting combined ratio (%)	99.9%	99.7%
Consumer finance		
GWP	4,320,401	4,832,276
Insurance revenue	4,641,271	4,377,435
Expense ratio (%)	28.8%	28.0%
Loss ratio (%)	68.2%	62.1%
Underwriting combined ratio (%)	97.0%	90.1%
Auto		
GWP	2,760,314	2,050,773
Insurance revenue	2,365,749	1,842,691
Expense ratio (%)	23.9%	26.7%
Loss ratio (%)	69.2%	67.5%
Underwriting combined ratio (%)	93.1%	94.2%

Management Discussion and Analysis

Health Ecosystem

As the reform of medical insurance payment methods continues to advance, commercial health insurance, as a key pillar of the diversified payment system in the healthcare industry, has increasingly demonstrated its industrial value and supporting role. In 2025, the domestic commercial health insurance market maintained steady growth, with premium income reaching RMB997.3 billion and approaching the RMB1 trillion mark. The reform of medical insurance payment methods has also directly driven product innovation in commercial health insurance. In particular, the medical insurance segment has evolved from providing “basic in-patient coverage” to “full-cycle health protection”, and from “after-the-fact claims” to “proactive health management”, further consolidating its position as an important source of diversified payment in the healthcare industry.

We keep abreast of industry trends by leveraging our internet-based and product innovation capabilities. To consistently prioritize user needs, we kept diversifying the offering of insurance products and services of the health ecosystem through technological empowerment. In 2025, the health ecosystem recorded GWP of RMB12,682 million, representing a year-on-year increase of 22.7%. The Company served approximately 29.34 million insureds throughout the year, with an average GWP per customer of RMB613. The cumulative coverage has exceeded 150 million health insurance insureds.

Centered around our dual-brand matrix of “Personal Clinic Policy (尊享e生)” series + “Zhong Min Bao (眾民保)” series and aiming for “comprehensive coverage for all demographic groups and full-cycle protection”, our product offerings include million-yuan coverage medical insurance, critical illness insurance, outpatient and emergency insurance, mid-to-high-end medical insurance, and rehabilitation insurance. Complemented by digital and intelligent service upgrades, this forms the core competitiveness of our health ecosystem, consolidating our market advantages in serving people with standard risk while filling the market gap in coverage for people with substandard risk.

As a health insurance product with over a decade of history, our “Personal Clinic Policy” series has undergone a total of 25 upgrades. In 2025, we further upgraded our flagship product, “Personal Clinic Policy”, with the core update being the removal of all restrictions on externally purchased prescription drugs and medical devices, coupled with breakthroughs achieved in disease lists and in-hospital scenarios. In addition, we optimized the deductible design and expanded hospital coverage to further enhance the practicality of the insurance coverage. In 2025, GWP reached RMB8.34 billion, maintaining our leading position in the medical insurance market. In 2026, we continued our iterative innovation and launched the 2026 “Personal Clinic Policy” (尊享e生2026版) with “treatment + rehabilitation” as the core feature, extending insurance coverage to the critical stage of post-operative rehabilitation.

Based on our user insights and extensive experience accumulated over years, we launched the “Zhong Min Bao (眾民保)” series targeting people with substandard risk, including the elderly, people with chronic diseases, and people with pre-existing conditions. With features like health claim waivers and no occupational restrictions, it precisely covers people who are typically not covered by conventional medical insurance, indicating our innovation of inclusive products. In 2025, we further extended the product line and launched the “Zhong Min Bao Mid-to-High-End Medical Insurance (眾民保中高端醫療險)”, expanding the coverage to include mid-to-high-end medical care for critical illnesses, thus achieving a balance between affordability and the demand for mid-to-high-end medical resources. In 2025, the “Zhong Min Bao (眾民保)” series recorded GWP of RMB2.17 billion, a surge of 456.1% year-on-year, making it a new growth engine for the health ecosystem.

We remain committed to providing inclusive insurance and continue to extend our protection services to a wider range of people. In partnership with the DiDi platform, we launched a driver protection scheme, Dian Di Bao (點滴保), which offers fragmented and scenario-based insurance products to provide dedicated drivers of DiDi with robust protection against critical illness. We have further extended this fragmented business model to new employment patterns such as food delivery and courier services. For example, we cooperated with food delivery platforms to launch a heatstroke insurance product, providing exclusive protection for delivery workers and comprehensively covering risks related to severe heatstroke conditions such as thermoplegia.

To address the personalized protection needs of different customer groups, we continuously promote product innovation and customization. We have developed exclusive insurance products including Hao Yun Bao (好孕保) and high-incidence disease insurance for women, and our recurrence insurance products provide all-round protection for cancer survivors. In the consumer healthcare scenario, we established in-depth cooperation with Alibaba Health to offer customized protection services for overweight and obese individuals, including an omni-process scientific weight loss service integrating nutrition management, exercise intervention and medication.

We have comprehensively restructured our health insurance service system based on AI technology, deeply integrating intelligent capabilities into the entire process of claim settlement and health management. In the claim settlement process, by leveraging the constantly evolving semantic recognition technology based on large language models, we have achieved a key leap from traditional "character recognition" to "semantic understanding". This technology enables in-depth analysis of professional text in unstructured claims documents, including medical records and medical bills, by accurately extracting key information such as diagnostic conclusions, treatment items and cost details. Even when processing handwritten annotations, professional terminology and documents with complex formats, it maintains high accuracy in intelligent parsing, thereby significantly improving claims processing efficiency.

By 2025, the Company achieved an automated review rate of over 45% for health insurance claims, with cases closed in as fast as 15 seconds, and over 76% of health insurance customers received claim payments within one working day after filing their claims. Furthermore, with the help of a smart assistant, over 90% of users completed the upload of claim materials in one go, significantly improving the convenience and user experience of the claim settlement service.

In 2025, our health ecosystem recorded insurance revenue of RMB12,129 million, representing a year-on-year increase of 24.6%. The underwriting combined ratio of the health ecosystem was 92.1%, representing a decrease of 3.6 percentage points as compared to the corresponding period of 2024. The improvement was mainly attributable to the improvement in the expense ratio, which was 50.0% in 2025, representing a decrease of 6.7 percentage points as compared to the corresponding period of 2024, mainly attributable to the significant benefits brought by AI-driven comprehensive improvement in marketing efficiency and refined operational capabilities. The loss ratio was 42.1%, representing an increase of 3.1 percentage points as compared to the corresponding period of 2024, mainly due to the changes in product mix.

Digital Lifestyle Ecosystem

In the digital lifestyle ecosystem, we leverage innovative insurance products to deeply connect the upstream and downstream of the consumer sector. The booming development of the digital lifestyle ecosystem is deeply synchronized and highly aligned with the digital transformation of the consumer sector. We focus on core consumer segments such as pets, e-commerce, travel, food delivery and instant retail, as well as emerging businesses including sports, low-altitude economy, payment and home property protection. Leveraging our core technological advantages, we deeply penetrated various consumption scenarios, building a comprehensive and scenario-based innovative insurance product and service system. We continue to unlock the value of insurance innovation in emerging consumer sectors and explore new opportunities arising from cross-sector integration. In 2025, the digital lifestyle ecosystem recorded GWP of RMB15,973 million, among which the GWP of innovative business amounted to RMB6,568 million, accounting for 41.1%, representing a year-on-year increase of 37.2%.

In 2025, China's pet economy continued to flourish, driven by the rising demand for emotional companionship among residents. Increased disposable income has driven a shift in consumption patterns towards higher quality and provided a solid economic foundation for pet ownership, contributing to an increasing number of pet owners. Pet healthcare, consumer services and related segments experienced rapid growth. According to a report by CIC, China's pet industry has entered a phase of rapid growth. The market size reached RMB300 billion in 2024 and is projected to reach RMB602.5 billion by 2030 and RMB1,113.9 billion by 2035. The pet healthcare industry reached a size of RMB36.6 billion in 2024 and is projected to grow to RMB69.9 billion and RMB139.2 billion by 2030 and 2035, respectively, with a CAGR of 11.4% and 14.8%.

Pet insurance, as a vital link between healthcare and services, is also experiencing sustained rapid growth. We have been involved in pet insurance for years and have consistently led the industry's development. We have served more than 8 million pet owners over the years. In 2025, our pet insurance recorded a year-on-year increase of 88.2% in terms of GWP, reaching nearly RMB1,296 million, occupying a leading market share.

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ZhongAn's pet insurance covers core protections including pet disease treatment, accidental medical care, and third-party liability. The Company continues to innovate its products, launching critical illness medical insurance for pets, which provides targeted coverage for 107 diseases and raises the maximum payout for a single accident to over RMB10,000, effectively filling the gap in medical protection against pet critical illness. Simultaneously, we continuously improve our pet health management services by launching diversified value-added services such as online consultations and nutritional advice.

In 2025, we continued to optimize and upgrade our "Pet Medical Insurance" products to build a more comprehensive protection system. It now covers 150 approved veterinary drugs and connects with more than 18,000 cooperating pet medical stores, providing pet owners with one-stop medical protection services.

Based on the deep integration of AI technology and professional veterinary expertise, we provide users with online medical advice services to help pet owners scientifically manage their pets' health and reduce the risk of disease onset and progression. Through our partner hospital platform and intelligent data analysis, we precisely guide our customers to more suitable specialized veterinary hospitals. We provide full-process assistance for appointments, consultation and referrals, while enabling direct and fast claim settlement services for pet insurance at designated partner hospitals, significantly streamlining the claim settlement process. In terms of user experience innovation, we actively leverage new technologies by integrating the "touch and pay" NFC technology, which makes purchasing pet insurance and handling claims significantly more convenient. Our pet ecosystem provided nearly 2.1 million cases of services in 2025 alone, with a cumulative total of approximately 4.5 million cases of services.

In addition to pet insurance, we also actively seized the development opportunities of the low-altitude economy to enable accurate pricing for different drone models and different service models, and launched solutions such as drone damage insurance and third-party liability insurance, underwriting more than one million drones during the year. During the Reporting Period, the GWP of low-altitude economy grew by more than 30%.

We are also actively supporting emerging business forms by offering tailored insurance solutions, including screen cracking insurance and battery insurance for electronic devices. Meanwhile, to practice the concept of inclusive insurance, we have proactively launched fragmented insurance products tailored to scenarios such as food delivery, courier delivery, and flexible employment, thereby enhancing the risk resistance of both users and platforms.

In the e-commerce segment, by fully leveraging our core InsurTech strengths, we innovate and create scenario-based coverage solutions targeting different digital lifestyle scenarios. By partnering with major mainstream e-commerce platforms, we have established a risk coverage system that spans the entire transaction cycle, covering key stages such as product quality control, delivery protection, after-sales service support, and merchant credit endorsement, thereby providing a full range of risk protection for both the platform and users. The business has covered multiple e-commerce platforms, with the GWP of our e-commerce ecosystem amounting to RMB6,574 million.

The air travel insurance business adhered to a refined operational strategy, with a focus on the outbound travel market. In response to the growing demands for cross-border travel protection, we developed travel insurance products specifically for popular outbound destinations such as the Schengen region, Japan, South Korea, and Southeast Asia. GWP generated from the air travel segment amounted to RMB2,830 million, with differentiated product designs to precisely satisfy users' diverse protection needs.

The underwriting combined ratio of the digital lifestyle ecosystem remained stable at 99.9%. The loss ratio and the expense ratio recorded slight changes, mainly due to the adjustment of digital ecosystem's internal product mix, with the overall business situation remaining stable.

Auto Ecosystem

The current auto insurance market is increasingly characterized by a younger mainstream customer base, a rising proportion of new energy vehicle (NEV) owners, and a significant increase in customer preference for online insurance purchases. With the in-depth application of technologies such as artificial intelligence and big data, the entire process ranging from auto insurance quoting, underwriting to claim settlement has been digitized, driving the continuous growth in the online penetration rate of the industry's sales channels.

We keenly seized the opportunities arising from the digital transformation of channels and leveraged our proprietary online platform capabilities. To address the diverse protection needs of vehicle owners, we actively expanded our product portfolio by launching supporting coverage including accident insurance for both drivers and passengers and travel accident insurance, dedicated to providing users with more comprehensive and attentive travel protection. During the Reporting Period, the auto ecosystem recorded GWP of RMB2,760 million, representing a year-on-year increase of 34.6% and outperforming the industry average.

Under the combined effect of market demand and regulatory policies, the NEV insurance market is in a phase of historic explosive growth and has emerged as the core growth driver of the auto insurance sector. During the Reporting Period, the Company proactively embraced the development of NEV insurance by providing products and services to owners of hundreds of NEV brands, with GWP of NEV insurance surging by approximately 206.2% year-on-year, accounting for over 28.3% of total GWP of the Company's auto insurance and emerging as one of its core growth engines. To address the core concern of NEV owners regarding the high repair costs of key components, the Company launched the innovative "Zhong Yan Bao (眾延保)", a warranty extension insurance product, which effectively alleviated concerns about vehicle repair costs after the original warranty period. We also proactively established strategic partnerships with NEV manufacturers to further explore innovation in NEV insurance products.

Starting in 2025, we successfully achieved independent operation of compulsory auto insurance in Shanghai and Zhejiang, and launched independent operation of commercial auto insurance business in Shanghai. The Company may formulate more flexible premium rate plans based on its own risk data and business strategies, further enhancing product competitiveness. Meanwhile, the Company now independently handles the entire business process covering underwriting, claim settlement and service delivery, effectively improving operational efficiency.

We leverage AI and big data technologies to enhance user experience. In 2025, online self-service claims through the 'ZhongAn Auto Insurance (眾安車險)' mini-program accounted for a proportion of over 88.2%. The NFC 'tap-to-connect' technology enabled "instant video connection, inspection and settlement" for over 50% of claims through video, with AI-powered damage assessment taking as little as 116 seconds and claims under RMB10,000 settled in as little as 13.3 minutes.

During the Reporting Period, we focused on high-quality product segments such as personal lines, with personal lines insurance contributing 87.9% of the total GWP of ZhongAn's auto insurance. During the Reporting Period, the Company's auto ecosystem recorded insurance revenue of RMB2,366 million, representing a year-on-year increase of 28.4%. As for operating efficiency, in 2025, the combined ratio for the auto ecosystem improved by 1.1 percentage points year-on-year to 93.1%. In particular, benefiting from the improvement in refined operational management level and adherence to the requirement of "consistency between the reported and actual rates" in terms of control on commission rates, the expense ratio declined by 2.8 percentage points year-on-year to 23.9% and the loss ratio rose by 1.7 percentage points, mainly due to an increased proportion of NEV insurance, compulsory traffic accident liability insurance and other business, with claim risks generally under control.

Consumer Finance Ecosystem

We reach out to potential borrowers with good credit through multiple scenarios (such as telecommunication and video streaming scenarios) and multiple channels of our Internet platform partners. Through a more comprehensive credit assessment of such group, we assist internet finance companies in credit risk management and comprehensive post-loan management. In addition, through artificial intelligence and big data analysis, we refine insights into user portraits from interactions with them under daily and commercial scenarios, so as to empower financial institutions throughout the life cycle of loans, support financial institutions to expand their service coverage, and allow users to obtain more accessible credit services. All of the funding providers that we collaborate with are licensed financial institutions.

We stick to a prudent business strategy, constantly improve risk control models through our insights into the full life cycle of user spending, and establish a model to carry out the management of risks for all processes and the entire full cycle covering from pre-underwriting customers' entry to risk warning during the policy term and recovery of non-performing assets after underwriting through AI technology, thereby effectively preventing and diversifying risks in the consumer finance ecosystem. Our consumer finance ecosystem primarily serves China's young and emerging high-quality group, with core targeted customers in the 25-40 age group. To meet their diverse protection needs, we have established a rich product matrix. In terms of business model, we focus on small, dispersed and short-term consumer finance assets in internet-based scenarios and work closely with licensed financial institutions to utilize industry-leading technology and risk management systems to implement differentiated insurance premium pricing based on individual risk profile of the underlying assets. Meanwhile, we provide comprehensive risk coverage for the underlying assets through credit guarantee insurance.

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In 2025, the average duration of our underlying assets is around 10 months, with an average principal amount of approximately RMB8,000 per loan. We constantly refined risk control models, keeping our underlying asset quality within a controllable range.

In 2025, amid the uncertainties of the external environment, we proactively scaled down the business of this ecosystem based on the considerations of risk management and high-quality development. As a result, the GWP decreased by 10.6% from 2024 to RMB4,320 million. As of December 31, 2025, the outstanding balance of insured loans of the consumer finance ecosystem was RMB22,883 million, representing a decrease of 5.4% from the end of 2024, and further decreased to RMB17,904 million by the end of February 2026. In 2025, the combined ratio of the consumer finance ecosystem was 97.0%, representing an increase of 6.9 percentage points from the corresponding period of 2024. The loss ratio was 68.2%, representing an increase of 6.1 percentage points from the corresponding period of 2024, mainly attributable to the fluctuation in the quality of underlying assets. The expense ratio was 28.8%, which was relatively stable as compared to last year.

Brand Building and Proprietary Channels

With deep insights into industry trends, the Company regards brand building and proprietary channel development as strategic priorities. Through intelligent customer acquisition in public domains and systematic operations in private domains, the Company established a healthy and sustainable endogenous growth cycle. In the public domain traffic arena, we closely followed content trends and algorithm updates on short videos and livestreaming platforms to achieve efficient customer engagement and conversion. In the private domain, we leveraged WeCom (企業微信), community platforms and our proprietary app to establish a more autonomous and controllable in-depth user operation model. Through refined segmentation of over 2,000 user tags, as well as the application of AI customer service, automated marketing tools and intelligent scripts for targeted advertising and interaction, we were able to configure personalized interactive journeys and protection plans for users, significantly enhancing user loyalty and conversion efficiency.

Through digital services with a caring hand, ZhongAn has successfully established high-loyalty customer relationships. As evidenced by the year-on-year improvement of key indicators such as customer renewal rate and the average number of policies per paying user, we continued to tap user value throughout the entire lifecycle. This does not only reflect an optimization of short-term customer acquisition costs, but also represents the fundamental reinforcement for long-term brand value, customer relationships and digital assets accumulation.

In 2025, we reached our users via more diverse means, through deep integration of multiple channels and scenario-based penetration of brand marketing. Focusing on building an "insurance + sports" brand, we continued to develop ZhongAn's "sports + insurance" brand in 2025, with targeted marketing through major sports events. We partnered with over 150 major sporting events, including marathons, HYROX, Jiangsu Football City League, Zhejiang Basketball City League, and the UCI World Tour, covering more than 100 cities. These sports events, characterized by scenario-specific activities and large audiences, not only implied a strong connection between ZhongAn's brand image and a healthy and vibrant lifestyle but also enabled ZhongAn to leverage their geographical reach and audience penetration to permeate brand awareness across different age groups and regions, breaking down the boundaries of online communication for Internet insurance brands. Brand marketing through sports events aligns with the Company's youthful and digital brand identity and builds a concrete bridge for emotional connection between the insurance brand and its users.

We continuously deepened its digital marketing strategy, precisely reaching potential users through emerging traffic scenarios such as short videos and livestreaming, while leveraging AI-powered intelligent customer service systems to achieve personalized services and efficient conversion. In the public domain traffic arena, we established a full-process public domain operation system covering "content creation, targeted marketing, conversion and accumulation". In terms of content creation, our AIGC content creation team leveraged generative AI technology to mass-produce short videos and graphic content for insurance education, covering categories such as health insurance, auto insurance, accident insurance, and pet insurance. We optimized ad placement while prioritizing the development of our private domain traffic system. Through refined operations, user segmentation management, and intelligent tool applications, we established a more autonomous and controllable in-depth user operation model. By utilizing AI automatic Q&A features on social media platforms such as Douyin (抖音) and rednote (小紅書), we significantly improved premium conversion rates and brand user loyalty, with notable enhancements in user loyalty in the private domain.

In terms of ecosystem synergy, we further strengthened penetration across different business segments, creating integrated “coverage + services” solutions tailored to user lifestyle scenarios. We continuously enriched our proprietary channel product matrix, prioritizing upgrades to service segments such as healthcare, family protection, and pet insurance to provide users with more valuable full life-cycle protection services.

In 2025, our proprietary channels recorded GWP of RMB7,557 million, accounting for 21.1% of the total GWP. The average premium per policy¹ was RMB505, and the average number of policies per paying user increased to 1.9. Through data-driven refined operations, we continued to make breakthroughs in user lifecycle value maximization and private domain traffic conversion, laying a solid foundation for high-quality business development.

Furthermore, we actively expanded our ecosystem boundaries to build growth momentum for business expansion and reach customers across all channels. By 2025, ZhongAn had a total of over 300 ecosystem partners, including 33 core partners who contributed more than RMB100 million to its GWP, demonstrating ZhongAn’s strong connectivity capabilities in ecosystem cooperation. These partners cover multiple scenarios such as e-commerce, travel, health, and lifestyle services. Through deep integration with ecosystem partners, ZhongAn embeds its insurance products into users’ daily spending, travel, and health management scenarios, forming an ecosystem capability of “insurance services as scenario-based services”.

Artificial Intelligence

Since its establishment in 2013, the Company has adhered to the dual-engine growth strategy of “Insurance + Technology”, placing artificial intelligence at the core of its technological capabilities. It has made long-term, systematic and full-chain resource investment and in-depth technical research in the AI field, achieving comprehensive advancement from technology exploration, scenario-based application to strategic depth, and continuously embedding AI technology throughout the insurance business processes.

In 2023, the Company released the “White Paper on AIGC/ChatGPT Applications in the Insurance Industry” (《AIGC/ChatGPT保險行業應用白皮書》), the first white paper on AI-generated content technology application in the domestic insurance industry, along with the first AIGC application map in the insurance industry. The Company also independently developed the AI middle platform “Zhongyou Lingxi (眾有靈犀)”, continued to invest in computing power and the construction of its data middle platform, and integrated core technologies such as mainstream domestic big models and Embedding models, thereby building a full-stack AI technology system.

At the underlying architecture level, the Company has deeply integrated mainstream domestic general-purpose big models, building a MaaS (Model as a Service) platform based on a unified technical architecture to serve as the core foundation of its AI technology system. By integrating key technologies such as Reinforcement Learning (RL) and big-model distillation, and combining multi-modal capabilities such as language, voice, image and classification, complemented by big data platforms and machine learning platforms, it has established a unified AI technology infrastructure.

Through prompt engineering, we enabled intelligent optimization of input information, and by leveraging knowledge engineering, we deeply integrated insurance industry knowledge and business data, providing precise and reliable knowledge support for upper-level applications. Voice services, Retrieval-Augmented Generation (RAG) services and AI Agent provide core capabilities respectively in voice interaction, information retrieval and intelligent agent, supporting application in diverse business scenarios. As the core component for global intelligent scheduling, AI-Gateway serves to unify the management and coordinate various AI services, ensuring their efficient and stable system operation. Relying on this comprehensive architecture, our AI middle platform enables efficient integration and delivery of full-stack AI capabilities, providing robust and scalable intelligent support for various core business scenarios.

¹ Average premium per policy = the total GWP of proprietary channels/the number of policies of proprietary channels

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In 2025, the Company continued to advance its "One AI" strategic deployment, with R&D investment reaching RMB745 million, further strengthening the foundation of AI data and technical capabilities to provide firm underlying support for the large-scale application of technology. As at the end of 2025, the Company has cumulatively served 500 million customers and accumulated nearly 100 billion policy data entries. On this basis, the Company independently built a multi-modal corpus containing over 10 billion business-related texts, achieving deep integration with big model applications. In 2025, the Company's big models was called over 2 billion times, consuming over 3 trillion tokens. At the technology carrier level, "Zhongyou Lingxi (眾有靈犀)" has evolved into the core engine driving business transformation. Through the coordination of multiple modules, including knowledge engineering and voice services, combined with core capabilities such as context engineering, Agent templates, data flywheel and MaaS, the platform focused on the in-depth exploration of the insurance core value chain and high-value mid-to-back scenarios to build the OneAI core engine.

As of December 31, 2025, nearly 220 robots were active on "Lingxi (靈犀)"— our AI middle platform. The Company continued to deeply integrate AI technology into the full-chain business scenarios, achieving improvement in both efficiency and customer experience across key stages including product design, marketing, underwriting, service, claim settlement and quality inspection. In product design, AI was utilized to analyze and assess needs and generate solutions and codes, enabling "launch with zero development" for certain products. As a result, new products could be launched 400% faster, significantly shortening development and upgrading cycles. In marketing, AI enables accurate user profiling and helps create personalized materials, improving material production efficiency by 95% and achieving 100% marketing coverage, thereby effectively enhancing user engagement and conversion. In underwriting, the automated risk control system enabled 99% automated underwriting for health insurance, with an accuracy rate of over 95% for pet insurance underwriting recognition, ensuring timely risk identification and early warning. In customer service, AI customer service has evolved from passive responders to emotional value providers. In private domain scenarios, with AI assistance, a single human customer service agent can serve more than 100,000 end-users (handling volume per agent). Furthermore, we also offered users AI health consultation services. In claim settlement, automated workflows and anti-fraud technologies have significantly enhanced efficiency. For health insurance,

over 90% of users uploaded claim materials in one go, with fully automated review for more than 50% of claims and over 76% of users receiving claim payments within one working day. In the auto ecosystem, AI technology enabled "instant video connection, inspection and settlement" for over 50% of claims through video, with AI-powered damage assessment taking as little as 116 seconds and claims under RMB10,000 settled in as little as 13.3 minutes. In quality inspection, the full-process AI-powered quality inspection helped build a dynamic risk barrier, with 100% coverage of intelligent sampling inspection to ensure stable business operations.

Looking ahead, the Company will remain committed to its technological aspirations, continue to intensify its R&D effort and resource investment in the AI field, promote the integration and innovation of big models within vertical insurance scenarios, and further consolidate its AI technology foundation. Through technological innovation, the Company aims to drive high-quality development of its insurance business and facilitate the digital transformation of the industry.

Technology Export

We have been deeply rooted in the InsurTech segment, developing and exporting our advanced experience and technology strengths in the InsurTech industry in a diverse manner to facilitate digital transformation of customers along the insurance industry chain. We have developed a new generation of insurance core systems and scenario-based solutions for our customers in the insurance industry, and joined hands with Internet platforms and other insurance intermediary platforms to develop a digital insurance ecosystem.

Our domestic technology export business is conducted mainly through ZhongAn Xinke (an associate of ZhongAn Technology, which is a wholly-owned subsidiary of us), and the overseas technology export business is conducted through Peak3 (Hong Kong) Limited (a subsidiary of ZhongAn International, which in turn is a joint venture of us) and its subsidiaries (collectively, "Peak3"). The results of ZhongAn Xinke and Peak3 are not consolidated into the Group's financial statements.

Domestic Technology Export

Our technology export business focuses on the exploration and R&D of cutting-edge technologies including artificial intelligence, big data and cloud computing. By leveraging the ecological advantages of ZhongAn, it has created a battle-tested value delivery system of “product + service”. Focusing on the FinTech sector, through industry leading R&D capabilities and service practices, we provide intelligent and platform-based digital transformation solutions for financial clients in banking, insurance and securities, with a view to promoting high-quality development of the financial industry with core advanced technology and facilitating the formation of a new landscape of digital finance.

In 2025, the Company continued to promote R&D of AI products, and realized the upgrades and sales for intelligent agent platforms, intelligent outbound call systems, and the entire industry. In particular, the Company has made substantial progress in intelligent customer service processes and automated quality inspection. In terms of the commercial application of AI products, the Company has successfully implemented a number of major projects, including the construction and optimization of core intelligent agents for agent and network sales assistance in cooperation with several insurance companies. We have also made progress in the development of marketing channels, with our services extending from insurance companies to banking, retail and other industries, providing integrated marketing solutions, including unified marketing systems for deposits and loans, customer data platforms and automated marketing strategy systems. The Company’s AI capabilities have also achieved cross-sector applications, exporting AI capabilities to various fields including consumer finance, and realizing its cross-industry versatility through AI customer service.

International business

The Group’s international business mainly includes (a) international technology export and (b) Hong Kong digital bank, which are carried out through Peak3 and ZA Bank, subsidiaries of ZhongAn International, respectively. ZhongAn International is accounted for as a joint venture of the Group, and the results of ZhongAn International and its subsidiaries are not consolidated into the Group’s statements.

(a) Peak3 (Overseas Technology Export)

Peak3 (formerly known as ZA Tech), was incubated by ZA Global in 2018 as an independently operated technology group to provide technology solutions to international enterprise customers. Peak3’s main product portfolio includes Graphene, its cloud-native, AI-ready and modular insurance core platform, and Fusion, a cloud instance distribution and orchestration platform. Peak3’s solutions support life, health and property & casualty insurance and are used by leading global insurers, digital platforms and other intermediaries.

In 2025, Peak3 focused on the expansion of its product capabilities. It completed a new major release of its Graphene core platform, which expanded its scope to commercial property & casualty insurance and group medical insurance, while strengthening support for traditional life and health insurance businesses. Furthermore, it included the release of diverse new artificial intelligence capabilities, including an AI agent orchestration platform, pre-integrated intelligent chatbots, intelligent document processing, and agentic claims assessment to drive its clients’ efficiency, while improving user experience and decision making.

Peak3 has entered into cooperation agreements with its clients and officially entered new markets including Australia, France, Germany, India, Italy, and Spain. In addition, leveraging the Graphene platform’s capability to support multi-country operations at scale, Peak3 has entered into an industry-first seven-country collaboration project with a major Asian insurance group. To support its expansion into new markets, Peak3 has commenced establishing new technology centers in Spain and India while forming partnerships with certain system integrators. Peak3 received multiple technology related awards in 2025, including but not limited to World’s Most Innovative InsurTechs by FinTech Global, Technology Standout Award by Celent and Top Initiative InsurTech Startup Award by ITC Asia, and has been recognized as a Representative Vendor by Gartner and as among the World’s Top Fintech Companies 2025 by CNBC and Statista. It also received numerous accolades from leading global technology and industry analysts such as Celent, Gartner, and IDC.

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(b) ZA Bank (digital banking in Hong Kong)

ZA Bank, a subsidiary of ZA Global and a digital bank in Hong Kong, became one of the first banks in Hong Kong having been granted a digital banking license in 2019, and officially commenced operation in 2020. ZA Bank aims to build a one-stop digital financial service platform in Hong Kong to provide diversified, convenient and inclusive financial services to retail customers and SMEs. At present, ZA Bank has become one of the digital banks in the Hong Kong market that offers the most comprehensive functions and products, building a one-stop integrated digital financial service platform through its mobile app, which operates in a fully digitalized mode.

In 2025, ZA Bank became the first digital bank in Hong Kong to have over 1 million retail users, marking a significant milestone in the development of digital finance in Hong Kong. Along with the growth in its user base, ZA Bank achieved profitability for the first time in 2025, with a net profit of HKD17.27 million. During the Reporting Period, ZA Bank's core business also continued to grow, with all key indicators performing well. In 2025, ZA Bank recorded net revenue of approximately HKD892 million, representing a year-on-year increase of 62.7%. Specifically, net interest income was HKD669 million, representing a year-on-year increase of 36.8%, and non-interest income was HKD223 million, representing a year-on-year increase of 277.9%. Meanwhile, benefiting from a higher proportion of demand deposits and the resulting further reduction in capital costs, ZA Bank's net interest margin improved from 2.41% for the corresponding period of 2024 to 2.69% in 2025, outperforming the industry average. While expanding its business scale, ZA Bank also focused on operating efficiency improvement, gradually demonstrating the economies of scale. In 2025, ZA Bank's cost-to-income ratio improved significantly from 109.4% for the corresponding period of last year to 77.7%. With the growing user base and increasing user trust, as of December 31, 2025, ZA Bank's customer deposit balance increased by 14.7% as compared to the end of 2024 to approximately HKD22,245 million, and its total assets increased by 11.3% as compared to the end of 2024 to HKD24,853 million.

ZA Bank continued to expand its retail wealth management business, striving to create a one-stop investment and wealth management experience, and the related investment business remains a major driver of non-interest income growth. ZA Bank consistently optimizes its products and services, enabling users to seamlessly access diversified product offerings within a single App, including the HK stock trading services newly introduced in 2025, together with the previously available US stock, fund and cryptocurrency trading services. ZA Bank also continues to enhance user engagement through product and service innovation. As an example, In November 2025, ZA Bank launched the "StockBack x ZA Card", a first-of-its-kind rebate program in Hong Kong that offers stocks as spending rewards on every eligible purchase. As its product offerings are continuously enriched, ZA Bank is setting a new benchmark for digital wealth management featured by cost-efficiency, ease of use, and 24/7 availability.

Technology remains at the core of ZA Bank's operating model. ZA Bank continues to allocate resources to enhance efficiency and productivity, aiming to actively manage operating expenses while supporting business expansion. By continuously upgrading its system, including deeper integration of AI into operations and controls, ZA Bank further improves the resilience, stability and information security of the system.

Investment of Insurance Funds

As of December 31, 2025, the total investment assets of our onshore insurance funds amounted to approximately RMB40,302 million, among which cash and amounts due from banks and other financial institutions amounted to RMB2,709 million, accounting for 6.7%, fixed income investments amounted to RMB28,248 million, accounting for 70.0% (out of which bonds and bond funds represented 60.4%), stock and equity funds amounted to RMB3,639 million, accounting for 9.1% and unlisted equities amounted to RMB5,705 million, accounting for 14.2% (which mainly included the equity interests in ZhongAn Technology and ZhongAn Insurance Broker, wholly-owned subsidiaries of the Company).

The Company's asset management of insurance funds benefited from the recovery of the capital markets, and the total investment income for 2025 was RMB2,124 million, representing an increase of 59.1% compared to the investment income of RMB1,335 million in the corresponding period of 2024. Specifically, net investment income was RMB1,768 million, fair value changes were RMB352 million, while the reversal of impairment on investment assets amounted to RMB4 million. During the Reporting Period, the Company had a total investment yield of approximately 5.3% and a net investment yield of approximately 1.9%.

In terms of fixed income investments, the creditworthiness of the fixed income assets we invest in is maintained at a sound level. As of December 31, 2025, among the bonds we invested in, 98.8% received external credit ratings of AA level or above and approximately 82.8% received external credit ratings of AAA level.

In 2025, the capital market exhibited a robust upward trend featured by volatility and notable structures, with the Shanghai Composite Index rising by approximately 18.4% in points for the year, marking the record-high performance in nearly a decade. In terms of equity investments, we adhere to a sound and prudent investment philosophy and, based on our judgement on the macro economy and risk/return profile of various asset classes, dynamically adjust the proportion of equity investment in the secondary market. We seized the transaction opportunities in the equity market and increased our allocation of equity assets in 2025, with the proportion of secondary stocks and equity funds increasing by 3.1 percentage points from the end of last year to 9.1% as at December 31, 2025.

The Company will continue to focus on macroeconomic strategies and fundamental research of underlying assets, optimize insurance fund asset allocation, balance the allocation of long-term assets with stable performance and short-term capital markets trading opportunities, and prioritize low-risk fixed income assets while moderately participating in risky asset investment opportunities. The Company will continue to explore asset allocation and security selection for excess return on top of matching asset and liability durations.

Management Discussion and Analysis

Investment portfolio of insurance funds (by category)

Asset Management of Onshore Insurance Funds

(RMB'000, unless otherwise stated)	December 31, 2025		December 31, 2024	
	Balance	As percentage of the total (%)	Balance	As percentage of the total (%)
Cash and amounts due from banks and other financial institutions	2,709,118	6.7%	1,064,111	2.7%
Fixed income investments	28,247,776	70.0%	30,494,552	76.6%
Money market fund	49	0.0%	300,108	0.8%
Bonds	18,703,060	46.4%	21,596,077	54.2%
Bond funds	5,636,608	14.0%	5,348,419	13.4%
Others	3,908,059	9.6%	3,249,949	8.2%
Equity and equity funds	9,344,736	23.3%	8,216,996	20.7%
Stocks	3,042,853	7.6%	1,713,198	4.3%
Equity funds	596,511	1.5%	682,160	1.7%
Unlisted equity	5,705,372	14.2%	5,821,637	14.6%
Total investment assets	40,301,630	100.0%	39,775,659	100.0%

Investment income

(RMB million)	For the Year Ended December 31	
	2025	2024
Net investment income	1,768	349
Fair value changes	352	990
Impairment losses on investment assets	4	(4)
Total investment income	2,124	1,335
Total investment yield	5.3%	3.4%
Net investment yield	1.9%	2.3%

Outlook

In the future, we will continue to stick to the dual-engine growth strategy of "Insurance + Technology", adhere to "sustainable growth with quality", enhance brand building, and integrate technology development and innovation into the whole process of insurance and continuously optimize underwriting efficiency and customers' experience. At the same time, we will continue to export our InsurTech capability to domestic and overseas markets to empower all participants from upstream to downstream of the insurance industrial chain, and become the best partner during the digital transformation of the global insurance industry. In addition, we will maintain our focus on the Hong Kong financial market and promote innovation in the FinTech sector of Hong Kong with technologies, and provide new experience for users.

Financial Review

In 2025, we pursued “sustainable growth with quality” and recorded the underwriting combined ratio of 95.8% for the year, marking positive underwriting profit for the fifth consecutive year. Additionally, benefiting from the recovery of the capital markets, total investment income increased in 2025. Meanwhile, due to the turnaround of the banking segment from loss to profit, the Company’s adjusted net profit attributable to owners of the parent amounted to RMB1,800 million, representing an increase of approximately 198.3% compared to the adjusted net profit attributable to owners of the parent of RMB603 million in 2024.

The following table sets forth the key financial data for the year ended December 31, 2025 and the year ended December 31, 2024:

(RMB'000)	For the Year Ended December 31	
	2025	2024
Total income	36,243,385	34,131,261
Adjusted net profit attributable to owners of the parent	1,800,060	603,456
Net profit attributable to owners of the parent	1,101,605	603,456
Total comprehensive income	1,000,055	837,645
Earnings per share		
– Basic (RMB)	0.70	0.41
– Diluted (RMB)	0.70	0.41

The following table sets forth our key financial ratios as at or for the year ended December 31, 2025 and 2024, respectively:

Group	As at or for the Year Ended December 31	
	2025	2024
Return on assets ⁽¹⁾	2.4%	1.4%
Return on equity ⁽²⁾	4.8%	2.9%
Gearing ratio ⁽³⁾	45.5%	53.8%
Net investment yield ⁽⁴⁾	1.7%	2.0%
Total investment yield ⁽⁵⁾	5.1%	3.4%
Insurance business		
Net investment yield	1.9%	2.3%
Total investment yield	5.3%	3.4%

Notes:

- (1) Return on assets equals profit/(loss) attributable to owners of the parent divided by the average of the opening and closing balances of total assets.
- (2) Return on equity equals profit/(loss) for the year attributable to owners of the parent divided by the average of the opening and closing balances of total equity attributable to owners of the parent.
- (3) Gearing ratio equals total liabilities (excluding capital supplementary bonds and subordinated term debts) divided by total assets.
- (4) Net investment yield equals the sum of interest income, dividend income and share of net profit/(loss) of associates and joint ventures for the period as a percentage of the average of the opening and closing balances of total investment assets of the period. The interest income and the opening and closing balances of total investment assets of the period excludes the impact of USD notes issuance.
- (5) Total investment yield equals total investment income (defined as the sum of net investment income, net fair value changes through profit or loss and share of net profit/(loss) of associates and joint ventures less impairment relating to investment assets) for the period as a percentage of the average of the opening and closing balances of total investment assets of the period. The interest income and the opening and closing balances of total investment assets of the period exclude the impact of USD notes issuance.

Management Discussion and Analysis

Domestic P&C Insurance Underwriting Business

The following table sets forth the selected financial data of the underwriting business of the Company for the periods indicated:

(RMB'000)	For the Year ended December 31,	
	2025	2024
Insurance revenue	33,484,568	31,744,343
Insurance service expenses	(32,173,594)	(30,690,035)
Net income/(expenses) from reinsurance contracts held	126,868	(14,095)
Finance expenses from insurance contracts issued	(32,553)	(52,369)
Finance income from reinsurance contracts held	6,261	2,413
Underwriting profit ¹	1,411,550	990,257
Underwriting combined ratio ² (%)	95.8%	96.9%

Notes:

- (1) Underwriting profit only takes into account the online P&C insurance business in the PRC, and is the result after inter-segment eliminations.
- (2) Underwriting combined ratio equals the sum of insurance service expenses, net income/(expenses) from reinsurance contracts held, finance expenses from insurance contracts issued and finance income/(expenses) from reinsurance contracts held divided by insurance revenue.

1. Insurance revenue

The Group recognized the amount of premiums received and expected to be received which are attributable to the current period as insurance revenue. Insurance revenue of the Company increased by approximately 5.5% from approximately RMB31,744 million for the year ended December 31, 2024 to approximately RMB33,485 million for the year ended December 31, 2025.

A breakdown of the insurance revenue by insurance product types for the periods indicated is shown below:

(RMB'000)	For the Year ended December 31,		
	2025	2024	Change
Health insurance	12,925,622	10,502,881	23.1%
Bond insurance	3,246,407	3,855,251	(15.8%)
Motor insurance	2,365,749	1,842,691	28.4%
Accident insurance	1,852,584	2,032,118	(8.8%)
Household property insurance	1,686,925	1,104,229	52.8%
Liability insurance	1,578,667	1,066,891	48.0%
Credit insurance	1,566,184	872,350	79.5%
Cargo insurance	148,254	131,741	12.5%
Others ⁽¹⁾	8,114,176	10,336,191	(21.5%)
Of which:			
Shipping return insurance	6,263,864	8,739,526	(28.3%)
Total	33,484,568	31,744,343	5.5%

Note:

- (1) The NFRA recognizes the following types of property and casualty insurance products: accident insurance, bond insurance, health insurance, liability insurance, credit insurance, cargo insurance, household property insurance and others. "Others" primarily consists of shipping return insurance, which is categorized as such based on its policy terms in our periodic reports to the NFRA.

2. Insurance service expenses

Insurance service expenses primarily include incurred claims and other directly attributable expenses, insurance acquisition cash flows amortization, losses on onerous contracts and reversal of those losses, and changes in the fulfilment cash flows relating to the liability for incurred claims. Insurance service expenses of the Company increased by approximately 4.8% from approximately RMB30,690 million for the year ended December 31, 2024 to approximately RMB32,174 million for the year ended December 31, 2025.

3. Net income/(expenses) from reinsurance contracts held

Net income/(expenses) from reinsurance contracts held represents the allocation of reinsurance premiums paid less amounts recovered from reinsurance contracts. The allocation of reinsurance premiums paid represents the reduction in the carrying value of unearned premium asset recovered from reinsurance contracts as a result of receiving the insurance contract services provided by the reinsurer in the current period. Amounts recovered from reinsurance contracts refers to the increase in the carrying value of incurred claims asset recovered from reinsurance contracts as a result of the recovery of incurred claims and other related expenses in the current period, as well as subsequent changes in the fulfilment cash flows associated therewith. The Company recorded net expenses from reinsurance contracts held of approximately RMB14 million for the year ended December 31, 2024, and net income from reinsurance contracts held of approximately RMB127 million for the year ended December 31, 2025.

4. Finance income/(expenses) from insurance

Finance income/(expenses) from insurance represent the financial changes in insurance contracts recognized in profit or loss for the current and subsequent periods, being the changes in the carrying value of liability for unearned premium and liability for incurred claims as a result of the impacts of time value of money and financial risks. Finance income/(expenses) from insurance include finance income/(expenses) from insurance contracts issued and finance income/(expenses) from reinsurance contracts held. Finance income/(expenses) from insurance contracts issued and finance income/(expenses) from reinsurance contracts held reflect the finance income/(expenses) from insurance contracts issued and the reinsurance finance income/(expenses) from reinsurance contracts held, respectively. Finance expenses from insurance contracts issued decreased from approximately RMB52 million for the year ended December 31, 2024 to approximately RMB33 million for the year ended December 31, 2025. Finance income from reinsurance contracts held amounted to RMB2 million for the year ended December 31, 2024, and finance income from reinsurance contracts held amounted to RMB6 million for the year ended December 31, 2025.

Management Discussion and Analysis

Investment Business

In 2025, the Group's investing activities consisted of (i) equity investment; (ii) proprietary trading of bonds and other asset management products; and (iii) entrustment of third-party asset management companies for purchase of stock, bonds and other asset management products.

5. Composition of investment assets

We adhere to a sound and prudent investment philosophy, strengthen asset allocation management and risk management, and continue to serve the investment management needs of insurance funds. The following table shows the composition of our investment assets (by category) as at:

(RMB'000)	December 31, 2025		December 31, 2024	
	Balance	As percentage of the total	Balance	As percentage of the total
Cash and amounts due from banks and other financial institutions	3,035,292	7.3%	1,466,741	3.6%
Fixed income investments	29,175,933	70.6%	30,945,296	75.4%
Term deposits	30,077	0.1%	30,827	0.1%
Money market fund	86,716	0.2%	317,103	0.8%
Bonds	18,703,060	45.2%	21,596,077	52.6%
Bond funds	5,677,239	13.7%	5,503,340	13.4%
Others ⁽¹⁾	4,678,841	11.4%	3,497,950	8.5%
Equity and equity funds	9,129,393	22.1%	8,595,112	21.0%
Stocks	3,042,853	7.4%	1,713,198	4.2%
Equity funds	613,829	1.5%	692,437	1.7%
Unlisted equity	5,472,711	13.2%	6,189,476	15.1%
Total investment assets	41,340,618	100.0%	41,007,150	100.0%

Note:

- (1) Other fixed income investments include statutory reserves, securities purchased under agreements to resell, wealth management products and trust investment schemes.

As at December 31, 2025 and December 31, 2024, we had total investment assets of approximately RMB41,341 million and RMB41,007 million, respectively, and total investment assets accounted for approximately 88.5% and 90.6% of our total assets, respectively. As at December 31, 2025, cash and amounts due from banks and other financial institutions and fixed income investments together represented approximately 77.9% of our total investment assets.

6. Cash and amounts due from banks and other financial institutions

Cash and amounts due from banks and other financial institutions primarily include cash, deposits with original maturity of no more than three months and placements with banks. As at December 31, 2025 and December 31, 2024, our cash and amounts due from banks and other financial institutions amounted to approximately RMB3,035 million and RMB1,467 million, respectively.

7. Bonds

Bonds included government bonds, finance bonds, corporate bonds and negotiable certificate of deposit. As at December 31, 2025, 98.8% of the bonds the Company held received external ratings of AA level or above. As at December 31, 2025 and December 31, 2024, our bond investments amounted to approximately RMB18,703 million and RMB21,596 million, respectively.

8. Stocks and equity funds

As at December 31, 2025 and December 31, 2024, our investment in stocks and equity funds amounted to approximately RMB3,657 million and RMB2,406 million, respectively. We focus on the balance between the allocation of assets with long-term stable performance and short-term trading opportunities in the capital markets, and strictly control the scale of equity assets by adjusting the allocation of equity assets in the secondary market in a timely manner.

9. Net Investment Income

(RMB'000)	For the Year Ended December 31		
	2025	2024	Change
Interest income			
– Bond investments	545,616	615,404	(11.3%)
– Trust investment scheme	24,499	33,789	(27.5%)
– Bank deposits	18,426	23,164	(20.5%)
– Securities purchased under agreements to resell	6,397	7,573	(15.5%)
– Asset-backed schemes	914	1,299	(29.6%)
– Debt investment schemes	105	—	—
Dividend income			
– Equity investment	79,356	80,114	(0.9%)
– Fund investment	51,032	92,830	(45.0%)
– Wealth management products	48,113	66,550	(27.7%)
Realized gain/(loss), net	1,077,149	(459,235)	N/A
Net investment income	1,851,607	461,488	301.2%

Management Discussion and Analysis

Net investment income is comprised of interest income from bonds, trust investment schemes, bank deposits and securities purchased under agreements to resell, dividend income from fund investment, wealth management products and equity investment and realized gains or losses on securities transactions. We had net investment income of approximately RMB461 million and RMB1,852 million for the years ended December 31, 2024 and 2025, respectively. We closely monitor the market and make diversified asset allocation based on our judgement.

10. Net fair value changes through profit or loss

Net fair value changes through profit or loss represents net fair value change on financial assets measured at fair value through profit or loss. We recorded net gain on fair value changes of RMB316 million for the year ended December 31, 2025, compared to a net gain on fair value changes of approximately RMB1,024 million for the year ended December 31, 2024.

Overall Results

Total income

Total income represents the sum of insurance revenue, net investment income, net fair value changes through profit or loss, share of net profit/(loss) of associates and joint ventures accounted for using the equity method, and other income. Total income increased by approximately 6.2% from approximately RMB34,131 million for the year ended December 31, 2024 to approximately RMB36,243 million for the year ended December 31, 2025.

Profit before income tax

Total profit before income tax of the Group was approximately RMB1,506 million for the year ended December 31, 2025, compared with profit before income tax of approximately RMB854 million for the year ended December 31, 2024.

Income tax

Under the Enterprise Income Tax Law of the People's Republic of China (中華人民共和國企業所得稅法), the Company and some of its subsidiaries are subject to the statutory income tax rate of 25%. We recorded income tax expense of approximately RMB251 million and RMB405 million for the years ended December 31, 2024 and 2025, respectively, which were primarily due to the combined impact of deferred income tax and taxable income.

Net profit

The Group recorded a net profit of approximately RMB1,102 million for the year ended December 31, 2025, compared to a net profit of approximately RMB603 million for the year ended December 31, 2024.

Cash Flow

The following table sets forth our cash flows for the years indicated:

(RMB'000)	For the Year Ended December 31	
	2025	2024
Net cash flows generated from operating activities	3,535,832	1,979,432
Net cash flows generated from/(used in) investing activities	1,280,197	(556,301)
Net cash flows used in financing activities	(3,369,961)	(1,092,418)
Effect of exchange rate changes on cash and cash equivalents	14,556	491
Net increase in cash and cash equivalents	1,460,624	331,204
Cash and cash equivalents at the beginning of the year	2,007,534	1,676,330
Cash and cash equivalents at the end of the year	3,468,158	2,007,534

We had net cash flows generated from operating activities of approximately RMB3,536 million for the year ended December 31, 2025, which comprised cash inflow from the underwriting business and other operating activities of approximately RMB38,412 million, offset by the cash outflows from claims and other operating expenses of approximately RMB16,617 million and RMB18,259 million, respectively.

We had net cash flows generated from investing activities of approximately RMB1,280 million for the year ended December 31, 2025, whereas our net cash flows used in investing activities for the year ended December 31, 2024 were approximately RMB556 million. This was primarily due to a reduction in the purchase of investment assets.

We had net cash flows used in financing activities of approximately RMB3,370 million for the year ended December 31, 2025, of which net cash outflows from the decrease in securities sold under agreements to repurchase amounted to approximately RMB2,153 million. The cash outflow arising from the repayment of bonds amounted to approximately RMB4,278 million, offset by the cash inflow from the issuance of shares amounting to approximately RMB3,551 million.

Indebtedness

On July 16, 2020, September 8, 2020 and October 12, 2020, the Company issued the 2025 Notes, the 2026 Notes and the Additional Notes (each defined in the section headed "Use of Proceeds" and collectively, the "Notes") with a total principal amount of USD1,000,000 thousand. As of December 31, 2025, the Company had repurchased Notes at a total principal amount of USD49,900 thousand and had redeemed Notes at a total principal amount of USD590,000 thousand on the Hong Kong Stock Exchange, and the balance of outstanding principal amount of Notes payable was USD360,100 thousand.

In 2021, ZhongAn Technology applied for a twelve-month working capital loan and domestic letter of credit from China Merchants Bank. As of December 31, 2025, the credit line was RMB100 million and the balance of principal amount of the borrowings of ZhongAn Technology was RMB51 million. In 2024, ZhongAn Technology applied for a twelve-month working capital loan from China Citic Bank. As of December 31, 2025, the credit line was RMB30 million and the balance of principal amount of the borrowings of ZhongAn Technology was RMB21 million.

Save as disclosed in this annual report, as of December 31, 2025, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed or unguaranteed, secured or unsecured, nor had any guarantees or other contingent liabilities.

Management Discussion and Analysis

Significant investments

Save as disclosed in this annual report, we did not hold any significant investments during the year ended December 31, 2025 (including any investment in an investee company with a value of 5% or more of the Company's total assets as of December 31, 2025).

Material acquisitions and disposals

Save as disclosed in this annual report, we did not have any material acquisitions or disposals of subsidiaries, associated companies or joint ventures during the year ended December 31, 2025.

Future plans for material investments and capital assets

As of December 31, 2025, we did not have any future plans for material investments and capital assets.

Pledge of assets

Save as disclosed in this annual report, as at December 31, 2025, none of the Group's assets were pledged.

Gearing ratio

As of December 31, 2025, our gearing ratio, calculated as total liabilities (excluding capital supplementary bonds and subordinated term debts) divided by total assets, was approximately 45.5%, representing a decrease of 8.3 percentage point as compared with approximately 53.8% as of December 31, 2024.

Foreign exchange exposure

The Group operates principally in the PRC, and RMB is the Group's functional currency and financial reporting currency. Some of the Company's joint ventures (including the digital banking business and the virtual insurance business in Hong Kong and overseas technology export business) are denominated in foreign currencies (including Hong Kong dollars, United States dollars, Japanese yen, Singapore dollars and Euros). Assets denominated in foreign currencies held by the Group are exposed to foreign exchange risks. Such assets include amounts due from banks and other financial institutions. The Group's liabilities denominated in foreign currencies, including bonds payable, are also exposed to exchange rate risk.

Contingent liabilities

As of December 31, 2025, we did not have any material contingent liabilities.

Off-balance sheet commitments and arrangements

As of December 31, 2025, we had not entered into any off-balance sheet arrangements.

Events after the Reporting Period

On January 13, 2026, the Company completed the redemption of all the outstanding Notes at a total principal amount of USD360,100 thousand on the Hong Kong Stock Exchange. There are no Notes in issue following the completion of the redemption of the Notes on January 13, 2026.

Save as disclosed in this annual report, there were no other significant events that might affect the Group from December 31, 2025 and up to the date of this annual report.

Employees and remuneration policies

As at December 31, 2025, the Group had 2,242 full-time employees. The number of employees employed by the Group varies from time to time depending on its needs. Employee remuneration is determined in accordance with prevailing industry practices and employees' educational backgrounds, experiences and performance. The Group regularly reviews its employee remuneration and benefits policy on an annual basis, including basic salary, annual bonus and other benefits.

Compensation of key executives of the Group is reviewed and determined by the Company's Nomination and Remuneration Management Committee based on the Group's performance and the executives' respective contributions to the Group.

The total employee benefit cost (including directors' and supervisors' remuneration) incurred by the Group for the year ended December 31, 2025 was approximately RMB1,540 million.

Directors, Supervisors and Senior Management

Basic Information of Directors, Supervisors and Senior Management

Name	Position/Title	Age	Date of Appointment
Xing Jiang	Executive Director Chief executive officer General manager	49	November 28, 2022 July 18, 2019 October 27, 2022
Gaofeng Li	Executive Director Vice general manager and chief investment officer	48	November 28, 2022 January 23, 2019
Hai Yin	Chairman of the Board Non-executive Director	53	December 4, 2023 December 4, 2023
Yaping Ou ⁽¹⁾	Non-executive Director	63	November 28, 2022
Hugo Jin Yi Ou ⁽¹⁾	Non-executive Director	33	November 28, 2022
Liangxun Shi	Non-executive Director	60	November 18, 2019
Shuang Zhang	Non-executive Director	54	November 28, 2022
Wei Ou	Independent non-executive Director	67	December 19, 2019
Vena Wei Yan Cheng	Independent non-executive Director	47	January 28, 2022
Gigi Wing Chee Chan	Independent non-executive Director	50	November 28, 2022
Stanley Chiu Fai Choi	Independent non-executive Director	57	June 19, 2024
Yuping Wen	Chairman of the Supervisory Committee	45	November 29, 2013
Limin Guo	External Supervisor	62	January 28, 2022
Yao Wang	Employee representative supervisor	39	September 13, 2023
Min Wang	Executive vice general manager Secretary of the Board	41	July 24, 2019 May 14, 2018
Yongbo Zhang ⁽²⁾	Vice general manager and chief legal officer Chief compliance officer Chief risk management officer	47	April 20, 2018 November 8, 2013 January 26, 2025
Nan Yang	Vice general manager	38	April 2, 2021
Zhenhua Song	Vice general manager	49	July 13, 2021
Liqun Han	Assistant general manager	50	January 18, 2023
Yang Yu ⁽³⁾	Assistant general manager	44	July 12, 2022
Rui Sun	Financial director	42	June 21, 2019
Hai Lin	Chief actuary	53	January 2, 2020
Xiaoming Wang	Audit director	44	April 14, 2020

Notes:

- (1) Mr. Hugo Jin Yi Ou is the son of Mr. Yaping Ou.
- (2) According to the requirements of the Measures for Compliance Management of Financial Institutions (the "Measures") (Decree of the National Financial Regulatory Administration (No.7, 2024)), a chief compliance officer must be appointed at the head office for financial institutions and a compliance director appointed by financial institutions can perform the responsibilities and duties of the chief compliance officer required under the Measures. Mr. Yongbo Zhang, who was appointed as the compliance director of the Company on November 8, 2013, has taken the office of the chief compliance officer of the Company from the effective date of the Measures. Mr. Yongbo Zhang was appointed as the chief risk management officer of the Company with effect from January 26, 2025.
- (3) Mr. Yang Yu ceased to be the chief risk management officer of the Company with effect from January 26, 2025.

Directors, Supervisors and Senior Management

Major working experiences and positions of Directors, Supervisors and Senior Management

Executive Directors

Xing Jiang (姜興), aged 49, is an executive Director of the Company. He is also the general manager and chief executive officer of the Company, and a member of the Strategy and Investment Decision Committee of the Board of the Company. Mr. Jiang joined the Group in April 2014. He obtained a bachelor's degree in engineering in computer and applications from the Hunan Finance and Economics Institute (湖南財經學院) (which has merged with Hunan University into the current Hunan University) in July 1999. He has served as a director of Hangzhou Raycloud Technology Co., Ltd. (杭州光雲科技股份有限公司) (a company whose shares are listed on the Shanghai Stock Exchange STAR Market (stock code: 688365)) since May 2019. He was in charge of the insurance division at Zhejiang Rongxin Internet Technology Co., Ltd. (浙江融信網絡技術有限公司), which is wholly owned by Ant Group, from December 2013 to March 2014. From January 2011 to March 2012, he was a senior director at Alibaba (China) Network Technology Co., Ltd. (阿里巴巴(中國)網絡技術有限公司).

Gaofeng Li (李高峰), aged 48, commenced his term of office as executive Director of the Company on November 28, 2022. He is also a member of the Strategy and Investment Decision Committee of the Board of the Company, our vice general manager, and the chief investment officer. Mr. Li studied computer science and technology at Tianjin University and obtained his bachelor's degree in engineering in June 2000. Mr. Li has extensive experience in the financial industry and more than 20 years of management experience, and has an in-depth understanding of China's capital markets. Prior to joining our Group, Mr. Li has served as the head of Chengdu business department of Everbright Securities Company Limited (光大證券股份有限公司) (a company listed on the Stock Exchange (stock code: 06178) and the Shanghai Stock Exchange (stock code: 601788)) from December 2003 to July 2007, the vice general manager of Cinda Securities Co., Ltd.'s (信達證券股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 601059)) marketing service center from July 2007 to January 2013, as well as the vice general manager, assistant general manager and secretary of the board of directors of Sun Life Everbright Asset Management Co., Ltd. (光大永明資產管理股份有限公司) from January 2013 to April 2018.

Non-Executive Directors

Hai Yin (尹海), aged 53, is the chairman of the Board, a non-executive Director of the Company and the chairperson of the Strategy and Investment Decision Committee of the Board of the Company. Mr. Yin joined our Group in November 2022. Mr. Yin holds a bachelor's degree in English from Beijing Foreign Studies University and a master's degree in civil and commercial law from Peking University. Mr. Yin was a trader and a strategic analyst in the trading department of Head Office of Bank of China Limited ("**Bank of China**") (a company listed on the Stock Exchange (stock code: 03988) and the Shanghai Stock Exchange (stock code: 601988)), a head of foreign exchange trading in the Capital Market Department of London Branch of Bank of China, a director of Huatai Asset Management Co., Ltd., a marketing director of Huatai Property & Casualty Insurance Co., Ltd., a general manager of Huatai Weiye Shanghai Insurance Brokerage Co., Ltd. (華泰偉業上海保險經紀有限責任公司), a general manager and director of the Company, and the chairman of CreditEase Insurance Sales&Service (Beijing) Co., Ltd.

Yaping Ou (歐亞平), aged 63, is a non-executive Director of the Company and a member of the Strategy and Investment Decision Committee of the Board of the Company. Mr. Ou joined our Group in November 2013 and served as the chairman of the Board of the Company between November 2013 and December 2023. Mr. Ou obtained a bachelor's degree in Engineering Management from the Beijing Institute of Technology (北京理工大學) in July 1984. Mr. Ou has over 30 years of experience in investing and corporate management. He served as the chairman and executive director of Z Fin (formerly known as Sinolink Worldwide Holdings Limited) (a company listed on the Stock Exchange (stock code: 01168)), between December 1997 and August 2013, and has served as its non-executive director from August 2013 to May 2024. Mr. Ou has been the chairman of Cnhooray Internet Technology Co. Ltd. (深圳日訊網絡科技股份有限公司), since 2000, as well as the chairman of ZA Bank Limited, ZhongAn Financial Services Limited and ZA Life and a trustee for The Nature Conservancy in Asia Pacific and China. Mr. Ou is the father of Mr. Hugo Jin Yi Ou, who is also a non-executive Director of the Company.

Hugo Jin Yi Ou (歐晉羿), aged 33, is a non-executive Director of the Company and a member of the Nomination and Remuneration Management Committee of the Board of the Company. Mr. Ou joined our Group in July 2017. Mr. Ou obtained a bachelor's degree in East Asian studies from Princeton University in July 2015. He has been a non-executive director of Z Fin (formerly known as Sinolink Worldwide Holdings Limited) (a company listed on the Stock Exchange (stock code: 01168)) since January 2016. Mr. Ou is also a director of ZhongAn Technologies International Group Limited, a joint venture of the Company, as well as a director of ZAKC Limited, ZA International Financial Services Limited, ZhongAn Financial Services Limited, ZA Digital Asset Group Limited (formerly known as ZhongAn Digital Asset Group Limited), Peak3 (Hong Kong) Limited (formerly known as ZA Tech Global Limited), ZA Bank Limited, Peak3 (Cayman) Limited (formerly known as ZA Tech Global (Cayman) Limited), Granada Protect Pte. Ltd., Nova Technology Ltd., Nova Technology International Limited and Nova Technology (Wuxi) Co., Ltd.* (暖哇科技(無錫)有限公司) (formerly known as Shanghai Nuanwa Technology Co., Ltd.* (上海暖哇科技有限公司)). He worked as an associate at Thrive Capital from August 2015 to August 2016 and also served as manager of the planning and development department of Z Fin (formerly known as Sinolink Worldwide Holdings Limited) from 2010 to 2015. Mr. Ou is the son of Mr. Yaping Ou who is a non-executive Director of the Company.

Liangxun Shi (史良洵), aged 60, is a non-executive Director of the Company and a member of the Strategy and Investment Decision Committee of the Board of the Company. Mr. Shi joined our Group in November 2019. Mr. Shi holds a Master's degree in Systems Engineering from Shanghai Institute of Mechanical Engineering. He is currently the general manager of Ping An P&C and the chairman of China Ping An Insurance (Hong Kong) Company Limited. Mr. Shi joined Ping An Insurance (中國平安保險(集團)股份有限公司) (a company listed on the Stock Exchange (stock code: 02318) and the Shanghai Stock Exchange (stock code: 601318)) in October 1990 and held various positions including assistant general manager of the financial investment department of Ping An Insurance, deputy general manager of the underwriting department of Ping An P&C, deputy general manager of the non-marine insurance department of Ping An P&C, deputy general manager of the P&C insurance department of Ping An P&C, general manager of the P&C insurance department of Ping An P&C and deputy general manager of Ping An P&C.

Shuang Zhang (張爽), aged 54, is a non-executive Director of the Company and a member of the Strategy and Investment Decision Committee of the Board of the Company. Mr. Zhang joined our Group in November 2013 and was previously an independent non-executive Director of the Company. Mr. Zhang graduated from Nanjing University (南京大學), majoring in natural resources management in July 1994 and obtained a master's degree in science from James Madison University in the United States in May 2002. He has been chief executive officer of The Paradise International Foundation (桃花源生態保護基金會) since 2015. Mr. Zhang is currently an independent non-executive director of Planetree International Development Limited (a company listed on the Hong Kong Stock Exchange (stock code: 0613)). Mr. Zhang has been a project director of the China region at The Nature Conservancy (大自然保護協會) from 2005 to 2015.

Independent Non-Executive Directors

Vena Wei Yan Cheng (鄭慧恩), aged 47, is an independent non-executive Director of the Company, the chairperson of the Nomination and Remuneration Management Committee and a member of the Audit and Consumer Rights Protection Committee of the Board of the Company. Ms. Cheng joined our Group in January 2022. Ms. Cheng obtained a bachelor's degree of law from King's College, University of London, and a Postgraduate Certificate in Laws (PCLL) from the University of Hong Kong respectively. Ms. Cheng is admitted to practice law in Hong Kong, New York, and the United Kingdom, and has more than 20 years of experience practicing as a lawyer. Ms. Cheng is currently a consultant at P. C. Woo & Co., and also serves as a member of the Beijing Municipal Committee of the Chinese People's Political Consultative Conference, a member of the Personal Data (Privacy) Advisory Committee, a member of the Council of The Hong Kong Polytechnic University, a chairperson of the audit committee of the Council of The Hong Kong Polytechnic University, a member of the Lump Sum Grant Steering Committee of Hong Kong, a member of the Standing Commission on Civil Service Salaries and Conditions of Service of Hong Kong, a member of the Quality Education Fund Assessment and Monitoring Sub-committee of Hong Kong and a member of the Audit Sub-Committee of the Hong Kong Housing Authority.

Directors, Supervisors and Senior Management

Gigi Wing Chee Chan (陳詠芝), aged 50, is an independent non-executive Director of the Company, the chairperson of the Audit and Consumer Rights Protection Committee and a member of the Risk Management and Related Transaction Control Committee of the Board of the Company. Ms. Chan joined our Group in November 2022. Ms. Chan obtained an EMBA degree from Oxford University in United Kingdom, a master's degree in economics from The University of Hong Kong and a bachelor's degree in business administration in accounting from the Hong Kong University of Science and Technology. Ms. Chan is a licensee of SFC-licensed corporations with a Hong Kong CPA Certificate and has over 25 years of working experience in the financial industry. Ms. Chan also serves as chief executive officer and chairperson of the board of Wonder Capital Group Limited, a director of Wonder Development Limited and the Co-President of International Financial and Economic Association (國際金融經貿協會). Ms. Chan was the head and chief operating officer of Janus Capital Group Inc., Asia Pacific, the head of Janus Henderson Investors, Greater China, the chief financial officer of AllianceBernstein, Asia, the assistant manager of Hong Kong Exchanges and Clearing Limited (a company listed on the Stock Exchange (stock code: 0388)), and the senior accountant of Arthur Andersen.

Stanley Chiu Fai Choi (蔡朝暉), aged 57, is an independent non-executive Director of the Company and a member of each of the Audit and Consumer Rights Protection Committee and the Risk Management and Related Transaction Control Committee of the Board of the Company. Mr. Choi joined the Group in June 2024. Mr. Choi obtained a bachelor's degree in business administration from Wichita State University in Kansas, America, a master's degree in science from the University of Illinois and a doctoral degree in business administration from the City University of Hong Kong. Mr. Choi served as the chairman and executive director of International Entertainment Corporation (a company listed on the Stock Exchange (stock code: 1009)) from 2017 to 2022, the chairman of Head & Shoulders Financial Group Limited, and the managing director of Head & Shoulders Securities Limited from 2003 to 2025. Mr. Choi served as a non-executive director of ICO Group Limited (a company listed on the Stock Exchange (stock code: 1460)) from 2021 to 2025. He was a global affiliate visiting scholar at the Walter H. Shorenstein Asia-Pacific Research Center of Stanford University from 2022 to 2023. He has rich experience in business management, financial investment and insurance industries.

Wei Ou (歐偉), aged 67, is an independent non-executive Director of the Company, the chairperson of the Risk and Management and Related Transaction Control Committee and a member of the Nomination and Remuneration Management Committee of the Board of the Company. Mr. Ou joined our Group in December 2019. Mr. Ou is a senior economist with a post-graduate diploma. Prior to joining our Group, Mr. Ou served as vice president of The People's Bank Of China, Dalian Branch, director of Liaoning Office and Henan Office of former China Insurance Regulatory Commission, general manager of China Property & Casualty Reinsurance Company Ltd., party secretary and president of China Continent Property & Casualty Insurance Company Ltd., and the chairman of the supervisory committee of China Life Reinsurance Company Ltd.

Supervisors

Yuping Wen (溫玉萍), aged 45, is the chairperson of the Supervisory Committee of the Company. Ms. Wen joined our Group in November 2013. Ms. Wen holds a bachelor's degree in accounting and a master's degree in management from the Xi'an University of Architecture and Technology (西安建築科技大學). Ms. Wen has been a director and a chief financial officer in the financial affairs department of Cnhooray Internet Technology Co. Ltd. (深圳日訊網絡科技股份有限公司) with a rich experience in financial management. Ms. Wen served as an accountant in the finance department of Hisense Home Appliances Group Co., Ltd. (海信家電集團股份有限公司) (formerly known as Hisense Kelon Electronic Holdings Co., Ltd. (海信科龍電器股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000921)) and as a financial manager of Cnhooray Internet Technology Co. Ltd. (深圳日訊網絡科技股份有限公司).

Limin Guo (郭立民), aged 62, is an external Supervisor of the Company. Mr. Guo joined our Group in January 2022. Mr. Guo is a senior engineer and obtained a master's degree in International Business from Hunan University, an EMBA degree from the Hong Kong University of Science and Technology and a bachelor's degree in Chemical Engineering from Beijing Institute of Chemical Industry. Mr. Guo served as the deputy director of Development Planning Commission of Shenzhen Municipality (深圳市發展計劃局), the chairman of Shenzhen Airport Group Co., Ltd., the chief of State-owned Assets Supervision and Administration Commission of Shenzhen Municipality, the chairman of the Board of Shum Yip Group Limited, and the chief of Economy, Trade and Informatization Commission of Shenzhen Municipality (深圳市經濟貿易信息化委員會). In addition, Mr. Guo has served as a non-executive director of E-Star Commercial Management Company Limited (stock code: 06668), Ping An Insurance, Road King Infrastructure Limited (stock code: 01098) and Coastal Greenland Limited (stock code: 01124), all being companies listed on the Hong Kong Stock Exchange.

Yao Wang (王瑤), aged 39, is the employee representative supervisor of the Company and a senior corporate culture expert of the HR department of the Company. Ms. Wang joined our Group in April 2014 and served as the head of the marketing and public relations department and the senior director of the open platform business department, among other related roles. Prior to joining the Company, Ms. Wang worked as a reporter at financial media publications such as China Business News (第一財經日報), and worked in marketing in HFT Investment Management Co., Ltd.. Ms. Wang obtained a bachelor's degree in Management from Shanghai University of Finance and Economics (上海財經大學), and a master's degree in Business Administration from China Europe International Business School.

Senior Management

As of December 31, 2025, the Company's senior management team comprises Mr. Xing Jiang and Mr. Gaofeng Li, each an executive Director, as well as the persons set out below.

Min Wang (王敏), aged 41, is the executive vice general manager of the Company and the secretary of the Board. Mr. Wang has obtained a doctorate degree in Economics. He has worked in insurance supervision, where he was involved in the development of a number of insurance regulatory measures and became familiar with insurance regulations and industry operations.

Yongbo Zhang (張勇博), aged 47, is the vice general manager, the chief compliance officer, the chief risk management officer and the chief legal officer of the Company. Mr. Zhang obtained a master's degree in international economic law from the East China University of Political Science and Law (華東政法大學). He has been an accredited lawyer and was involved in corporate governance and compliance matters at Manulife-Sinochem Life Co., Ltd. (中宏人壽保險有限公司) and Alltrust Insurance Company Limited (永誠財產保險股份有限公司).

Nan Yang (楊楠), aged 38, is the vice general manager of the Company. Ms. Yang was graduated from the School of Economics and Management of Tsinghua University and obtained a bachelor's degree in Economics. Ms. Yang has extensive experiences in strategy, capital market and investment. Before joining the Group, Ms. Yang had served in leading investment banking and private equity firms.

Zhenhua Song (宋振華), aged 49, is the vice general manager of the Company. Mr. Song was graduated from the East China University of Science and Technology and obtained a bachelor's degree. Mr. Song served in large enterprises such as Ping An, and has multiple experiences in starting up business. Mr. Song has senior technology development background, experiences in Internet products and platform operation, profound theory foundation in insurance field and practical experience of multiple years.

Liqun Han (韓立群), aged 50, is the assistant general manager of the Company. Mr. Han graduated from Zhejiang University with a master's degree in business administration. Having worked for a number of insurance companies and large corporate groups, Mr. Han has a solid background in the insurance industry as well as many years of management experience in insurance companies and corporate groups.

Yang Yu (于洋), aged 44, is the assistant general manager of the Company. Mr. Yu obtained dual bachelor's degrees in Science and Economics from Peking University in 2004 and a master's degree in Artificial Intelligence from the Catholic University of Louvain in 2005. Mr. Yu has rich professional experience in data analysis and risk management. He has served successively as the manager of the Data Analysis Department at Beijing Rainier Technology Co., Ltd., the senior statistical analyst at Experian China and the senior statistical consultant at Accenture China. Before joining in ZhongAn, Mr. Yu worked at China Minsheng Bank as the senior risk manager. He also partook in the founding of Henan Zhongyuan Consumer Finance Co., Ltd. as the head of Risk & Compliance Management.

Directors, Supervisors and Senior Management

Rui Sun (孫睿), aged 42, is the financial director of the Company. Mr. Sun graduated with a bachelor's degree in law from the Department of Social Work at Fudan University in July 2005. He has over 10 years of work experience in finance, having worked on technological research relating to U.S. and Hong Kong listings at Deloitte Touche Tomatsu and in other fields including mergers and acquisitions and anti-fraud.

Hai Lin (林海), aged 53, is the chief actuary of the Company. Mr. Lin graduated with a bachelor's degree in science from Fudan University in 1996 and a master's degree in business administration from Shanghai Jiao Tong University in 2004. He has more than 20 years of experience in actuarial management at the headquarters of property insurance companies. He served as actuarial director at Guangbo Business Consulting (Shanghai) (光博商務諮詢(上海)), and as chief actuary or as head of the actuarial department in multiple insurance companies including Yanzhao Property Insurance, Tianan Property Insurance, Yongan Property Insurance, and Bank of China Insurance.

Xiaoming Wang (王曉明), aged 44, is the audit director of the Company, responsible for our Company's internal audit matters. Mr. Wang graduated from Central University of Finance and Economics with a bachelor's degree in accounting and a master's degree in certified public accountant. He possesses the qualifications of certified internal auditor (CIA) and certified anti-money laundering specialist. Mr. Wang has over 15 years of experience in internal audit and management in finance and insurance industries. He successively worked as head of the audit and internal control departments in Ping An Group, Houxiang Group (厚相集團) and Mandao Group (漫道集團), responsible for the overall management of internal audit matters.

Changes in Directors, Supervisors and Chief Executive

Changes in information of Directors, Supervisors and the chief executive of the Company which are required to be disclosed under Rule 13.51B(1) of the Listing Rules are set out below:

1. Mr. Yaping Ou was appointed as the chairman of the board of Rockbund Art Museum and a trustee for The Nature Conservancy in Asia Pacific and China.
2. Mr. Hugo Jin Yi Ou ceased to be the director of Granada Protect Pte. Ltd. on December 10, 2025.
3. Ms. Vena Wei Yan Cheng ceased to be the chairperson of the Risk Management and Related Transaction Control Committee and was appointed as the chairperson of the Nomination and Remuneration Management Committee and a member of the Audit and Consumer Rights Protection Committee with effect from November 28, 2025. In addition, Ms. Vena Wei Yan Cheng was appointed as the chairperson of the audit committee of the Council of the Hong Kong Polytechnic University and a member of the Personal Data (Privacy) Advisory Committee of Hong Kong.
4. Ms. Gigi Wing Chee Chan ceased to be the chairperson of the board of Fair Rich Development Limited and was appointed as a director of Wonder Development Limited. In addition, Ms. Gigi Wing Chee Chan ceased to be the chairperson but is currently the Co-President of International Financial and Economic Association (國際金融經貿協會).
5. Mr. Stanley Chiu Fai Choi retired as a non-executive Director of ICO Group Limited with effect from August 29, 2025.
6. Mr. Wei Ou ceased to be the chairperson of the Nomination and Remuneration Management Committee with effect from November 28, 2025 but remains as a member of the Nomination and Remuneration Management Committee. In addition, Mr. Wei Ou ceased to be a member of the Audit and Consumer Rights Protection Committee and was appointed as the chairperson of the Risk Management and Related Transaction Control Committee of the Company with effect from November 28, 2025.

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

Corporate Governance Report

The Board is pleased to report to the Shareholders on the corporate governance of the Company for the Reporting Period.

Corporate Governance Practices

The Company is committed to maintaining and promoting stringent corporate governance. The Company keeps improving its corporate governance levels in accordance with the Company Law, Listing Rules and other relevant laws and regulations, as well as the Articles of Association. The principle of the Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all Shareholders and customers.

The Company has adopted the principles and code provisions of the CG Code as the basis of the Company's corporate governance practices. In the opinion of the Directors, the Company has complied with all applicable code provisions set out in the CG Code throughout the Reporting Period.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as the code of conduct regarding the Directors' dealings in the securities of the Company. Specific enquiry has been made of all the Directors and they have confirmed that they had complied with the Model Code throughout the Reporting Period.

Board of Directors

The Company is led by an effective Board, which is responsible for formulating strategies, overseeing the Group's business and performance achievement, and making decisions in the best interests of the Company from an objective perspective.

The Board of the Company maintains a balance of skills, experience and diversity of perspectives in line with the Company's business needs, regularly reviews the contributions required of Directors to discharge their responsibilities to the Company and confirms whether Directors have sufficient time to perform the responsibilities corresponding to their roles in the Board and responsibilities of the Board as a whole. The Board is well balanced between executive Directors and non-executive Directors (including independent non-executive Directors) so that it can effectively exercise independent judgement. Expertise, diversity, balance and compliance of Directors are key considerations in the composition of the Board of the Company. All Directors, including two female members, have extensive professional backgrounds in finance, law, business management, treasury and social responsibility areas, and are fully competent to perform their duties.

As of December 31, 2025, the Board comprised two executive Directors, five non-executive Directors and four independent non-executive Directors, with the number of independent non-executive Directors exceeding one-third of the Board.

The details of the Board composition are as follows:

Name of Director	Membership of Board Committee(s)
Executive Directors	
Xing Jiang	Member of the Strategy and Investment Decision Committee
Gaofeng Li	Member of the Strategy and Investment Decision Committee
Non-executive Directors	
Hai Yin (Chairman)	Chairperson of the Strategy and Investment Decision Committee
Yaping Ou ⁽¹⁾	Member of the Strategy and Investment Decision Committee
Liangxun Shi	Member of the Strategy and Investment Decision Committee
Shuang Zhang	Member of the Strategy and Investment Decision Committee
Hugo Jin Yi Ou ⁽¹⁾	Member of the Nomination and Remuneration Management Committee
Independent Non-executive Directors	
Vena Wei Yan Cheng	Chairperson of the Nomination and Remuneration Management Committee and member of the Audit and Consumer Rights Protection Committee
Gigi Wing Chee Chan	Chairperson of the Audit and Consumer Rights Protection Committee and member of the Risk Management and Related Transaction Control Committee
Stanley Chiu Fai Choi	Member of the Audit and Consumer Rights Protection Committee and the Risk Management and Related Transaction Control Committee
Wei Ou	Chairperson of the Risk Management and Related Transaction Control Committee and member of the Nomination and Remuneration Management Committee

Notes:

- (1) Hugo Jin Yi Ou is the son of Yaping Ou. Save as disclosed, there is no relationship (including financial, business, family or other material/relevant relationship(s)), between members of the Board or between the Chairman of the Board and the chief executive.

Corporate Governance Report

The biographies of each Director are set out in the section headed "Directors, Supervisors and Senior Management" on pages 31 to 36 of this annual report.

Board Meetings

Code provision C.5.1 of the CG Code stipulates that Board meetings should be held at least four times a year at approximately quarterly intervals with active participation of a majority of the Directors entitled to be present, either in person or through electronic means of communication.

During the year, the Board continued to regulate its operations and improve corporate governance levels in accordance with the applicable principles and code provisions set out in the CG Code, the Company Law and the relevant provisions of the Articles of Association.

Twelve Board meetings and one general meeting of the Company were held during the year ended December 31, 2025. At the meetings, all Directors performed their duties diligently, actively participated in discussions, raised questions on issues related to the proposals, and provided professional guidance on related work. Based on the principles of independence and prudence, without any interference, all Directors leveraged their professional experience to judge and vote on the proposals, effectively formed resolutions and determined the direction for the execution of various tasks.

Apart from regular Board meetings, the chairman of the Board also held meetings with the independent non-executive Directors without the presence of other Directors during the year.

A summary of the attendance record of the Directors at the Board meetings and general meetings held during the year is set out in the table below:

Name of Director	Number of Board meetings attended/held for the year ended December 31, 2025	Attendance rate	Number of general meetings attended/held for the year ended December 31, 2025	Attendance rate
Executive Directors				
Xing Jiang	12/12	100%	1/1	100%
Gaofeng Li	12/12	100%	1/1	100%
Non-executive Directors				
Hai Yin	12/12	100%	1/1	100%
Yaping Ou	12/12	100%	1/1	100%
Liangxun Shi	12/12	100%	1/1	100%
Shuang Zhang	12/12	100%	1/1	100%
Hugo Jin Yi Ou	12/12	100%	1/1	100%
Independent Non-executive Directors				
Vena Wei Yan Cheng	12/12	100%	1/1	100%
Gigi Wing Chee Chan	12/12	100%	1/1	100%
Stanley Chiu Fai Choi	12/12	100%	1/1	100%
Wei Ou	11/12	91.7%	1/1	100%

Chairman and Chief Executive Officer

The positions of Chairman of the Board and Chief Executive Officer of the Company are held by Hai Yin and Xing Jiang, respectively. The Chairman provides leadership and is responsible for the effective functioning of the Board. The Chief Executive Officer focuses on the Company's business development and the daily management and operations generally. The respective responsibilities are clearly defined and set out in writing.

Independent Non-executive Directors

During the period from January 1, 2025 to December 31, 2025, the Company had four independent non-executive Directors, representing at least one-third of the Board with one of whom, Ms. Gigi Wing Chee Chan, possessing appropriate professional qualifications or accounting or related financial management expertise.

During the year ended December 31, 2025, the Company had met the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules.

The Board has received from each of the independent non-executive Directors a written annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and considers each of them to be independent.

Appointment and Re-election of Directors

Each of the executive Directors, non-executive Directors and independent non-executive Directors has entered into a service contract with the Company for a term of three years with effect from the date of their respective appointment.

In accordance with the Articles of Association, all the Directors are subject to retirement by rotation at least once every three years. Directors shall be elected at the shareholders' general meeting with a term of office of three (3) years, however, pursuant to Article 180 of the Articles of Association, an independent non-executive Director shall serve no more than six (6) years. Upon expiry of the term, a Director shall be eligible to offer himself/herself for re-election and reappointment. In addition, any new Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting and be eligible for re-election and reappointment.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The Company understands and recognizes the importance of independent views and opinions provided by the Directors to the Board, and has established a board independence evaluation mechanism to ensure independent views and input are available to the Board and the Board will review the implementation and effectiveness of such mechanism in accordance with the system. The Company has examined and reviewed the effectiveness of the independent views and opinions obtained by the Board during the year. There exists a strong independent element in the Board, which allows the Board effectively exercises independent judgement to better safeguard Shareholders' interests.

The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

Corporate Governance Report

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. The management is authorized by the Board to manage the day-to-day operations of the Company's business.

The Company has arranged appropriate insurance coverage on Directors' and senior managements' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

Board Committees

The Board has established four committees, namely, the Audit and Consumer Rights Protection Committee, the Nomination and Remuneration Management Committee, the Strategy and Investment Decision Committee, and the Risk Management and Related Transaction Control Committee, for overseeing particular aspects of the Company's affairs. Each of these committees is established with defined responsibilities and duties. The terms of reference of the aforesaid committees are available on the websites of the Company and the Hong Kong Stock Exchange.

During the year ended December 31, 2025, the Audit and Consumer Rights Protection Committee convened eleven meetings. The attendance record of these meetings is set out in the table below:

Name of Committee Members	Number of meetings attended/held during the year ended December 31, 2025		Attendance rate
Gigi Wing Chee Chan (Chairperson)	11/11		100%
Wei Ou ⁽¹⁾	9/9		100%
Vena Wei Yan Cheng ⁽²⁾	2/2		100%
Stanley Chiu Fai Choi	11/11		100%

(1) Ceased to be a member on November 28, 2025.

(2) Appointed on November 28, 2025.

During these meetings, the Audit and Consumer Rights Protection Committee reviewed the annual results announcement and report of the Company for the year ended December 31, 2024 and the interim results announcement and interim report for the six months ended June 30, 2025, the relevant financial disclosures, issues on operations and compliance control, the effectiveness of the risk management and internal control systems of the Company, the internal audit function of the Company, scope of work and appointment of external auditors, the effectiveness of the Company's consumer rights protection measures, as well as arrangements for employees to raise concerns about possible improprieties.

The Audit and Consumer Rights Protection Committee has also reviewed the annual results of the Group for the year ended December 31, 2025 and has discussed with the management of the Company about the accounting principles and practices adopted by the Group, and its internal controls and financial reporting matters.

The Audit and Consumer Rights Protection Committee also held two meetings with the external auditors without the presence of executive Directors during the year.

Audit and Consumer Rights Protection Committee

The Company has established an Audit and Consumer Rights Protection Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit and Consumer Rights Protection Committee are to supervise the risk management, strengthen internal control management and compliance management, review financial reports, supervise financial reporting procedures, consumer rights protection and other relevant matters.

During the year, the Audit and Consumer Rights Protection Committee continued to perform its duties conscientiously and provided the Board and the management with extensive opinions and suggestions on finance, internal control, compliance and operation management, and protection of consumer rights, playing an active role in promoting the improvement of the Company's management and enhancing corporate governance levels.

As at December 31, 2025, the Audit and Consumer Rights Protection Committee comprised Ms. Gigi Wing Chee Chan, Ms. Vena Wei Yan Cheng and Mr. Stanley Chiu Fai Choi. Ms. Gigi Wing Chee Chan is the chairperson of the Audit and Consumer Rights Protection Committee.

Nomination and Remuneration Management Committee

The Company established a Nomination and Remuneration Management Committee in compliance with Rules 3.25 and 3.27A of the Listing Rules and the CG Code. The primary functions of the Nomination and Remuneration Management Committee include overseeing and developing the process and policies relating to the nomination, appointment and remuneration of Directors, reviewing and advising the Board on appropriate candidates for directorships, Board composition and succession planning, assessing the independence of independent non-executive Directors and reviewing and making recommendations to the Board on remuneration packages of individual executive Directors and senior management.

The Company understands and recognizes the importance of Board diversity and regards it as an important factor in ensuring that the Company improves its corporate governance levels and achieves sustainable development. In assessing the Board composition, the Nomination and Remuneration Management Committee would take into account various aspects as well as factors concerning Board diversity as set

out in the Company's board diversity policy (the "Diversity Policy"), including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional and industry experience. The Nomination and Remuneration Management Committee has discussed and agreed on measurable objectives for achieving diversity on the Board, and recommended them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination and Remuneration Management Committee would consider the candidates' qualifications, experience, educational background, independence, professional experience and other relevant criteria as set out in the Company's Director Nomination Policy necessary to complement the corporate strategy and achieve Board diversity, before making recommendations to the Board. Remuneration of Directors is reviewed and determined by the Nomination and Remuneration Management Committee based on the Group's performance and the Director's contributions to the Group.

As at December 31, 2025, the Nomination and Remuneration Management Committee comprised Ms. Vena Wei Yan Cheng, Mr. Wei Ou and Mr. Hugo Jin Yi Ou. Ms. Vena Wei Yan Cheng is the chairperson of the Nomination and Remuneration Management Committee.

During the year ended December 31, 2025, the Nomination and Remuneration Management Committee convened seven meetings. The attendance record of these meetings is set out in the table below:

Name of Committee Members	Number of meetings attended/held during the year ended December 31, 2025	Attendance rate
	Vena Wei Yan Cheng (Chairperson) ⁽¹⁾	7/7
Wei Ou ⁽²⁾	7/7	100%
Hugo Jin Yi Ou	7/7	100%

(1) Appointed as chairperson on November 28, 2025.

(2) Ceased to be chairperson on November 28, 2025.

Based on the above professional background, composition, age, gender and other information of the current Directors of the Company, the Nomination and Remuneration Management Committee believes that the Board of the Company meets the requirements for diversity (including gender diversity). The Nomination and Remuneration Management Committee has reviewed the Diversity Policy and measurable objectives to ensure that the policy remains effective. In addition, during the meetings, the Nomination and Remuneration Management Committee reviewed the remuneration policy and packages of the Directors and senior management of the Company, assessed the performance of the executive Directors, and reviewed matters relating to the structure, size and composition of the Board and other aspects of the Directors by making reference to the factors and criteria set out in the Diversity Policy and the Director Nomination Policy, and the independence of the independent non-executive Directors. In 2025, there were no matters relating to share schemes under Chapter 17 of the Listing Rules that required the Nomination and Remuneration Management Committee's review and/or approval.

Details of the remuneration payable to each Director of the Company for the year ended December 31, 2025 are set out in Note 14 to the financial statements.

Corporate Governance Report

The remuneration of the members of senior management by band for the year ended December 31, 2025 is set out in the table below:

Remuneration bands (RMB)	Number of persons
1,000,000-2,000,000	3
2,000,000-3,000,000	4
3,000,000-4,000,000	2
4,000,000-5,000,000	2
Total	11

Strategy and Investment Decision Committee

The Strategy and Investment Decision Committee is mainly responsible for considering the corporate development planning, purpose management of the insurance assets, investment decision procedure and authorization mechanism, significant investment, management system related to insurance asset and liability, formulating and improving the management mechanism of assets and liabilities of the Company, and ESG management.

During the year, the Strategy and Investment Decision Committee reviewed (among others) the Company's annual business development plan, financial plan and business plan, and continued to monitor the corporate governance of the Company.

As at December 31, 2025, the Strategy and Investment Decision Committee comprised Mr. Hai Yin, Mr. Yaping Ou, Mr. Liangxun Shi, Mr. Xing Jiang, Mr. Gaofeng Li and Mr. Shuang Zhang. Mr. Hai Yin is the chairman of the Strategy and Investment Decision Committee.

During the year ended December 31, 2025, the Strategy and Investment Decision Committee convened five meetings. The attendance record of these meetings is set out in the table below:

Name of Committee Members	Number of meetings attended/held during the year ended December 31, 2025	Attendance rate
Hai Yin (Chairperson)	5/5	100%
Yaping Ou	5/5	100%
Liangxun Shi	5/5	100%
Xing Jiang	5/5	100%
Gaofeng Li	5/5	100%
Shuang Zhang	5/5	100%

Risk Management and Related Transaction Control Committee

The purpose of the Risk Management and Related Transaction Control Committee is to advise the Board on the overall risk appetite/tolerance and risk management strategies of the Company, and oversee senior management's implementation of those strategies as established and approved by the Board, provide an independent review of the effectiveness of the strategies adopted to ensure that it aligned with the Company's overall business objectives, and manage related party transactions.

During the year, the Risk Management and Related Transaction Control Committee continued to monitor the operation of the Company's risk management system and reviewed the Company's risk assessment report and risk appetite and risk tolerance, the Company's 2025-2027 three-year capital planning report, the Company's specific related transactions, and other related proposals.

As at December 31, 2025, the Risk Management and Related Transaction Control Committee comprised Mr. Wei Ou, Ms. Gigi Wing Chee Chan and Mr. Stanley Chiu Fai Choi. Mr. Wei Ou is the chairperson of the Risk Management and Related Transaction Control Committee.

During the year ended December 31, 2025, the Risk Management and Related Transaction Control Committee convened 10 meetings. The attendance record of these meetings is set out in the table below:

Name of Committee Members	Number of meetings attended/held during the year ended December 31, 2025	Attendance rate
Vena Wei Yan Cheng ⁽¹⁾	8/8	100%
Wei Ou (Chairperson) ⁽²⁾	2/2	100%
Gigi Wing Chee Chan	10/10	100%
Stanley Chiu Fai Choi	10/10	100%

(1) Ceased to be the Chairperson and a member on November 28, 2025.

(2) Appointed as the Chairperson on November 28, 2025.

Corporate Governance Function

The Board is responsible for performing the functions set out in code provision A.2.1 of the CG Code.

The Board has reviewed the Company's corporate governance policies and practices, and the Company's policies and practices on compliance with the Model Code and the CG Code, as well as disclosure in this Corporate Governance Report. It has also reviewed and monitored the training and continuous professional development of Directors and senior management, and the disclosure of the Company's policies and practices on compliance with legal and regulatory requirements.

Dividend Policy

On November 27, 2018, the Company adopted a dividend policy in accordance with the CG Code. The Company does not have any pre-determined dividend payout ratio and intends to retain most, if not all, of available funds and any future earnings to operate and expand the business of the Company. The dividend policy outlines the following factors that the Board should take into account in determining any dividend for distribution to the Shareholders:

- earnings and financial condition;
- operating requirements;
- capital requirements and expenditure plans;
- financial results;
- cash flow situation;

- business conditions and strategies;
- interests of the Shareholders;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

Depending on the financial conditions of the Group and the conditions and factors as set out above, dividends may be proposed and/or declared by the Board during the financial year and any final dividend for a financial year will be subject to the Shareholders' approval.

Board Diversity Policy

In accordance with the CG Code, the Board continues to implement the diversity policy. The Company recognizes and embraces the benefits of having a diverse Board and is committed to maintaining the highest level of corporate governance. Board diversity is an essential element in maintaining sound corporate governance.

Pursuant to the Diversity Policy, the Nomination and Remuneration Management Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's strategy and to ensure that the Board maintains a balanced diverse profile. In relation to reviewing and assessing the Board composition, the Nomination and Remuneration Management Committee is committed to diversity at all levels and will consider a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional and industry experience.

Corporate Governance Report

The Company aims to maintain an appropriate balance of diversity perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered.

With diverse educational and professional backgrounds, the members of the Board of the Company have extensive experience and expertise in the insurance and finance industries, risk management, and financial, auditing and legal fields. In addition, the Board includes members of different genders.

In terms of the implementation of Board diversity, the Board of the Company has a total of two female members, accounting for 2/11 of the total. The Company targets to maintain at least the current level of female representation on the Board and will continue to seek opportunities to increase the proportion of female members of the Board over time as and when suitable candidates are identified.

In terms of diversity of the Supervisory Committee, there are 2 female members in the Supervisory Committee of the Company, accounting for 2/3, which also meets the requirement of appointing members of different genders. In addition, the Supervisory Committee maintained diversity in terms of background, professional experience and other aspects.

The Board reviews measurable objectives from time to time to implement the Diversity Policy and to ensure their appropriateness and ascertain the progress made towards achieving those objectives. In addition, the Company will continue to ensure that there is gender diversity when recruiting staff at mid to senior management level so that there will be a pipeline of female senior management and potential successors to the Board in due course. The Group will also continue to emphasize training of female talent and provide long-term development opportunities for female staff.

According to code provision B.1.3 of the CG Code, the board should review the implementation and effectiveness of the issuer's policy on board diversity on an annual basis. The Nomination and Remuneration Management Committee has reviewed the Diversity Policy during the Reporting Period to ensure its effectiveness.

Since the establishment of the Company, the Board has attached great importance to gender diversity across all employees (including senior management). In the gender ratio of the Company's employees as at December 31, 2025 is set out in the table below:

Gender	Number	Percentage
Female	965	43.04%
Male	1,277	56.96%
Total	2,242	100.00%

The Company considers the current gender ratio in the workforce to be appropriate and will continue to ensure that recruitment and selection practices at all levels are appropriately structured so that a diverse range of candidates are considered and diversity across the workforce is maintained.

Director Nomination Policy

On November 27, 2018, the Company adopted a Director Nomination Policy in accordance with the CG Code. The Director Nomination Policy sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination and Remuneration Management Committee of the Company.

The Director Nomination Policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- Diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- Requirements of independent non-executive Directors on the Board and independence of the proposed independent non-executive Directors in accordance with the Listing Rules; and
- Commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

The Director Nomination Policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings. During the year ended December 31, 2025, changes to the composition of the Board are set out in the section headed "Report of Directors" on page 50 of this annual report.

Directors' Responsibility in Respect of the Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended December 31, 2025.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Assessment on the performance of duties by Directors

The Company has developed special management measures for the assessment on the performance of duties by Directors, which sets out clear provisions on the performance of duties by Directors and Supervisors and their assessment. At present, the Company has established Director performance files to record the important performance behaviors and annual performance of Directors. In 2025, the Supervisory Committee of the Company had organized and carried out the assessment on the performance of duties by Directors for 2024, and timely reported the assessment results at general meetings.

Continuous Professional Development of Directors

Directors keep abreast of the responsibilities as a director of the Company and of the conduct, business activities and development of the Company.

The Company arranges induction training for each new Director based on their experience and background. Every newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for the Directors would be arranged and reading material on relevant topics would be provided to the Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expense.

During the year ended December 31, 2025, the Company organized various training courses provided by (among others) the Insurance Association of China for the Directors in relation to macro policies and regulatory policies, financial management, corporate governance, risk management, related transactions, ESG, use of funds, consumer rights protection, professional ethics and other aspects related to the improvement of performance of duties by directors, supervisors and senior management in insurance institutions. The Company also organized external experts to provide Directors with specialized training on compliance of performance of duties by directors and supervisors to help them understand the most up-to-date regulatory information. In addition, relevant reading materials including Directors' manual, legal and regulatory update and seminar handouts have been provided to the Directors for their reference and studying, to ensure that the Directors understand the business and operations of the Group and their duties and obligations.

Corporate Governance Report

During the year ended December 31, 2025, the following continuous professional trainings were provided to the Directors:

- (A) Training courses, including but not limited to briefings, conferences, meetings and workshops
- (B) Reading news, journals, magazines and/or other reading materials regarding legal and regulatory changes and matters of relevance to the Directors in discharging their duties

Name of Directors	Training received
Executive Directors	
Xing Jiang	A, B
Gaofeng Li	A, B
Non-executive Directors	
Hai Yin	A, B
Yaping Ou	A, B
Liangxun Shi	A, B
Shuang Zhang	A, B
Hugo Jin Yi Ou	A, B
Independent Non-executive Directors	
Vena Wei Yan Cheng	A, B
Gigi Wing Chee Chan	A, B
Stanley Chiu Fai Choi	A, B
Wei Ou	A, B

Auditors' Responsibility and Remuneration

The Company appointed PricewaterhouseCoopers, Certified Public Accountants and Registered PIE Auditor, Hong Kong ("**PricewaterhouseCoopers**") as the external auditor for the year ended December 31, 2025. A statement by PricewaterhouseCoopers about their reporting responsibilities for the financial statements is included in the Independent Auditors' Report on pages 72 to 75. There has been no change of the Company's external auditor in any of the preceding three years.

Details of the fees paid/payable in respect of the audit and non-audit services provided by PricewaterhouseCoopers for the year ended December 31, 2025 are set out in the table below:

Services rendered to the Company	Fees paid and payable (RMB'000)
Audit services	11,974
Non-audit services	4,520
– Interim review	3,600
– Other services	920
Total	16,494

Corporate Culture

The Group's mission is "Empowering finance with technology and providing insurance service with a caring hand", its vision is "Developing itself into the No.1 brand in the InsurTech segment and facilitate the digital transformation of insurance industry all over the world", and its cultural values are "simplicity, rapidness, breakthrough and win-win".

Risk Management and Internal Controls

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management (including ESG risks) and internal control systems.

The Audit and Consumer Rights Protection Committee and the Risk Management and Related Transaction Control Committee are responsible for assisting the Board in leading the management and monitoring and overseeing the risk management and internal control systems through the internal audit department, and reporting and making recommendations to the Board where appropriate. During the year ended December 31, 2025, our risk management and internal control systems have been reviewed.

The internal audit department oversees the risk management and internal control systems under the supervision of the Audit and Consumer Rights Protection Committee by performing independent audits on the effectiveness and completeness of the risk management and internal control systems. It identifies any material risks and makes recommendations on the improvement and rectification plans and measures and conducts follow-up audits with regard to the identified issues to ensure the planned remedial measures have been duly implemented. The internal audit department operates independently from the Company's business centers and departments and directly reports to the Audit and Consumer Rights Protection Committee on a quarterly basis.

The management has confirmed to the Board and the Audit and Consumer Rights Protection Committee, and the Company is of the view that our risk management and internal control systems have been effective and adequate during the year ended December 31, 2025. The Board of the Company confirms

that, for the year ended December 31, 2025, no significant internal control failings or weaknesses have been identified and the Company's processes for financial reporting and Listing Rules compliance have been effective. The Company has reviewed and constantly improves the effectiveness of its internal control system.

The Company regulates the handling and dissemination of inside information as set out in various inside information disclosure procedures and uses various methods such as communication of regulations, risk warnings and special training to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

The Board, as supported by the Audit and Consumer Rights Protection Committee and the Risk Management and Related Transaction Control Committee as well as the management report and the internal audit findings by the internal audit department, conducted an annual review on the effectiveness of the risk management and internal control systems of the Group, including the financial, operational and compliance controls, for the year ended December 31, 2025, and considered that such systems are effective and adequate. The annual review also covered the adequacy of resources, staff qualifications and experience, training programmes and budget of our accounting, internal audit and financial reporting functions, as well as those relating to our ESG performance and reporting.

Arrangements are in place to facilitate employees of the Company and those who deal with the Company to raise, in confidence and anonymity, concerns with the Audit and Consumer Rights Protection Committee and the Risk Management and Related Transaction Control Committee about possible improprieties in financial reporting, internal control and other matters of the Company.

The Company also has an anti-corruption policy in place to prevent any kind of corruption and bribery within the Company. The Company provides internal reporting channel for its employees to report any suspected corruption and bribery. Employees can also make anonymous reports to the Security and Integrity Department, which will investigate reported cases and take appropriate action. The Company continues to carry out anti-corruption campaigns, cultivates a culture of integrity, and actively organizes anti-corruption trainings and inspections, all with a view to ensuring the effectiveness of anti-corruption and anti-bribery.

During the year ended December 31, 2025, the Company organized six anti-corruption trainings and briefings for all its employees. There were no cases of non-compliance related to bribery and corruption.

Corporate Governance Report

Company Secretary

Mr. Yongbo Zhang (張勇博) is the company secretary of the Company. Please refer to the section headed "Directors, Supervisors and Senior Management – Senior Management" in this annual report for the biography of Mr. Zhang.

For the year ended December 31, 2025, Mr. Zhang had undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

Shareholders' Rights

Convening of extraordinary general meetings ("EGM") by Shareholders

Pursuant to Articles 70 and 73 of the Articles of Association, EGMs may be convened by any two or more Shareholders jointly holding 10% or more of the Company's issued shares carrying voting rights by signing a written requisition or several copies with the same format and content, and to illustrate the subject of the meetings. The Board shall convene an EGM as soon as possible upon receipt of the foresaid written requisition. The aforesaid number of shareholdings is calculated as at the date of the submission of the written requisition by the Shareholders. If the Board fails to issue a notice of convening such an EGM within thirty (30) days from the date of receipt of the aforesaid written requisition, the Shareholders who raise the requisition may themselves convene the EGM within four (4) months from the date of receipt of the requisition by the Board. The procedures of convening the EGM shall be similar as those of convening a shareholders' general meeting by the Board as far as possible. Shareholders should follow the requirements and procedures as set out in the Articles of Association for convening an EGM.

Putting forward proposals at Shareholders' general meetings

When a general meeting is held by the Company, the Board, the Supervisory Committee or Shareholder(s) who individually or jointly holding more than 1% of the Shares may propose resolutions in writing to the Company.

Shareholder(s) who individually or jointly holding more than 1% of the Shares may submit extra proposals in writing to the Board at least ten (10) days prior to the Shareholders' general meeting.

The contents of a proposal shall (i) be within the scope of duties and responsibilities of the Shareholders' general meeting, (ii) have definite topics and specific matters to be resolved on, and (iii) be in compliance with relevant requirements of the laws, administrative regulations and the Articles of Association.

Putting forward enquiries to the Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: 4-5/F, Associate Mission Building
169 Yuanmingyuan Road
Shanghai, PRC
(For the attention of the director's office)

Telephone: 021-60278677

Fax: 021-60272335

Email: dongshihui@zhongan.com

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. The information of the Shareholder(s) may be disclosed as required by law.

Communication with Shareholders and Investors Relations

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. As such, the Company attaches great importance to maintaining good investor relations and maintains effective communication with investors through multiple channels. Following the announcement of the 2024 and 2025 interim results, the Company communicated with investors in a timely manner on the Company's operating performance and business development trends through results conferences and road shows, thereby strengthening communication with investors and enhancing their understanding of the Company. The Company also maintains good communication with investors by accepting investor visits, participating in large-scale investment forums, telephone calls and emails, and actively provides investor relations information through the Company's website to establish and maintain good investor relations. The Company has included a shareholders' communication policy (the "**Shareholders' Communication Policy**") in its Articles of Association, which aims to set out the approach of the Board to provide Shareholders and other stakeholders of the Company (including potential investors) with balanced and understandable information about the Company. In accordance with the Shareholders' Communication Policy, the Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At annual general meetings, Directors (or their delegates as appropriate) will be available to meet Shareholders and answer their enquiries. Also, the Company discloses information and publishes periodic reports and announcements to the public on the Stock Exchange's website in a timely manner in accordance with the Listing Rules, the relevant laws and regulations. The primary focus of the Company is to ensure that information disclosure is timely, fair, accurate, truthful and does not contain any material omission, thereby enabling Shareholders, investors, as well as the public, to make rational and informed decisions. The Company has reviewed and considered the implementation of the Shareholders' Communication Policy during the Reporting Period. The Company is of the view that information of the Company was disseminated in a timely and effective manner during the Reporting Period, and therefore considered the Shareholders' Communication Policy to be appropriately implemented and effective during the Reporting Period.

Changes in Constitutional Documents

There were no changes to the Articles of Association of the Company during the Reporting Period.

Report of Directors

The Board of the Company is pleased to present this Report of Directors together with the consolidated financial statements of the Group for the year ended December 31, 2025.

Directors

The Directors who held office during the year ended December 31, 2025 and up to the date of this annual report are:

Executive Directors:

Xing Jiang
Gaofeng Li

Non-executive Directors:

Hai Yin (*Chairman*)
Yaping Ou
Liangxun Shi
Shuang Zhang
Hugo Jin Yi Ou

Independent Non-executive Directors:

Vena Wei Yan Cheng
Gigi Wing Chee Chan
Stanley Chiu Fai Choi
Wei Ou

Biographical details of the Directors and senior management of the Group are set out in the section headed "Directors, Supervisors and Senior Management" on pages 31 to 36 of this annual report.

Global Offering

The Company was incorporated in the PRC on October 9, 2013 and carries on business in Hong Kong as "ZA Online FinTech P & C". The Company's Shares were listed on the Main Board of the Hong Kong Stock Exchange on September 28, 2017.

Principal activities

The Company is an online InsurTech company incorporated in the PRC with limited liability. The Company offers extensive property and casualty insurance products, covering accident insurance, bond insurance, health insurance, liability insurance, credit insurance, cargo insurance, household property insurance, etc. We design and offer ecosystem-oriented insurance products and solutions, and incorporate our products into the scenarios-based customer experience process. We focus on the integration of our products into various scenarios so as to optimize customer experience. Customers may purchase our insurance products and solutions during various consumption scenarios in their daily lives through the internet.

An analysis of the principal activities of the Group during the year ended December 31, 2025 is set out in "Message from the Chairman and the General Manager" on pages 4 to 6 and in "Management Discussion and Analysis" on pages 8 to 30 of this annual report.

Business review

A fair review of the business of the Group as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including an analysis of the Group's financial performance, an indication of likely future developments in the Group's business and the Group's key relationships with its stakeholders who have a significant impact on the Group and on which the Group's success depend, is set out in the section headed "Management Discussion and Analysis" of this annual report. These discussions form part of this annual report. Events affecting the Company that have occurred since the end of the financial year is set out in the section headed "Events after the Reporting Period" in this annual report.

Principal risks and uncertainties

Since our establishment, we have gradually developed and improved a comprehensive risk management system in strict compliance with regulatory requirements and based on the strategic development needs of the Group. In 2016, we took initiative in building a risk-oriented solvency system (“C-Ross”) and made continuous efforts in optimizing the risk control system and improving the business procedures, with an aim to prevent and resolve foreseeable risks in an effective manner. We have also formally implemented the C-ROSS Phase II Rules since January 1, 2022. The major types of risks facing by the Group include:

- Insurance risk: refers to the risk of adverse deviation of the actual loss ratio, expense ratio or surrender rate from expectations, which may cause potential losses to the Group.
- Market risk: refers to the risk of unexpected losses arising from unfavorable movements in interest rates, equity prices and foreign exchange rates. Fixed income investments held by the Group with a fixed maturity date and booked at fair value are exposed to interest rate risks. Listed and unlisted equity investments held by the Group are exposed to market price risks. Foreign currency-denominated assets held by the Group are exposed to foreign exchange risks.
- Credit risk: refers to the risk of unexpected losses resulting from any failure or delay of debtors or counterparties to perform their contractual obligations or adverse changes in their credit profiles. The Group is exposed to credit risk primarily associated with its fixed income investment assets, reinsurance assets (including reinsurers’ share of insurance contract provisions and reinsurance debtors) and premium receivables.
- Operational risk: refers to the risk of losses resulting from inadequate or flawed internal procedures, employees, information technology systems and external events.
- Strategic risk: refers to the risk of the Company’s strategy not matching the market environments and the Company’s capabilities due to ineffective development and implementation of the strategy or changes in the business environments. The Board of the Company pays close attention to the tightened ESG policy, extreme weathers, information security and other ESG risks and includes the ESG risks into the comprehensive risk management process, so as to monitor and manage related ESG risks.
- Reputation risk: refers to the risk of the Company’s brand or reputation being damaged and other relevant losses caused by negative comments from stakeholders on the Company due to a defect in the Group’s operation or an external event.
- Liquidity risk: refers to the risk of the Group being unable to obtain sufficient cash in time, or being unable to obtain sufficient cash in time at a reasonable cost, to repay debts that have become due or fulfill other payment obligations.

The Group made continuous efforts in improving risk management and technological strengths and optimizing the comprehensive risk management system by focusing on capital, adhering to the risk appetite-oriented principle and managing risks through risk quantification tools (e.g. comprehensive budget, asset and liability management, capital planning and allocation and stress testing, etc.) and risk performance appraisal, with an aim to achieve a balance between risk management and business development as well as sound and solid implementation of the Group’s strategies.

However, the above is not an exhaustive list. Investors are advised to make their own judgement or consult their own investment advisors before making any investment in the Shares.

Report of Directors

Employees

As at December 31, 2025, the Group had 2,242 employees. As of December 31, 2025, 1,695 of the Group's employees are primarily based at our headquarters in Shanghai, China, 189 of our employees are primarily based in Beijing, China, 171 of our employees are based in Hangzhou, China, 123 of our employees are primarily based in Shenzhen, China, and the remaining are based in other cities in China. The following table sets forth the number of employees by function as of December 31, 2025:

Function	Number of Employees	% of Total
Product	432	19.27%
Technology	910	40.59%
Business	606	27.03%
Operations	294	13.11%
Total	2,242	100.00%

The Company primarily recruits employees in China through recruitment agencies, internal referral, on-campus job fairs and online channels including our corporate website and social networking platforms. We have adopted a training policy, pursuant to which management, technology and other trainings are regularly provided to our employees by internally sourced speakers or externally hired consultants. Our employees may also attend external trainings upon their supervisors' approvals. We believe our lean structure and corporate culture have contributed to our ability to recruit and retain qualified employees.

As required under PRC laws and regulations, we participate in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury and unemployment benefit plans. We are required under PRC laws to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government from time to time. Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of our business.

We believe that we maintain a good working relationship with our employees and we had not experienced any material labor disputes or any difficulty in recruiting staff for our operations during the year ended December 31, 2025 and up to the date of this annual report.

Major customers

We define our customers as the insured under our insurance policies, including customers who choose to purchase our products, as well as customers who are allocated with our products by our ecosystem partners. For the year ended December 31, 2025, our top five policyholders combined accounted for approximately 3.2% of our GWP, while our top policyholder accounted for approximately 0.7% of our GWP.

During the year ended December 31, 2025, the Group did not experience any significant disputes with its customers.

During the year ended December 31, 2025, our top five suppliers combined accounted for less than 30% of our total purchases.

Financial summary

A summary of the audited consolidated results and the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out on page 2 of this annual report. This summary does not form part of the audited consolidated financial statements.

Subsidiaries

Particulars of the Company's subsidiaries are set out in Note 6 to the consolidated financial statements.

Share capital and Shares issued

Details of the share capital of the Company for the year ended December 31, 2025 are set out in Note 33 to the consolidated financial statements.

Dividends

In order to retain resources for the Group's business development, the Board has resolved not to declare a final dividend for the year ended December 31, 2025 (2024: nil).

No shareholder has waived or agreed to waive any dividends for the year ended December 31, 2025.

Directors', Supervisors' and Chief Executive's interests and short positions in the Shares, underlying Shares and debentures of the Company and any associated corporation

As at December 31, 2025, the interests and short positions of the Directors, Supervisors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred therein, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code are as follows:

Interest in the Company

Name of Director	Class of Shares	Nature of interest	Number of Shares	Approximate percentage in Shares of the same class ⁽¹⁾	Approximate percentage of the Company's total issued share capital ⁽¹⁾
Yaping Ou ⁽²⁾	H Shares	Interest of controlled corporation	81,000,000 (Long position)	4.95%	4.81%

Notes:

- (1) The shareholding percentages are calculated on the basis of 50,000,000 Domestic Shares and 1,634,812,900 H Shares as at December 31, 2025.
- (2) Cnhooray Internet Technology Co. Ltd. (深圳日訊網絡科技股份有限公司) is a subsidiary of Timeway Holdings Limited (中宇集團有限公司). The entire interest of Timeway Holdings Limited (中宇集團有限公司) is held by Z Fin which is listed on the Hong Kong Stock Exchange (stock code: 1168) and is owned by Asia Pacific Promotion Limited, a company wholly owned by Mr. Yaping Ou, and his associate as to approximately 64.61%. As such, Timeway Holdings Limited (中宇集團有限公司), Z Fin, Asia Pacific Promotion Limited and Mr. Yaping Ou are deemed to be interested in the Shares held by Cnhooray Internet Technology Co. Ltd. (深圳日訊網絡科技股份有限公司).

Save as disclosed above, as at December 31, 2025, so far as is known to any Director, Supervisor or the chief executive of the Company, none of the Directors, the Supervisors and the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Part XV of the SFO (including the interests and short positions which the Director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Hong Kong Stock Exchange.

Report of Directors

Interests and short positions of substantial Shareholders and other persons in the Shares and underlying Shares of the Company

As at December 31, 2025, within the knowledge of the Directors, the following persons (other than the Directors, the Supervisors and the chief executive of the Company) had an interest or a short position in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Class of Shares	Nature of interest	Number of Shares ⁽¹⁾	Approximate percentage in Shares of the same class ⁽²⁾	Approximate percentage of the Company's total issued share capital ⁽²⁾
Ping An Insurance ⁽³⁾	H Shares	Beneficial interest	150,000,000 (Long position)	9.18%	8.90%
Shenzhen Jia De Xin Investment Limited ⁽⁴⁾	H Shares	Beneficial interest	133,615,251 (Long position)	8.17%	7.93%
Shenzhen Huaxinlian Investment Limited ⁽⁴⁾	H Shares	Interest of controlled corporation	133,615,251 (Long position)	8.17%	7.93%
Yafei Ou ⁽⁴⁾	H Shares	Interest of controlled corporation	133,615,251 (Long position)	8.17%	7.93%
Ant Group	H Shares	Beneficial interest	108,368,552 (Long position)	6.63%	6.43%
Shanghai Yuanqiang Investment Company Limited ⁽⁵⁾	Domestic Shares	Beneficial interest	50,000,000 (Long position)	100%	2.97%
Song Zou ⁽⁵⁾	Domestic Shares	Interest of controlled corporation	50,000,000 (Long position)	100%	2.97%

Notes:

- (1) All the Shares are held in long position (as defined under Part XV of the SFO) unless otherwise specified.
- (2) The shareholding percentages are calculated on the basis of 50,000,000 Domestic Shares and 1,634,812,900 H Shares as at December 31, 2025.
- (3) Ping An Insurance is a joint-stock company incorporated in the PRC and listed on Main Board of the Hong Kong Stock Exchange (stock code: 2318) and the Shanghai Stock Exchange (stock code: 601318).
- (4) Shenzhen Jia De Xin Investment Limited (深圳市加德信投資有限公司) is a subsidiary of Shenzhen Huaxinlian Investment Limited (深圳市華信聯投資有限公司). As such, Shenzhen Huaxinlian Investment Limited is deemed to be interested in the Shares held by Shenzhen Jia De Xin Investment Limited. Shenzhen Huaxinlian Investment Limited is controlled by Mr. Yafei Ou (歐亞非). As such, Mr. Yafei Ou (歐亞非) is deemed to be interested in the Shares held by Shenzhen Jia De Xin Investment Limited.
- (5) Shanghai Yuanqiang Investment Company Limited (上海遠強投資有限公司) is owned by Mr. Song Zou (鄒松) as to 80.00%. As such, Mr. Song Zou (鄒松) is deemed to be interested in the Shares held by Shanghai Yuanqiang Investment Company Limited (上海遠強投資有限公司).

Save as disclosed above, according to the register kept by the Company under Section 336 of the SFO, there was no other person who had a substantial interest or short position in the Shares or underlying Shares as at December 31, 2025.

Directors' rights to acquire shares or debentures

At no time during the Reporting Period was the Company or any of its subsidiaries, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

Emolument policy and Director's remuneration

In compliance with the CG Code as set out in Appendix C1 to the Listing Rules, the Company has established the Nomination and Remuneration Management Committee of the Company to formulate remuneration policies. The remuneration is determined and recommended based on each Director's and senior management personnel's qualification, position and seniority. As for the independent non-executive Directors, their remuneration is determined by the Board upon recommendation from the Nomination and Remuneration Management Committee. Details of the remuneration of the Directors and the five highest paid individuals are set out in Note 14 and Note 15 to the consolidated financial statements.

None of the Directors waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

The overall status of related transactions for the year according to industry regulations

In 2025, the Company strictly complied with the laws, regulations and industry regulatory requirements, adhered to the management principles of penetrating identification and fair pricing, continued to deepen the construction of the related party transaction management system and strengthened the risk prevention and control mechanism. During the period, the Company closely aligned its efforts with new regulatory requirements and practical managements, focusing its efforts on refining systems, optimizing operational mechanisms, strengthening controls over key transactions, and advancing systematic development, thereby driving steady improvements in the quality and efficiency of related party transaction management. The Risk Management and Related Transaction Control Committee and the Related Party Transaction Management Office operated orderly and effectively. The Company has continuously improved the management of related party transactions. During the Reporting Period, the types of transactions between the Company and related parties mainly involved the use of funds, services, insurance business and others, all of which were conducted based on daily business needs, in accordance with normal commercial terms and market-based principles.

Connected transactions and continuing connected transactions

During the year ended December 31, 2025, the Group engaged in certain transactions with the following persons that constituted connected transactions and continuing connected transactions under the Listing Rules.

- Ping An Insurance was considered a "connected person" under the Listing Rules by virtue of it being a substantial Shareholder. Pursuant to Rules 14A.07(1), 14A.07(4) and 14A.13 of the Listing Rules, any transaction between the Company and Ping An Insurance and its subsidiaries was considered as a connected transaction. On July 4, 2025, Ping An Insurance's voting power in the Company fell to below 10% due to an increase in the number of issued Shares resulting from the completion of the issue of 215,000,000 new H Shares pursuant to a placing agreement entered into by the Company with various placing agents on June 26, 2025. Accordingly, since July 4, 2025, Ping An Insurance was no longer a substantial Shareholder under Rule 14A.07(1) of the Listing Rules and Ping An Insurance and its subsidiaries were no longer considered as "connected persons" of the Company.

Report of Directors

- Ant Group was considered a “connected person” under the Listing Rules by virtue of it being a substantial Shareholder. Pursuant to Rules 14A.07(1), 14A.07(4) and 14A.13 of the Listing Rules, any transaction between the Company and Ant Group and its subsidiaries was considered as a connected transaction. According to the disclosure of interest notice dated June 24, 2025 filed by Ant Group, on June 24, 2025, Ant Group completed a sale of part of H Shares, pursuant to which its voting power fell to below 10%. Accordingly, since June 24, 2025, Ant Group was no longer a substantial Shareholder under Rule 14A.07(1) of the Listing Rules and Ant Group and its subsidiaries were no longer considered as “connected persons” of the Company.

Our Directors and Supervisors and certain associates of our Directors and Supervisors: Pursuant to Rules 14A.07(1) and 14A.12 of the Listing Rules, Directors and Supervisors and their associates are connected persons of the Company.

- Mr. Yaping Ou is a non-executive director. As at December 31, 2025, Mr. Yaping Ou and his associate were interested in approximately 64.61% of Z Fin. Pursuant to Rule 14A.12 of the Listing Rules, Z Fin is an associate of Mr. Yaping Ou. Pursuant to Rule 14A.07(4) of the Listing Rules, an “associate” of a director is a “connected person” of the Company. Any transaction between the Company and Z Fin and its associates is accordingly a connected transaction.
- Mr. Stanley Chiu Fai Choi is an independent non-executive director. As at December 31, 2025, Mr. Stanley Chiu Fai Choi wholly owns Dynamic Figure Limited, which is the general partner of Cosmos Alpha L.P. (“Cosmos”). As such, Cosmos is an associate of Mr. Stanley Chiu Fai Choi. Pursuant to Rule 14A.07(4) of the Listing Rules, an “associate” of a director is a “connected person” of the Company. Any transaction between the Company and Cosmos is accordingly a connected transaction.

Connected transactions

Set out below is a summary of the non-exempt connected transactions of the Group for the year ended December 31, 2025, which are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

On August 29, 2025 (after trading hours), ZA Global entered into a share purchase agreement with ZhongAn Technology, Z Fin, Warrior Treasure Limited (“**Warrior**”), AIA VCC for a/c of AIA Opportunities Fund – Venture Capital 2021 (“**Opportunities Fund**”), Cosmos, OKG Ventures Limited (“**OKG**”) and Illuminating Polaris Segregated Portfolio Company – SP1 (formerly Illuminating Alpha Segregated Portfolio Company – SP1) (“**Northstar**”) (collectively, the “**ZA Global Shareholders**”), pursuant to which:

- (i) ZhongAn Technology conditionally agreed to subscribe for, and ZA Global conditionally agreed to issue and allot, a maximum of 135,423,860 voting ordinary shares in the share capital of ZA Global (the “**ZA Global Ordinary Share**”) at a purchase price of US\$0.4225 per share/a subscription price of approximately US\$57.22 million in aggregate (the “**ZA Global Subscription**”); and
- (ii) conditional upon and concurrently with the completion of the subscription, the anti-dilution mechanism under the shareholders agreement dated July 12, 2024 and entered into between ZA Global and the ZA Global Shareholders (the “**Previous ZA Global Shareholders Agreement**”) was triggered given the purchase price per ZA Global Ordinary Share under the ZA Global Subscription was lower than the adjusted purchase price under the Previous ZA Global Shareholders Agreement, and 3,739,800, 4,313,294, 199,908 and 999,541 ZA Global Ordinary Shares would be issued to ZhongAn Technology, Z Fin, Warrior and Opportunities Fund at nil consideration.

For further details of the ZA Global Subscription, please refer to the announcement of the Company dated August 29, 2025.

Continuing connected transactions

Set out below is a summary of the non-exempt continuing connected transactions of the Group for the year ended December 31, 2025 (the "**Continuing Connected Transactions**"), which are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

1. Continuing connected transactions with Ping An Group

(a) *Provision of asset management services by Ping An Asset Management to us*

On December 31, 2021 (after trading hours), the Company entered into the asset management agreement with Ping An Asset Management, an associate of Ping An Insurance, pursuant to which Ping An Asset Management agreed to provide asset management services to the Company (the "**Previous Asset Management Agreement**").

The term of the Previous Asset Management Agreement is three years with effect from January 1, 2022.

On December 27, 2024 (after trading hours), the Company entered into the Supplemental Agreement with Ping An Asset Management to renew the Previous Asset Management Agreement (the "**New Asset Management Agreement**"). Pursuant to the New Asset Management Agreement (being the Previous Asset Management Agreement as amended by the Supplemental Agreement), Ping An Asset Management agreed to continue to provide asset management services to the Company for the three years ending December 31, 2027.

Reasons for and benefits of the transaction

The Company has received asset management services from Ping An Asset Management since 2014 and recorded sustainable and stable performance in its investments thereunder. The scale of assets under the entrusted management provided by Ping An Asset Management ranks among the top in the industry, and the asset management services provided by Ping An Asset Management enjoy a high reputation and competitiveness in the market, and the continuous use of this service will be beneficial to the Group in light of Ping An Asset Management's experience, particularly in long-term investments.

Pricing policies

The pricing of the asset management services is determined after arm's length negotiations having regard to the amount of asset management services required by the Company, the investment guidelines as agreed by both parties and the prices for comparable services charged by other asset management service providers. Pursuant to the New Asset Management Agreement, Ping An Asset Management mainly charges investment management fees, which are agreed upon based on the income from the assets under entrusted management during the year, the investment amount, investment scope, and investment policy as specified in the investment guidelines and confirmed in writing by both parties. The benchmarks set out in the investment guidelines are determined and updated in accordance with the requirements of relevant regulatory authorities and the market standards. The relevant pricing shall be within the fee range of similar products in the market and be comparable to the rates of similar asset management contracts entered into by the Company with other third parties. The Company will only enter into these transactions if the management fees charged by Ping An Asset Management are in line with or lower than the rates offered by other competent and independent third party service providers and the agreement is in the best interests of the Shareholders as a whole.

Report of Directors

The Company shall arrange for payment of the investment management fees to Ping An Asset Management on a quarterly basis. Ping An Asset Management shall provide the management fee list of each quarter after the end of the quarter and the Company shall settle the management fee with Ping An Asset Management after confirmation.

Further details of the Previous Asset Management Agreement and the New Asset Management Agreement are set out in the announcements of the Company dated December 31, 2021, January 13, 2022, and December 27, 2024.

(b) Cooperation agreements for the provision of auto co-insurance between Ping An P&C and us

On November 9, 2022, the Company and Ping An P&C, an associate of Ping An Insurance, entered into the auto co-insurance cooperation agreement (the "**Previous Auto Co-insurance Cooperation Agreement**"), pursuant to which the Company will enter into agreements for the provision of auto insurance products to the public, and Ping An P&C will be responsible for operating the duties (including co-insuring and making payments pursuant to claims) under such auto insurance agreements. Payments under such auto insurance agreements will be made to the Company which will then be settled with Ping An P&C. The term of the Previous Auto Co-insurance Cooperation Agreement is two years from January 1, 2023 to December 31, 2024. The transactions contemplated under the Previous Auto Co-insurance Cooperation Agreement were approved by the Shareholders at the extraordinary general meeting of the Company held on December 29, 2022.

On October 27, 2023, the Company and Ping An P&C entered into the auto co-insurance cooperation supplemental agreement (the "**Auto Co-insurance Cooperation Supplemental Agreement**") to revise the annual caps under the Previous Auto Co-insurance Cooperation Agreement. The Revised Annual Caps for Auto Co-insurance Cooperation Agreement were approved by the Shareholders at the extraordinary general meeting of the Company held on December 8, 2023.

On November 8, 2024, the Company entered into the Auto Co-insurance Cooperation Agreement (the "**New Auto Co-insurance Cooperation Agreement**") with Ping An P&C, pursuant to which the Company will enter into agreements for the provision of auto insurance products to the public, and Ping An P&C will be responsible for performing the duties (including co-insuring and making payments pursuant to claims) under such auto insurance agreements. Payments under such auto insurance agreements will be made to the Company which will then be settled with Ping An P&C. The term of the New Auto Co-insurance Cooperation Agreement is one year from January 1, 2025 to December 31, 2025. The transactions contemplated under the New Auto Co-insurance Cooperation Agreement were approved by the Shareholders at the extraordinary general meeting of the Company held on December 11, 2024.

Reasons for and benefits of the transactions

Ping An Group is one of the largest insurance providers in the PRC. Property and casualty insurance has been the foundation of its business with steady growth since its inception. The entering into of the New Auto Co-insurance Cooperation Agreement, which is a continuation of the existing cooperation between Ping An P&C and the Company in the provision of auto co-insurance to the public, represents an affirmation by both parties of the results of the existing cooperation, indicating the determination and confidence of both parties to further deepen the cooperation and marking a higher level of cooperation and business exploration between the parties in the area of auto insurance. In addition, the Company believes that its collaboration with Ping An P&C is mutually beneficial. The New Auto Co-insurance Cooperation Agreement allows the Company to not only share the risk of claims with Ping An P&C but also benefit from Ping An P&C's brand name in the PRC market and its expertise in the operation of the provision of auto insurance products, while Ping An P&C benefits from the Company's technological expertise such as using big data analytics in price determination, personalised product design based on the Company's proprietary technologies and its network of platforms from its ecosystem partners as well as its own proprietary platforms to provide the front-line sales channels to Ping An P&C. Moreover, the Directors believe that such online auto co-insurance network will provide the Company with a number of opportunities to conduct a variety of business explorations.

Pricing policies

Auto insurance premiums are heavily regulated in the PRC. The insurance regulatory institution issues uniform terms of service for auto insurance products and provides uniform guidance for product rates. The business department of the Company determines the rates of auto insurance products of the Company based on the analysis of current market conditions, guidance from regulatory institutions and various procedures. The rate is signed and confirmed by the chief actuary after being reviewed by the actuarial department of the Company, and filed with the NFRA. Pursuant to the New Auto Co-insurance Cooperation Agreement, the Company sells auto insurance products to the public at rates which are implemented and approved in strict accordance with the requirements of PRC insurance laws. The premium and claim payment sharing ratio between the Company and Ping An P&C is agreed by both parties after arm's length negotiations having regard to the fact that Ping An P&C will be responsible for the daily operations of the agreements, including receiving reports of claims, investigating the claims and maintaining customer records. Pursuant to the New Auto Co-insurance Cooperation Agreement, the premiums, claims and all fees and expenses incurred in the provision of auto co-insurance pursuant to the Auto Co-insurance Cooperation Agreement are to be shared by the Company and Ping An P&C at 50:50 ratio, respectively.

Further details of the Previous Auto Co-insurance Cooperation Agreement, the Auto Co-insurance Cooperation Supplemental Agreement and the New Auto Co-insurance Cooperation Agreement are set out in the announcements of the Company dated November 9, 2022, December 29, 2022, October 27, 2023, December 8, 2023, November 8, 2024 and December 11, 2024 and the circulars of the Company dated November 30, 2022, November 20, 2023 and November 25, 2024.

Report of Directors

(c) *Financial services framework agreement between Ping An Bank and us*

On June 18, 2025 (after trading hours), the Company entered into a financial services framework agreement (the “**Financial Services Framework Agreement**”) with Ping An Bank, an associate of Ping An Insurance. Pursuant to the Financial Services Framework Agreement, Ping An Bank agreed to provide deposit services and settlement services to the Company for the three years ending June 18, 2028.

Reasons for and benefits of the transactions

As part of our payment and settlement activities and to meet our needs during the ordinary and usual course of business, the Group needs to place deposits with Ping An Bank on a daily basis. Moreover, the arrangements under the Financial Services Framework Agreement between Ping An Bank and the Company are non-exclusive, and the Group is free to engage other financial service providers. Taking into account both the interest income offered by Ping An Bank and the related settlement costs, the terms provided by Ping An Bank under the Financial Services Framework Agreement are no less favourable than those available to the Group from independent commercial banks. Therefore, the arrangements under the Financial Services Framework Agreement provide the Group with greater flexibility in capital management, facilitate the diversification of its deposit channels, enhance deposit returns, reduce financial costs and risks, accelerate capital turnover, and lower transaction costs and expenses. This will contribute to an improvement in the Group’s overall profitability.

Pricing policies

(1) Deposit Services

Subject to regulatory requirements, the interest rates for RMB current deposits, RMB time deposits, RMB call deposits, and RMB agreement deposits will be determined with reference to the benchmark deposit rates published by the People’s Bank of China for the same period from time to time, the self-regulatory mechanism of interest rate pricing, and the rates Ping An Bank is authorized to offer for similar deposit products under its pricing policy. Interest rates for foreign currency deposits shall be determined based on market principles, and subject to compliance with regulatory requirements, the rates offered by Ping An Bank for similar deposits will apply.

During the term of the agreement, if there are any changes in laws, regulations or policies relating to interest rates, or adjustments to the benchmark deposit rates published by the People’s Bank of China, the self-regulatory arrangements of deposit interest rate, or the internal cap on deposit interest rates authorised by the head office of Ping An Bank (i.e., the proactive, self-regulated and broad-based adjustments made to align with macroeconomic policy objectives or the market-based adjustment mechanism for deposit rates), resulting in the agreed interest rates exceeding the permitted limit, Ping An Bank shall promptly notify the Group of any adjustments to the deposit interest rates prior to the placement of deposits under the Financial Services Framework Agreement.

(2) Settlement services

Service fees arising from settlement services may be charged based on the standard rates published on Ping An Bank’s official website or may be subject to the terms as agreed by both parties. Ping An Bank shall be responsible for the payment of all taxes and the completion of all filing procedures that are legally required of it in connection with the performance of the Financial Services Framework Agreement.

Further details of the Financial Services Framework Agreement are set out in the announcement of the Company dated June 18, 2025.

The below table sets out the comparison between the annual cap and actual transaction amount of the continuing connected transactions with Ping An Group for the period from January 1, 2025 to July 4, 2025 (being the date on which Ping An Insurance and its subsidiaries ceased to be connected persons of the Company):

Name	Type of transaction	Annual cap for the year ended December 31, 2025 (RMB thousand)	Transaction amount for the period from January 1, 2025 to July 4, 2025 (RMB thousand)
Ping An Group	Provision of asset management services by Ping An Asset Management to us	160,000	4,146
	Cooperation agreement for the provision of auto co-insurance between Ping An P&C and us	2,550,000	1,190,395
	Financial Services Framework Agreement between Ping An Bank and us	170,000	51,352

2. Continuing connected transactions with Ant Group and its associates

(a) *Online platform cooperation agreement between Ant Group and its associates and us*

On November 9, 2022, the Company and Ant Group entered into the online platform cooperation framework agreement (the "**Online Platform Cooperation Framework Agreement**"), pursuant to which the Group shall use online platforms operated by Ant Group and/or its associates to sell various insurance products to end users of their online platforms.

The term of the Online Platform Cooperation Framework Agreement is three years from January 1, 2023 to December 31, 2025.

On October 27, 2023, the Company and Ant Group entered into the online platform cooperation framework supplemental agreement (the "**Online Platform Cooperation Framework Supplemental Agreement**") to revise the annual caps under the Online Platform Cooperation Framework Agreement. The Revised Annual Caps for Online Platform Cooperation Framework Agreement were approved by the Shareholders at the extraordinary general meeting of the Company held on December 8, 2023.

On April 3, 2024, the Board proposed to revise the existing annual caps to RMB3,185,470,000 and RMB3,728,750,000 for the years ending December 31, 2024 and 2025, respectively (the "**Further Revised Annual Caps for Online Platform Cooperation Framework Agreement**"). The Further Revised Annual Caps for Online Platform Cooperation Framework Agreement were approved by Shareholders at the annual general meeting of the Company held on June 20, 2024.

Reasons for and benefits of the transactions

The Company is one of the only four companies with an online insurance license in the PRC. It is necessary as part of the Group's online business development to utilize various online platforms to reach a wider customer base. The Company considers Ant Group to be an important ecosystem partner and the customer reach offered by Ant Group is incomparable to other online platform service providers.

Report of Directors

The Online Platform Cooperation Framework Agreement will continue to be beneficial to the Group in light of Ant Group's market position among online platform service providers in the PRC market as well as its close cooperation with other well-known online platforms. The cooperation with Ant Group and its associates to promote and sell the Group's insurance products via Ant Group's and other online platforms will bring more revenue to the Group and allow the Group to secure important sales channels which offer steadily increasing revenue and in turn enhance the Group's influence in the online insurance market and brand awareness. In particular, Ant Group has extensive online and offline all-channel media resources, diversified distribution channels, stable customer sources and an excellent ability to produce popular digital distribution materials that can enable the Company to achieve more stable efficiency in its marketing business. In addition, through relying on the technical capabilities of Ant Group's online platforms, the Group can significantly enhance its brand awareness by reaching users multiple times online and offline through various platforms and converting users to insured customers for the Company through various dimensions of operations, thus realizing an increase in conversion rate as well as insurance premiums, which is conducive to the development of the Group's business in the future and in the interest of the Group and the Shareholders as a whole.

Pricing policies

The service fees payable to Ant Group and/or its associates by the Group will be determined based on arm's length negotiations between the Company and Ant Group and/or its associates and according to the following principles:

- (i) if there exists comparable market rates paid by independent third parties, the service fees shall be based on such prevailing market rates;
- (ii) if there exists no comparable rates, the service fees shall be based on arm's length negotiations and quotes obtained from multiple parties; and
- (iii) if there exists no comparable rates and there are difficulties with regards to arm's length negotiations and obtaining quotes from multiple parties, the service fees shall be based on market rates of similar transaction.

The calculation of the service fees for the three main types of insurance products promoted or sold by the Group under the Online Platform Cooperation Framework Agreement, namely health insurance, travel insurance and e-commerce insurance, will be based on a fixed rate of the total premiums received by the Group through Ant Group and/or its associates, which is determined based on a number of factors specific to each insurance product, including the product's risk management level, the marketing promotion(s) offered by the online platform, prevailing market prices for similar insurance products and the scale of the product's business. The Service Fees are typically between 2.0% to 40.0% of the total premiums received.

As there are comparable market rates paid by independent third parties for the transactions conducted under the Online Platform Cooperation Framework Agreement, the Company would normally obtain quotations for similar services from two or three other third party service providers in addition to Ant Group, as well as enquire with Ant Group regarding rates offered by them to their other customers, and compare such quotations against the rates offered by Ant Group to the Group.

Further details of the Online Platform Cooperation Framework Agreement, the Online Platform Cooperation Framework Supplemental Agreement and the Further Revised Annual Caps for Online Platform Cooperation Framework Agreement are set out in the announcements of the Company dated November 9, 2022, October 27, 2023, December 8, 2023, April 3, 2024 and June 20, 2024 and the circulars of the Company dated November 20, 2023 and May 21, 2024.

(b) Provision of employee insurance by us to Ant Group and its subsidiaries

On July 1, 2024, the Company and Alipay (Hangzhou) Information Technology Co., Ltd.* ("**Alipay Hangzhou**"), an associate of Ant Group, entered into the employee insurance agreements (the "**Employee Insurance Agreements**"), pursuant to which Alipay Hangzhou will purchase protection related insurance and comprehensive medical insurance products from the Company to provide to employees of Ant Group and its subsidiaries, as well as their immediate family members (the "**Insured Persons**").

The term of the Employee Insurance Agreements is one year from July 1, 2024.

Reasons for and benefits of the transactions

The Company is one of only four companies with an online insurance license in the PRC and it is in the ordinary course of the Company's business to provide different types of insurance products to a wide range of clients. This includes corporate clients that purchase insurance plans for their employees. It is beneficial to the Company to provide these insurance products to large corporations that have a large number of employees, such as Ant Group.

We provide a wide range of insurance products in the ordinary and usual course of our business to Ant Group and its subsidiaries. Specifically, Ant Group and its subsidiaries' employees and their immediate family members purchase protection related insurance and comprehensive medical insurance products from us, among others, for which we will enter into insurance product agreements with them at arm's length. The entering into of the Employee Insurance Agreements represents an affirmation by the contract party of the Company's range of insurance products, indicating the determination and confidence of the contract party to engage the Company for the provision of employee insurance products. The Company anticipates that the amount of insurance products provided to Ant Group and its subsidiaries will continue to increase and bring more revenue for the Group.

The below table sets out the comparison between the annual cap and actual transaction amount of the continuing connected transactions with Ant Group for the period from January 1, 2025 to June 24, 2025 (being the date on which Ant Group and its subsidiaries ceased to be connected persons of the Company):

Name	Type of transaction	Annual cap	Transaction amount
		for the year ended December 31, 2025 (RMB thousand)	for period from January 1, 2025 to June 24, 2025 (RMB thousand)
Ant Group	Online Platform Cooperation Agreement between Ant Group and its associates and us	3,728,750	1,672,022
	Provision of employee insurance to Ant Group and its subsidiaries	31,750 ⁽¹⁾	617

Note:

(1) Represents the annual cap for the six months ended June 30, 2025 under the Employee Insurance Agreements which expired on June 30, 2025.

Pricing policies

The premiums received by the Company is based on the type of insurance products purchased by Alipay Hangzhou for the Insured Persons, the age, health, capacity and seniority of the Insured Persons and the total number of persons who have purchased the corresponding insurance policies. The premiums received by the Company shall be comparable to those paid by independent third parties for similar types of insurance products or to the prevailing market prices. For pricing of the premiums, the Company takes into account the risk portfolio of the product itself, the historical claim settlement data of the Insured Persons, the product expense ratio and market competitive prices. Members of the Company's business management department have conducted market analysis and various other procedures to determine the terms of the insurance products, including premium pricing and product terms. These premium prices must conform with the terms and regulations set by the Company and be approved by other relevant departments such as the Company's actuary department and the operation management centre. The policy terms and premium rates schedules are either approved by or filed with the National Financial Regulatory Administration.

Further details of the Employee Insurance Agreements are set out in the announcement of the Company dated July 1, 2024.

Report of Directors

3. Continuing connected transactions with RGMD Group

Property Framework Agreement between RGMD and us

Following completion of an acquisition of all the equity interest of Rockefeller Group Asia Pacific, Inc., by Z Fin, Shanghai Bund de Rockefeller Group Master Development Co., Limited ("**RGMD**") has become an associate of Mr. Yaping Ou, a non-executive Director of the Company, and hence a connected person of the Company under Chapter 14A of the Listing Rules. As such, certain property agreements entered into between the Group and RGMD Group (the "**Property Agreements**") prior to the above-mentioned restructuring became continuing connected transactions of the Company under Chapter 14A of the Listing Rules since January 2025.

For the purposes of administrative efficiency and compliance with the Listing Rules, on January 17, 2025 (after trading hours), the Company and RGMD entered into a property framework agreement (the "**Property Framework Agreement**") to consolidate and renew the transactions under the Property Agreements. Pursuant to the Property Framework Agreement, RGMD Group agreed to continue to (i) lease the Lease Properties to the Group for office purposes; and (ii) provide comprehensive property management services in respect of the Leased Properties to the Group for three years ending December 31, 2027.

On December 24, 2025, the Board proposed to revise the existing annual caps of the property management services fee under the Property Framework Agreement to RMB30,000,000 and RMB30,000,000 for the years ending December 31, 2026 and 2027, respectively (the "**Revised Annual Caps for Property Framework Agreement**").

Reasons for and benefits of the transactions

The Group's office properties in the Waitanyuan area of Shanghai are located in a prime business district, representing rare and high-quality office space. The Group has been operating in this area for over twelve years as it meets the Group's centralized operation needs. The Group has been receiving property management services from RGMD Group since 2013. RGMD Group is principally engaged in property development, operation, lease, sales and relevant property management. With extensive experience in such fields, its services enjoy a high reputation and competitiveness in the market, not only covering professional and efficient basic services, but also offering digitally intelligent and high-efficiency property management support. Therefore, in light of the extensive experience and market reputation of RGMD Group, the continuous use of this service will help to continuously improve the operational quality and management efficiency of the Group's Office Properties, providing robust support for the Group's daily operations and business development.

Pricing policies

The rent payable for each of the Leased Properties shall be determined by the parties after arm's length negotiations with reference to the market price of transactions in the same period and relevant commercial factors, such as location, floor area, building standards and floor number. The daily rent shall range from RMB4.15 to RMB13.5 per square meter, depending on the floor and location of the relevant Leased Property.

The property management service fees shall be determined with reference to the floor area of the specific office property, the type and scope of services to be provided.

For further details of the Property Framework Agreement and the Revised Annual Caps for Property Framework Agreement, please refer to the announcements of the Company dated January 17, 2025 and December 24, 2025.

The below table sets out the comparison between the annual cap and actual transaction amount of the continuing connected transactions with RGMD Group for the year ended December 31, 2025:

Name	Type of transaction	Annual cap for the year ended December 31, 2025 (RMB thousand)	Transaction amount for the year ended December 31, 2025 (RMB thousand)
RGMD Group	Property Framework Agreement between RGMD and us		
	<ul style="list-style-type: none"> • Estimated right-of-use assets • Property management service fees 	152,900 17,000	113,654 15,953

Confirmation from Independent Non-executive Directors

The Company's independent non-executive Directors have reviewed the Continuing Connected Transactions and confirmed that such transactions have been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Confirmations from the Company's Independent Auditor

PricewaterhouseCoopers, the auditor of the Company, has confirmed in a letter to the Board that, with respect to the Continuing Connected Transactions:

- (a) nothing has come to their attention that causes PricewaterhouseCoopers to believe that the disclosed Continuing Connected Transactions have not been approved by the Board;
- (b) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes PricewaterhouseCoopers to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (c) nothing has come to their attention that causes PricewaterhouseCoopers to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

- (d) with respect to the aggregate amount of each of the Continuing Connected Transactions, nothing has come to their attention that causes PricewaterhouseCoopers to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

During the year ended December 31, 2025, save as disclosed in the sections headed "Connected Transactions" and "Continuing Connected Transactions" of this annual report, no related party transactions disclosed in Note 40 to the financial statements constituted a connected transaction or continuing connected transaction which should be disclosed pursuant to the Listing Rules, and the requirements of Chapter 14A of the Listing Rules have been complied with.

Litigation

As of December 31, 2025, the Company was not involved in any material litigation or arbitration and the Directors were not aware of any material litigation or claims that were pending or threatened against the Company.

Distributable reserves

Details of the movements in the reserves of the Company during the year ended December 31, 2025 are set out in Note 34 to the financial statements. There are no reserves available for distribution to Shareholders as at December 31, 2025.

Debentures

The Company did not issue any debenture during the Reporting Period and up to the date of this annual report.

Report of Directors

The 2025 Placing

On June 26, 2025, the Company entered into a placing agreement (the “**Placing Agreement**”) with various placing agents to issue 215,000,000 new H Shares (the “**2025 Placing**”). The completion of the 2025 Placing took place on July 4, 2025, with an aggregate of 215,000,000 new H Shares (the “**Placing Shares**”) being successfully allotted and issued by the Company. The aggregate nominal value of the Placing Shares was RMB215,000,000. The closing price of the H Shares as quoted on the Hong Kong Stock Exchange on the last trading day before the entering into of the relevant placing agreement and the date on which the placing price was fixed (i.e. June 25, 2025) was HK\$19.94 per H Share, and the placing price was HK\$18.25 per H Share. The net price (after deduction of the commissions and expenses) raised per H Share upon completion of the 2025 Placing was approximately HK\$18.12. The aggregate gross proceeds from the 2025 Placing were approximately HK\$3,923.8 million. The aggregate net proceeds from the 2025 Placing were approximately HK\$3,895.8 million. For further details, please refer to the announcements of the Company dated June 26, 2025 and July 4, 2025 (the “**2025 Placing Announcements**”).

The new H Shares were placed to not less than six investors who are independent professional, institutional and/or other investors who and whose ultimate beneficial owners are all independent third parties. None of the placees has become a substantial shareholder of the Company immediately after the completion of the 2025 Placing. The Directors have considered various ways of raising funds and believe that the 2025 Placing represents an opportunity to raise capital for the Company while broadening its Shareholders and capital base. The Directors are of the view that the 2025 Placing would strengthen the financial position of the Group and accelerate innovations in the Group’s financial business and development of technology capability.

Use of proceeds

1. Use of proceeds from Listing

On September 28, 2017, the Shares of the Company were listed on the Main Board of the Hong Kong Stock Exchange. The gross proceeds from the above Global Offering were approximately HK\$13,682.5 million, which has been and/or will be used for the purposes as set out in the Prospectus.

2. Use of proceeds from the 2025 Notes, the 2026 Notes and the Additional Notes

On July 9, 2020, the Company entered into a subscription agreement with various financial institutions in connection with the issue of the USD600,000,000 3.125% Notes due 2025 (the “**2025 Notes**”). On August 31, 2020, the Company entered into a subscription agreement with various financial institutions in connection with the issue of the USD300,000,000 3.50% Notes due 2026 (the “**2026 Notes**”). On October 12, 2020, the Company issued USD100,000,000 3.50% Notes due 2026 (the “**Additional Notes**”), consolidated and forming a single series with the 2026 Notes.

As at December 31, 2025, the Group had used approximately RMB6,789.69 million (equivalent to approximately USD989 million) of the proceeds from the 2025 Notes, the 2026 Notes and the Additional Notes for working capital and general corporate purposes and a principal amount of Notes payable of USD360.1 million remained outstanding. There was no change in the intended use of net proceeds as previously disclosed in the announcements of the Company dated July 10, 2020, July 16, 2020, September 1, 2020, September 8, 2020 and October 9, 2020 (the “**Notes Announcements**”). The Company will gradually utilise the remaining net proceeds in the manner set out in the Notes Announcements. The Company may adjust its plans in response to changing market conditions and, thus, reallocate the use of the proceeds. For further details of the 2025 Notes, the 2026 Notes and the Additional Notes, please refer to the Notes Announcements.

3. Use of proceeds from the 2025 Placing

On June 26, 2025, the Company entered into a placing agreement with various placing agents to issue 215,000,000 new H Shares. The completion of the 2025 Placing took place on July 4, 2025, with an aggregate of 215,000,000 new H Shares being successfully allotted and issued by the Company. The aggregate net proceeds from the 2025 Placing were approximately HK\$3,895.8 million.

As at December 31, 2025, the Group had used approximately HK\$3,206.3 million of the proceeds from the 2025 Placing to supplement the Group’s capital to support its business development, in which HK\$2,337.5 million has been used by the Company for its insurance underwriting and asset management businesses, HK\$479.2 million has been used by the Group to support its investment in fintech innovations, and HK\$389.6 million has been used for general corporate purposes. There was no change in the intended use of net proceeds as previously disclosed in the announcements of the Company dated June 26, 2025 and July 4, 2025 (the “**Placing Announcements**”). The Company will gradually utilise the remaining net proceeds (being the remaining HK\$689.5 million intended to be used by the Group to support its investment in fintech innovations, which are expected to be fully utilised by December 31, 2026) in the manner set out in the Placing Announcements.

Charitable and other donations

We undertake our due social responsibilities to continuously create value for the surrounding communities and make contribution to society and livelihood. Our public welfare footprints cover ecological protection, popular science education, social assistance voluntary actions, disaster relief and damage reduction, contributing to the sustainable development of the local communities with our actions. In 2025, the Company's total charitable donations amounted to RMB0.5 million.

Share options

During the Reporting Period, the Shareholders did not have share options under relevant PRC laws and the Articles of Association.

Property, plant and equipment

Details of movements in the property, plant and equipment of the Company and the Group during the year ended December 31, 2025 are set out in Note 28 to the consolidated financial statements.

Pre-emptive rights

There are no provisions regarding pre-emptive rights under the Company Law of the PRC or the Articles of Association, which would oblige the Company to issue new shares to its existing shareholders in proportion to their existing shareholdings.

Tax relief

The Company is not aware of any tax relief available to the Shareholders by reason of their holding of the Company's securities.

Purchase, sale or redemption of listed securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period. As at December 31, 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

Management contracts

No contract, concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended December 31, 2025.

Service contracts of Directors and Supervisors

Each of the Directors and Supervisors has entered into a service contract with the Company for an initial term of three years with effect, subject to the approval of the NFRA, from the date of their respective appointment or until the expiration of the term of the fourth session of the Board of the Company.

None of the Directors (including the Directors proposed for re-election at the annual general meeting) or Supervisors have a service contract with members of the Group that is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The Company entered into service contracts with the Directors of the fifth session of the Board on November 28, 2025. Terms, duties, remuneration packages, confidentiality duties of Directors and commencement and termination of contracts were detailed in the respective service contracts.

Interests of Directors and Supervisors in transactions, arrangements or contracts of significance

Save as disclosed in the section headed "Connected transactions and continuing connected transactions", none of the Directors and Supervisors nor any entity connected with the Directors and/or Supervisors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting during or at the end of the year ended December 31, 2025.

Directors' and Supervisors' interests in competing business

As far as the Directors are aware, none of the Directors or Supervisors of the Company has any interest in a business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

Permitted indemnity

The Company has arranged appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

Report of Directors

Environmental policies and performance

The Group is committed to fulfilling social responsibility, promoting employee benefits and development, protecting the environment, giving back to the community and achieving sustainable growth.

Compliance with the relevant laws and regulations

As far as the Board and management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended December 31, 2025, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

Auditors

The consolidated financial statements of the Group have been audited by PricewaterhouseCoopers.

Sufficiency of public float

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, at all times during the Reporting Period, not less than 25% of the issued share capital of the Company (being the public float applicable to the shares of the Company) were held in public hands.

By the order of the Board

Hai Yin

Chairman

March 19, 2026

Report of Supervisory Committee

Supervisors

The Supervisors who held office during the year ended December 31, 2025 and up to the date of this annual report are:

Shareholder Representative Supervisor:

Yuping Wen

External Supervisor:

Limin Guo

Employee Representative Supervisor:

Yao Wang

Biographical details of the Supervisors of the Group are set out in the section headed "Directors, Supervisors and Senior Management" on pages 31 to 36 of this annual report.

The work of the Supervisory Committee

During the Reporting Period, the Supervisory Committee held twelve meetings. All such meetings were convened in accordance with the Articles of Association by way of physical meeting or electronic means of communication, and were attended by all Supervisors entitled to be present. No proxy had been authorized to attend such meetings on their behalf. Meetings were held to consider and approve proposals on development strategy, business operation, financial activities, risk management, internal audit, anti-money laundering, assessment on the performance of duties by Directors, Supervisors and Senior Management, etc., and review reports on the management's annual work, reserves evaluation, operation and management, related transactions, regulatory evaluation of consumer rights protection, comprehensive risk rating, etc. Details of Supervisors' attendance at meetings of the Supervisory Committee are set out as follows:

No.	Class of Supervisors	Date of appointment	Name	Meetings required to attend	Meetings attended	Meetings attended by proxies	% of attendance
1	Shareholder Representative Supervisor	November 29, 2013	Yuping Wen	12	12	0	100%
2	Employee Representative Supervisor	September 13, 2023	Yao Wang	12	12	0	100%
3	External Supervisor	January 28, 2022	Limin Guo	12	12	0	100%

In 2025, the Group held a total of one general meeting and 6 on-site Board meetings. Members of the Supervisory Committee had attended the general meetings and were present at all the on-site Board meetings, and supervised the convening of the meetings were in compliance with the relevant laws and regulations, voting procedures, the Directors' attendance of, opinions expressed at and voting results of the general meetings and Board meetings, respectively.

During the Reporting Period, the Supervisory Committee of the Company had no objection to various supervisory matters.

Report of Supervisory Committee

Independent opinion on relevant issues from the Supervisory Committee

(1) Lawful operation

During the Reporting Period, the Company adhered to the philosophy of operating in accordance with the laws, with standardized and orderly management and true and reliable operating results. There was substantial progress and improvement in the depth and breadth of internal control management. The Company's operational decision-making processes were legitimate. The Directors and other senior management personnel were royal, diligent and dedicated in the business operations and management processes, and they were not found to have breached any laws or regulations, or harmed the interests of the Shareholders.

(2) Authenticity of the financial statements

PricewaterhouseCoopers has issued the standard unqualified auditor's reports in accordance with Hong Kong Standards on Auditing on the Company's financial statements for 2025. The financial reports truly, objectively and accurately reflect the financial position and operating results of the Company.

(3) Use of proceeds

Details of the use of proceeds are set out in the section headed "Report of Directors - Use of proceeds". During the Reporting Period, the Supervisory Committee monitored the use of proceeds and did not find improper use of proceeds.

(4) Connected-party transactions

During the Reporting Period, the Supervisory Committee believed that: connected-party transactions of the Company were conducted for normal production and operations, the decision-making procedures complied with relevant laws, regulations and the Articles of Association, the prices of connected-party transactions were fair without violating the principles of openness, fairness and impartiality, without prejudice to the interests of the Company and minority Shareholders.

(5) Internal control system

During the Reporting Period, the Supervisory Committee has carefully reviewed a number of resolutions, such as the Resolution on Management Letter of the Company for 2024 (《公司2024年度管理建議書議案》), the Resolution on Internal Control Audit Report and Management Letter on Insurance Fund Application of the Company for 2024 (《關於公司2024年度保險資金運用內控審計報告及管理建議書議案》) and the Internal Control Evaluation Report (《內部控制評估報告》), and examined revisions to the Company's various internal management regulations. The Supervisory Committee confirms that the Company's internal controls are generally well-designed and cover key business processes and high-risk areas.

(6) Assessment on the performance of duties by Directors and Supervisors

During the Reporting Period, all the Supervisors reviewed and unanimously approved the relevant resolutions including the Evaluation Report on the Performance of Duties by the Directors of the Company for 2024 (《公司2024年度董事履職及評價報告》), the Due Diligence Report of the Independent Directors of the Company for 2024 (《公司2024年度獨立董事盡職報告》) and the Assessment Report on the Performance of Duties of Supervisors of the Company for 2024 (《公司2024年度監事履職評價報告》), in line with the principle of legal compliance, objectivity and impartiality in formulating their evaluation opinions with due diligence. The Supervisory Committee believed that the Company's directors have adhered to the principle of prudent management in accordance with laws, regulations, regulatory requirements and relevant provisions of the Articles of Association, have implemented resolutions of the general meeting and Board meetings, and enhanced the consciousness of being diligent, responsible and standardized in duty performance.

(7) Implementation of the Company's information disclosure management system

During the Reporting Period, the Supervisory Committee monitored the Company's information disclosure, reviewed regular reports of the Company, and provided written review opinions. No violation of laws or regulation were found in the Company's information disclosure throughout the year.

(8) Risk management

During the Reporting Period, the Supervisory Committee carefully reviewed the annual risk assessment report, the overall risk management plan and solvency report, and the solvency report, and exercised ongoing oversight of the effectiveness of the Company's risk management. The Supervisory Committee believed that the Company's risk appetite framework aligns with its strategic objectives, and key risk indicators, such as the solvency margin ratio, continues to meet regulatory requirements. Control measures in key areas, including reputational risk, operational risk and emerging risks (such as climate risk and information technology risk) were effective, and overall risks were manageable.

(9) Implementation of the resolutions approved by the general meetings

During the Reporting Period, the Supervisory Committee had no objection to the resolutions submitted by the Board for approval by the Shareholders at the general meetings. The Supervisory Committee has supervised the implementation of the resolutions approved by the general meetings, and was of the opinion that the Board was able to implement the resolutions approved by the general meetings rigorously.

Independent Auditor's Report

To the Shareholders of ZhongAn Online P & C Insurance Co., Ltd.

(incorporated in the People's Republic of China with limited liability)

Opinion

What we have audited

The consolidated financial statements of ZhongAn Online P & C Insurance Co., Ltd. (the "Company") and its subsidiaries (the "Group"), which are set out on pages 76 to 178, comprise:

- the consolidated balance sheet as at 31 December 2025;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter identified in our audit is summarised as follows:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Valuation of liability for incurred claims (“LIC”) of insurance contracts measured under the premium allocation approach (“PAA”)</p> <p>Refer to note 2.13 Summary of material accounting policies - Insurance contracts, note 3.2 Significant judgements and estimates - Valuation of insurance contract liabilities, and note 36 Insurance and reinsurance contracts.</p> <p>As at 31 December 2025, the Group’s LIC of insurance contracts measured under the PAA was RMB5,329,866 thousand, representing 25% of the Group’s total liabilities.</p> <p>We focused on this area because the valuation of LIC of insurance contracts measured under the PAA involved a high degree of judgement by management in selecting models and setting assumptions including expected loss ratios and future claim development pattern, and the inherent risk in relation to the valuation of LIC of insurance contracts measured under the PAA was considered significant.</p>	<p>We (including our actuarial experts) performed the following audit procedures over the valuation of LIC of insurance contracts measured under the PAA:</p> <p>We obtained an understanding of the management’s assessment processes and internal controls of the valuation of LIC of insurance contracts measured under the PAA and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity and susceptibility to management bias or fraud.</p> <p>We evaluated and tested the key controls over the valuation of LIC of insurance contracts measured under the PAA including data collection and analysis, and approval process for management’s assumption setting, etc.</p> <p>We performed independent modelling analysis for the valuation of LIC of insurance contracts measured under the PAA by performing below procedures:</p> <ul style="list-style-type: none"> For the underlying data used in actuarial models, we compared the data to source systems, such as earned premiums and reported claims to the business data. We set up independent actuarial assumptions including expected loss ratios, future claim development pattern, etc., by considering both the Group’s historical data and applicable industry experiences. We evaluated the overall reasonableness of the Group’s valuation of LIC of insurance contracts measured under the PAA by comparing management’s results to the results from our independent modelling analysis and calculation. <p>Based on our audit work, we found management judgements in the valuation of LIC of insurance contracts measured under the PAA supportable by the evidence we gathered.</p>

Independent Auditor's Report

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

(continued)

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Zhang Jiong (practising certificate number: P08441).

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 19 March 2026

Consolidated Statement of Profit or Loss

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

	Notes	2025	2024
Insurance revenue	7	33,484,568	31,744,343
Insurance service expenses	7	(32,173,594)	(30,690,035)
Net income/(expenses) from reinsurance contracts held	7	126,868	(14,095)
Insurance service result		1,437,842	1,040,213
Net investment income	8	1,851,607	461,488
Net fair value changes through profit or loss	9	315,510	1,023,690
Net impairment losses on financial assets		(13,879)	(24,826)
Finance expenses from insurance contracts issued		(32,553)	(52,369)
Finance income from reinsurance contracts held		6,261	2,413
Other income	10	659,485	1,031,730
Foreign exchange gains/(losses)		37,017	(98,971)
Other finance costs		(309,817)	(446,681)
Other operating expenses	11	(1,140,262)	(1,079,929)
Other expenses	12	(538,732)	(872,561)
Share of net loss of associates and joint ventures accounted for using the equity method	25	(67,785)	(129,990)
Impairment loss on joint venture	25	(698,455)	—
Profit before income tax		1,506,239	854,207
Income tax	16	(404,634)	(250,751)
Net profit for the year		1,101,605	603,456
Attributable to:			
– Owners of the parent		1,101,605	603,456
– Non-controlling interests		—	—
Earnings per share:			
– Basic earnings per share (RMB yuan)	17	0.70	0.41
– Diluted earnings per share (RMB yuan)	17	0.70	0.41

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

These consolidated financial statements and the accompanying notes starting from page 76 to page 178 are signed by:

Xing Jiang

(On behalf of Board of the Directors)

Gaofeng Li

(On behalf of Board of the Directors)

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

	Notes	2025	2024
Net profit for the year		1,101,605	603,456
Other comprehensive income			
Items that may be reclassified to profit or loss			
– Changes in the fair value of debt instruments at fair value through other comprehensive income	18	(138,686)	167,046
– Credit risks provision of debt instruments at fair value through other comprehensive income	18	(3,749)	(603)
– Exchange differences on translation of foreign operations	18	—	386
– Share of other comprehensive income of associates and joint ventures accounted for using the equity method	18	2,059	74,584
Items that will not be reclassified to profit or loss			
– Changes in the fair value of equity instruments at fair value through other comprehensive income	18	38,826	(7,224)
Other comprehensive income for the year, net of tax	18	(101,550)	234,189
Total comprehensive income for the year		1,000,055	837,645
Attributable to:			
– Owners of the parent		1,000,055	837,645
– Non-controlling interests		—	—

Consolidated Balance Sheet

As at 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

	Notes	31 December 2025	31 December 2024
ASSETS			
Cash and amounts due from banks and other financial institutions	19	3,035,292	1,466,741
Securities purchased under agreements to resell	20	432,887	540,883
Financial assets at fair value through profit or loss	21	20,906,890	20,706,284
Financial assets at amortized cost	22	782,103	1,051,049
Debt financial assets at fair value through other comprehensive income	23	9,926,132	10,528,854
Equity financial assets at fair value through other comprehensive income	24	1,004,570	789,783
Insurance contract assets	36	477,038	386,108
Reinsurance contract assets	36	721,993	323,887
Investments in associates and joint ventures	25	4,875,380	5,591,416
Term deposits	26	30,077	30,827
Restricted statutory deposits	27	347,287	301,313
Property and equipment	28	1,438,314	653,777
Right-of-use assets	29	151,319	143,774
Intangible assets	30	617,805	618,719
Deferred income tax assets	31	—	—
Other assets	32	1,962,549	2,151,164
Total assets		46,709,636	45,284,579
EQUITY AND LIABILITIES			
Equity			
Share capital	33	1,684,813	1,469,813
Reserves	34	20,502,533	16,995,862
Retained earnings		3,261,918	2,460,726
Total equity		25,449,264	20,926,401
Liabilities			
Borrowings		71,155	80,377
Securities sold under agreements to repurchase	35	5,778,257	7,931,332
Income tax payable		406,615	17,509
Contract liabilities		27,957	53,541
Insurance contract liabilities	36	7,253,668	4,999,717
Reinsurance contract liabilities	36	256	256
Bonds payable	37	2,559,881	6,912,317
Lease liabilities	29	138,562	122,896
Deferred income tax liabilities	31	233,958	270,136
Other liabilities	38	4,790,063	3,970,097
Total liabilities		21,260,372	24,358,178
Total equity and liabilities		46,709,636	45,284,579

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

	For the year ended 31 December 2025									
	Reserves									
	Share capital	Capital reserves	Surplus reserves	General risk reserves	Other reserves due to share-based payments	Financial assets at fair value through other comprehensive income revaluation reserves	Share of other comprehensive income of associates and joint ventures accounted for using the equity method	Other reserves	Retained earnings	Total equity
31 December 2024	1,469,813	16,607,618	—	—	100,241	199,757	98,258	(10,012)	2,460,726	20,926,401
Total comprehensive income	—	—	—	—	—	(103,609)	2,059	—	1,101,605	1,000,055
Capital Injection	215,000	3,335,681	—	—	—	—	—	—	—	3,550,681
Appropriations to surplus reserves and general risk reserves	—	—	162,907	162,907	—	—	—	—	(325,814)	—
Transfer of gains on disposal of equity investments at fair value through other comprehensive income to retained earnings (note 24)	—	—	—	—	—	(25,401)	—	—	25,401	—
Other equity changes in associates and joint ventures	—	—	—	—	—	—	—	(27,873)	—	(27,873)
31 December 2025	1,684,813	19,943,299	162,907	162,907	100,241	70,747	100,317	(37,885)	3,261,918	25,449,264

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

	For the year ended 31 December 2024							
	Reserves					Other reserves	Retained earnings	Total equity
	Share capital	Capital reserves	Other reserves due to share-based payments	Financial assets at fair value through other comprehensive income revaluation reserves	Share of other comprehensive income of associates and joint ventures accounted for using the equity method			
31 December 2023	1,469,813	16,607,618	100,241	26,327	23,674	(25,731)	1,871,481	20,073,423
Total comprehensive income	—	—	—	159,219	74,584	386	603,456	837,645
Transfer of loss on disposal of equity investments at fair value through other comprehensive income to retained earnings	—	—	—	14,211	—	—	(14,211)	—
Other equity changes in associates and joint ventures	—	—	—	—	—	15,333	—	15,333
31 December 2024	1,469,813	16,607,618	100,241	199,757	98,258	(10,012)	2,460,726	20,926,401

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

	Notes	2025	2024
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	39(a)	3,535,832	1,979,432
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property and equipment, intangible assets and other assets		(1,046,120)	(896,189)
Proceeds from sale of property and equipment, intangible assets and other assets		2,131	14,067
Proceeds from/(Payments of) investments, net		1,491,989	(535,676)
Payments for investments in associates and joint ventures		—	(137,853)
Disposal of subsidiaries and other business entities, net		10	8,832
Dividends and other returns received from investments		832,187	990,518
Net cash flows generated from/(used in) investing activities		1,280,197	(556,301)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of shares		3,550,681	—
Proceeds from borrowings		71,155	80,533
Repayment of bonds		(4,277,659)	—
Repayment of borrowings		(80,533)	(99,025)
Decrease in securities sold under agreements to repurchase, net		(2,152,694)	(553,224)
Interest paid		(361,928)	(394,367)
Principal elements of lease payments		(118,983)	(126,335)
Net cash flows used in financing activities		(3,369,961)	(1,092,418)
Effects of exchange rate changes on cash and cash equivalents		14,556	491
Net increase in cash and cash equivalents		1,460,624	331,204
Cash and cash equivalents at the beginning of year		2,007,534	1,676,330
Cash and cash equivalents at the end of year	39(b)	3,468,158	2,007,534

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

1. GENERAL INFORMATION

Approved by the former China Insurance Regulatory Commission (the "CIRC") of the People's Republic of China (the "PRC"), ZhongAn Online P & C Insurance Co., Ltd. (the "Company") is a joint stock company established on 9 October 2013.

The Company and its subsidiaries (collectively, the "Group") are principally engaged in Fintech business, which mainly provides internet insurance services and insurance information technology services to customers.

The Company became listed on the Main Board of the Stock Exchange of Hong Kong Limited on 28 September 2017, and its stock code is 6060.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the all the years presented unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and the applicable disclosure requirements of the Hong Kong Companies Ordinance. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments measured at fair value, insurance contracts issued and reinsurance contracts held measured on a current value basis as explained in note 2.13 and note 3.2. The consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

(a) *Changes in accounting policies*

The Group has applied the following amendments and interpretation for the first time for the current year's consolidated financial statements.

Lack of Exchangeability - Amendments to HKAS 21

The application of the amendment have no material impact on the consolidated financial statements.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(b) *New and revised standards not yet adopted*

The Group has not applied the following new standards and amendments that have been issued but are not yet effective for the consolidated financial statements:

	Effective for annual periods beginning on or after
Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature – dependent Electricity – Amendments to HKFRS 9 and HKFRS 7	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Presentation and Disclosure in Financial Statements – HKFRS 18	1 January 2027
Subsidiaries without Public Accountability: Disclosures – HKFRS 19	1 January 2027
Translation to a Hyperinflationary Presentation Currency – Amendments to HKAS 21	1 January 2027

The Group has not early adopted any new standards or amendments that have been issued but are not yet effective. The Group is in the process of assessing the impact of adoption of HKFRS 18 and the amendments to HKFRS 9 and HKFRS 7. There are no other revised HKFRS Accounting Standards that are not yet effective that would be expected to have a material impact on the Group.

2.2 Principles of consolidation and equity accounting

2.2.1 *Subsidiaries*

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

2.2.2 *Business combinations*

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

2.2.2 Business combinations (continued)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS Accounting Standards.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of profit or loss.

Intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

2.2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Principles of consolidation and equity accounting (continued)

2.2.4 Associates

An associate is an entity over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note 2.2.6 below).

2.2.5 Joint ventures

The Group has assessed the nature of its jointly controlled entities and determined them to be joint ventures. The Group has rights to the net assets of these jointly controlled entities. The Group's investments in its jointly controlled entities are accounted for using the equity method of accounting (see note 2.2.6 below), less any impairment losses.

2.2.6 Equity method of accounting

Under the equity method of accounting, the investment is initially recognised at cost. The Group's investments in the associates and joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate or joint venture, any difference between the cost of the associate or joint venture and the Group's share of the net fair value of the associate's or joint venture's identifiable assets and liabilities is accounted for as goodwill.

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment.

When the Group's share of losses in an associate or a joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates and joint ventures are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates and joint ventures. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.7.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions. The Group has determined the management team represented by the Chief Executive Officer as its chief operating decision maker.

The measurement of segment assets and liabilities, as well as segment revenue, expense and results is based on the Group's accounting policies. There is no difference between the accounting policies used in the preparation of the Group's financial statements and those used in preparing the operating segment information.

Segment revenue, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

2.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Group entities

The results and financial position of all the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.5 Property and equipment

Property and equipment can be recognised only when future economic benefits expected to be obtained from the use of the item will flow into the Group and its cost can be measured reliably. Expenditure incurred after items of property and equipment have been put into operation is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has met the recognition criteria, the expenditure is capitalized as an additional cost of that asset and the confirmation of the book value of the replaced part should be stopped.

Property and equipment are initially measured at cost after considering the impact of the expected disposal expenses. The cost of an item of property and equipment comprises its purchase price, related taxes and fees and any directly attributable costs of bringing the asset to its intended use.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property and equipment to its residual value over its estimated useful life. The expected useful life, estimated residual value rate and annual depreciation rate used for this purpose are as follows:

Category	Expected useful life	Estimated residual value rate	Annual depreciation rate
Buildings	20-31 years	10%	3-5%
Motor vehicles	5 years	5%	19%
Electrical equipment	5-8 years	5%	12%-19%
Office furniture and equipment	5 years	5%	19%
Leasehold improvements	3-8 years	0%	13%-33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of profit or loss.

2.6 Intangible assets

The Group's intangible assets include trademark, computer software and Chinese domain name registration.

Intangible assets can be recognised only when future economic benefits expected to be obtained from the use of the item will flow into the Group and its cost can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.6 Intangible assets (continued)

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The useful lives of intangible assets are assessed by the period of bringing economic benefits for the Group. If the period of bringing economic benefits cannot be determined, intangible assets will be classified as indefinite intangible assets.

The expected useful lives of intangible assets are as follows:

	Expected useful life
Trademark	10 years
Software	3-10 years
Chinese domain name registration	10 years

Intangible assets with finite lives are subsequently amortized on the straight-line basis over the useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed, and adjusted if appropriate, at least at each year end.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.7 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 Financial instruments

(a) Financial assets

Recognition and derecognition

A financial asset is recognised when the Group becomes a party to the contractual provisions of the instrument.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured at amortized cost ("AC");
- those to be measured at fair value through other comprehensive income ("FVOCI");
- those to be measured at fair value through profit or loss ("FVPL").

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The debt investments shall be classified as FVPL if the cash flows characteristics cannot pass the test on solely payments of principal and interest on the principal amount ("SPPI"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Otherwise, the classification of debt investments will depend on the business model provided the fair value option is not elected. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For assets measured at fair value, gains and losses will be recorded in either profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.8 Financial instruments (continued)

(a) *Financial assets* (continued)

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in net investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in net investment income together with foreign exchange gains and losses. Impairment losses are presented as net impairment losses on financial assets in the statement of profit or loss. Such assets held by the Group mainly include cash and amounts due from banks and other financial institutions, securities purchased under agreements to resell, financial assets at amortized cost, term deposits and restricted statutory deposits.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses on the instrument's amortized cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in net investment income. Interest income from these financial assets is included in net investment income using the effective interest rate method. Foreign exchange gains and losses are presented in foreign exchange gains/(losses) and impairment expenses are presented as net impairment losses on financial assets in the statement of comprehensive income.
- **FVPL:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. The gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within net fair value changes through profit or loss in the period in which it arises.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.8 Financial instruments (continued)

(a) *Financial assets* (continued)

Measurement (continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as net investment income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in net fair value changes through profit or loss in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group assesses the ECL associated with its debt instruments carried at amortized cost and FVOCI on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For accounts receivable arising from the sales of goods and rendering of services in the ordinary course of operating activities, the Group recognises the lifetime ECL regardless of whether a significant financing component exists.

Other than accounts receivable, the Group uses ECL model and a "three-stage" model for impairment assessment which classifies financial instruments into 3 stages and defines each stage to calculate their corresponding impairment.

Stage 1: A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and has its credit risk continuously monitored by the Group. The impairment provisions is measured at an amount equal to the 12-month ECL for the financial assets which are not considered to have significantly increased in credit risk since initial recognition.

Stage 2: If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired. The impairment provisions is measured based on ECL on a lifetime basis.

Stage 3: If the financial instrument is credit-impaired, the financial instrument is then moved to Stage 3. The impairment provisions is measured based on ECL on lifetime basis.

For the financial instruments in Stage 1 and Stage 2, the Group calculates the interest income based on its gross carrying amount (i.e., amortized cost) before adjusting for impairment provisions using the effective interest method. For the financial instruments in Stage 3, the interest income is calculated based on the carrying amount of the asset, net of the impairment provision, using the effective interest method.

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For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.8 Financial instruments (continued)

(b) Financial liabilities

Financial liabilities at amortized cost

At initial recognition, the Group measures a financial liability at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial liability.

The Group measures financial liabilities subsequently at amortized cost, using the effective interest method. Financial liabilities of the Group mainly include borrowings, securities sold under agreements to repurchase and bonds payable.

When a financial liability (or part of it) is extinguished, the Group derecognises the financial liability (or part of it). The difference between the carrying amount of the derecognised liability and the consideration is recognised in profit or loss.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.9 Securities purchased under agreements to resell

The Group enters into purchases of securities under agreements to resell substantially identical securities. The amount advanced under these agreements are reflected as assets in the balance sheet. The Group does not take physical possession of securities purchased under agreements to resell. In the event of default by the counterparty to repay the loan, the Group has the right to the underlying securities.

2.10 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash in hand, demand deposits, and short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired.

2.11 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

2.13 Insurance contracts

(a) *Definition and classification*

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (that is, if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. The requirements for the assessment of significant insurance risk in a reinsurance contract are the same as for an insurance contract. A reinsurance contract transfers significant risk if it transfers substantially all of the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

All references to insurance contracts in these consolidated financial statements apply to insurance contracts issued and reinsurance contracts held, unless specifically stated otherwise.

(b) *Unit of account*

All insurance contracts subject to similar risks are managed together and represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are: (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are generally not subsequently reconsidered.

For insurance contracts measured using the PAA, the Group assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of: (i) contracts for which there is a net gain at initial recognition, if any; (ii) contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and (iii) remaining contracts in the portfolio, if any.

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For the year ended 31 December 2025

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2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(c) Recognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

Groups of reinsurance contracts held are recognised as follows:

- a group of reinsurance contracts held that provide proportionate coverage (quota share reinsurance) is recognised at the later of:
 - i. the beginning of the coverage period of the group; and
 - ii. the initial recognition of any underlying insurance contract;
- all other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the group of reinsurance contracts held;

Unless the Group entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the group of reinsurance contracts held, in which case the group of reinsurance contract held is recognised at the same time as the group of underlying insurance contracts is recognised.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts restriction. Composition of the groups is not reassessed in subsequent periods.

(d) Measurement

Fulfilment cash flows

Fulfilment cash flows within contract boundary

The fulfilment cash flows ("FCF") are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

- are based on a probability-weighted mean of the full range of possible outcomes;
- are determined from the perspective of the Group, provided that the estimates are consistent with observable market prices for market variables; and
- reflect conditions existing at the measurement date.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(d) *Measurement* (continued)

Fulfilment cash flows (continued)

Fulfilment cash flows within contract boundary (continued)

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of reinsurance contracts held, the probability-weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group estimates certain FCF at the group level of contracts.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- both of the following criteria are satisfied:
 - i. the Group has the practical ability to reprice the portfolio of contracts that contains the contract so that the price fully reflects the reassessed risk of that portfolio; and
 - ii. the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

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(All amounts expressed in RMB'000 unless otherwise stated)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(d) *Measurement* (continued)

Fulfilment cash flows (continued)

Contract boundary (continued)

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer.

The excess of loss reinsurance contracts held mainly provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts might include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Insurance acquisition costs

The Group defines acquisition cash flows as cash flows that arise from costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) and that are directly attributable to the portfolio of insurance contracts to which the group belongs.

Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated:

- to that group; and
- to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

Before a group of insurance contracts is recognised, the Group could pay (or recognise a liability, applying a standard other than HKFRS 17) for directly attributable acquisition costs to originate them. Such balances, are recognised as insurance acquisition cash flows assets within the carrying amount of insurance contracts issued and are subsequently derecognised (in full or to the extent that insurance contracts expected to be in the group have been recognised at that date) when respective groups of insurance contracts are recognised and the insurance acquisition cash flows are included in the group's measurement. The amounts allocated to groups of insurance contracts yet to be recognised are revised at each reporting date, to reflect any changes in assumptions that determine the inputs to the method of allocation used.

Insurance acquisition cash flows assets not yet allocated to a group are assessed for recoverability if facts and circumstances indicate that the assets might be impaired. Impairment losses reduce the carrying amount of these assets and are recognised in insurance service expenses. Previously recognised impairment losses are reversed to the extent that the impairment conditions no longer exist or have improved.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(d) *Measurement* (continued)

Fulfilment cash flows (continued)

Insurance acquisition costs (continued)

The recoverability assessment is performed in two steps, as follows:

- an impairment loss is recognised to the extent that the carrying amount of each asset for insurance acquisition cash flows exceeds the expected net cash inflow as determined by the FCF as at initial recognition for the related group of insurance contracts;
- in addition, when insurance acquisition cash flows directly attributable to a group of contracts are allocated to groups that include expected contract renewals, such insurance acquisition cash flows should not exceed the expected net cash inflow from the expected renewals as determined by the FCF as at initial recognition for the expected renewals; an impairment loss is recognised for the excess to the extent not recognised above.

Risk adjustment for non-financial risk

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For the contracts that are onerous, the risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts. Otherwise, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the liability for incurred claims ("LIC").

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Initial and subsequent measurement – Groups of contracts measured under the PAA

The Group uses the PAA to simplify the measurement of groups of contracts when the following criteria are met at inception:

- The coverage period of each contract in the group is one year or less; or
- The Group reasonably expects the resulting measurement of the liability for remaining coverage ("LRC") would not differ materially from the result of applying the accounting policies measured under the GMM.

For insurance contracts issued, insurance acquisition cash flows allocated to a group are deferred and recognised over the coverage period of contracts in a group. On initial recognition, the Group measures the LRC at the amount of premiums received, less any acquisition cash flows on that date and any amounts arising from the derecognition of the insurance acquisition cash flows asset.

For reinsurance contracts held, on initial recognition, the Group measures the asset for remaining coverage ("ARC") at the amount of ceding premiums paid.

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2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(d) Measurement (continued)

Initial and subsequent measurement – Groups of contracts measured under the PAA (continued)

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- the LRC; and
- the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- the ARC; and
- the asset for incurred claims ("AIC"), comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- increased for premiums received in the period;
- decreased for insurance acquisition cash flows paid in the period;
- increased for any adjustment to a financing component;
- decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period; and
- increased for the amortization of insurance acquisition cash flows in the period recognised as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the ARC is:

- increased for ceding premiums paid in the period;
- increased for any adjustment to a financing component;
- decreased for the amount recognised as an allocation of reinsurance premiums for the services received in the period; and
- decreased for any investment component received or transferred to the AIC.

The Group recognises the LIC of a group of insurance contracts at the amount of the FCF relating to incurred claims after applying risk adjustment for non-financial risk. The Group has chosen to discount all future cash flows including those expected to be paid in one year or less from the date the claims are incurred.

If facts and circumstances indicate that a group of insurance contracts is onerous on initial recognition or becomes onerous subsequently, the Group increases the carrying amount of the LRC to the amounts of the FCF relating to the future service with the amount of such an increase recognised in insurance service expenses, and a loss component is established for the amount of the loss recognised. Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF relating to the future service and the carrying amount of the LRC without the loss component. Changes in the loss component are disaggregated between insurance service expenses and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(d) *Measurement* (continued)

Initial and subsequent measurement – Groups of contracts measured under the PAA (continued)

When a loss is recognised on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the ARC for reinsurance contracts held is increased by the amount of income recognised in profit or loss and a loss-recovery component is established or adjusted for the amount of income recognised. The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Changes in the loss-recovery component are disaggregated between net income/(expenses) from reinsurance contracts held and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein in proportion to the disaggregation applied to the changes in the underlying loss component.

The Group does not have any reinsurance contracts held measured under the PAA with underlying contracts measured under the GMM.

(e) *Derecognition and contract modification*

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and additional criteria discussed below are met.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the fulfilment cash flow, unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

- if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
 - i. is not within the scope of HKFRS 17;
 - ii. results in different separable components;
 - iii. results in a different contract boundary; or
 - iv. belongs to a different group of contracts;
- the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

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2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(f) Presentation

Portfolios of insurance contracts issued and reinsurance contracts held in an asset position are presented separately from those in a liability position. Portfolios of insurance contracts issued are presented separately from portfolios of reinsurance contracts held. Any assets recognised for insurance acquisition cash flows arising before the recognition of the related group of insurance contracts are included in the carrying amount of the related portfolios of insurance contracts. Any assets or liabilities for cash flows arising before the recognition of the related group of reinsurance contracts held are included in the carrying amount of the related portfolios of reinsurance contracts held.

The Group disaggregates amounts recognised in the statement of profit or loss and the statement of comprehensive income into (a) an insurance service result, comprising insurance revenue and insurance service expenses, and (b) insurance finance income or expenses.

Income and expenses from reinsurance contracts held are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts held, other than insurance finance income or expenses, are presented on a net basis as "net expenses from reinsurance contracts held" in the insurance service result.

Changes in the risk adjustment for non-financial risk is disaggregated and presented as insurance service result and insurance finance income or expenses.

Insurance service result and insurance finance income or expenses are recognised as follows.

Insurance service result from insurance contracts issued

Insurance revenue

As the Group provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue.

Insurance revenue is an allocation of total expected premium receipts (excluding any investment component, refund of premiums, cash shortfalls due to policyholder's credit risk and adjusted to reflect the time value of money and the effect of financial risk) over the coverage period of a group of contracts on the basis of the passage of time, but if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, the Group recognises insurance revenue based on the expected timing of incurred insurance service expenses.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(f) *Presentation* (continued)

Insurance service result from insurance contracts issued (continued)

Insurance service expenses

Insurance service expenses mainly include the following:

- incurred claims and benefits, excluding investment components;
- other incurred directly attributable expenses;
- insurance acquisition cash flows amortization;
- changes that relate to past service – changes in the FCF relating to the LIC; and
- changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses.

Insurance acquisition cash flows are amortized over the coverage period on the same basis as the insurance revenue earning pattern for the contracts to which the cash flows relate.

Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of profit or loss.

Insurance service result from reinsurance contracts held

Net income/(expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income/(expenses) from reinsurance contracts held, mainly including the following amounts:

- allocation of reinsurance premiums;
- incurred claims recovery, excluding investment components;
- other incurred directly attributable expenses;
- changes that relate to past service – changes in the FCF relating to incurred claims recovery;
- effect of changes in the risk of reinsurers' non-performance; and
- amounts relating to the recognition and reversal of the loss-recovery component.

The allocation of reinsurance premiums is recognised similarly to insurance revenue. The amount of allocation of reinsurance premiums recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of allocation of reinsurance premiums. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

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2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.13 Insurance contracts (continued)

(f) *Presentation* (continued)

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- the effect of the time value of money and changes in the time value of money; and
- the effect of financial risk and changes in financial risk.

The main amounts within insurance finance income or expenses are:

- interest accreted on the FCF; and
- the effect of changes in interest rates and other financial assumptions.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

The Group includes all insurance finance income or expenses for the period in profit or loss.

2.14 Securities sold under agreements to repurchase

Securities sold under agreements to repurchase are financial liabilities and are recorded at amortized cost. The Group may be required to provide additional collateral based on the fair value of the underlying securities and such collateral assets continue to be carried on the balance sheet.

2.15 Current and deferred income tax

The income tax expense or credit for the period comprises current and deferred income tax. Income tax relating to items recognised outside profit or loss is recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.15 Current and deferred income tax (continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

The tax effects of carry-forwards of unused losses or unused tax credits are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilized.

Deferred income tax related to fair value re-measurement of debt financial assets at fair value through other comprehensive income and equity financial assets at fair value through other comprehensive income, which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the consolidated statement of comprehensive income together with the deferred gain or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recovered.

2.16 Employee benefits

(a) Pension schemes

The employees of the Group participate in various defined contribution pension plans principally organised by municipal and provincial governments. The Group makes and accrues contributions to the pension schemes based on certain percentages of the salaries of the employees on a monthly basis. The Group has no other significant legal or constructive obligations for retirement benefits beyond the said contributions, which are expensed as incurred.

The Group pays early retirement benefits to those employees who accept early retirement arrangements approved by management. Early retirement benefits are paid to those employees who voluntarily retire before the normal retirement date. The related benefit payments are made from the date of early retirement through the normal retirement date. The Group records a liability for the present value of its early retirement obligation when employees retire early.

(b) Housing benefits

The employees of the Group are entitled to participate in various government sponsored housing funds. The Company and its subsidiaries contribute on a monthly basis to these funds based on certain percentages of the salaries of the employees. The Group's liability in respect of these funds is limited to the contributions payable in each period.

(c) Medical benefits

The Group makes contributions for medical benefits to the local authorities in accordance with the relevant local regulations.

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2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.17 Revenue recognition

Revenue is recognised on the following bases:

(a) Insurance revenue

The detailed accounting policies adopted by the Group are set out in note 2.13 (f).

(b) Investment income

Investment income mainly includes interest income from term deposits, fixed maturity securities, securities purchased under agreements to resell and dividends from investment funds and securities.

Interest income is recognised on an accrual basis using the effective interest rate method.

Dividends are recognised when the shareholders' right to receive payment is established.

(c) Revenue from services

The Group provides services mainly including IT system solution, design, implementation and support services under fixed-price contracts and insurance brokerage services under fixed-price and variable-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered. If the customer receives and uses the benefits simultaneously, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spent relative to the total expected labour hours. Otherwise, the Group recognises revenue when control of the promised services is transferred to the customer in the amount that best reflects the consideration to which the Group expects to be entitled in exchange for those services.

For IT related services, some contracts include multiple deliverables, such as the sale of software and related installation services. However, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation. If contracts include the installation of software, revenue for the software is recognised at a point in time when the software is delivered, the legal title has passed and the customer has accepted the software.

For insurance brokerage services, payment of the price is due immediately from insurance companies at the completion of the insurance policy placement process once coverage is effective. Insurance companies may issue the insurance policy to the policyholder with a right of surrender, and the Group charges insurance brokerage services fee based on the actual premium income (net of surrender) recognised by insurance companies. Therefore, an estimated liability (included in other liabilities) is recognised for the insurance policies expected for surrender. Accumulated experience is used to estimate such surrender at the time of providing insurance brokerage services. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the statement of profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.18 Leases

Leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases.

Leases are recognised as a right-of-use asset and a corresponding liability at the date when the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option
- lease payments to be made under an extension option if the group is reasonably certain to exercise the option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk, which does not have recent third party financing, and
- makes adjustments specific to the lease (e.g., term, country, currency and security).

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in the statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.19 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to assets are included in the liabilities as deferred government grants and are credited to the statement of profit or loss on a straight-line basis over the expected lives of the related assets.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires the directors of the Company to make judgements and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets and liabilities affected in the future. Judgements and estimates are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

3.1 Classification of financial assets

Significant judgements made by the Group in the classification of financial assets include analysis on business models and contractual cash flow characteristics.

The Group determines the business model for financial asset management at the level of different groups of financial assets, and factors to be considered mainly include the methods of evaluation on financial asset performance and reporting of financial asset performance to key management personnel, risks affecting financial asset performance and the way in which those risks are managed, and how managers of the business are compensated.

When assessing whether contractual cash flow characteristics of financial assets are consistent with basic lending arrangement, the key judgements made by the Group include: the possibility of any changes on the timing or amount of the principal over the life of the financial assets may be resulted from such reasons like early repayment, and whether interests solely comprise of time value of money, credit risks, other basic lending risks and considerations for costs and profits. For example, whether the repayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, as well as the reasonable compensation for the early termination of the contract.

3.2 Valuation of insurance contract liabilities

Estimates of future cash flows

The Group's objective in estimating future cash flows is to determine the expected value or probability-weighted mean of the full range of possible outcomes. The Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date and the estimates of any relevant market variables are consistent with observable market prices.

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

3.2 Valuation of insurance contract liabilities (continued)

Estimates of future cash flows (continued)

When estimating future cash flows, the Group takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted.

Cash flows are within the boundary of a contract if they arise from substantive right and obligations that exist during the reporting period. They relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include claims handling, maintenance and administration costs, and recurring commissions payable on instalment premiums receivable within the contract boundary.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Expense assumptions

The Group develops its expense assumption on its expense analysis and future expectation for policy acquisition costs, maintenance expenses and claim expenses.

The Group's expense assumption is determined based on the Group's historical expense experience and economic environment. The Group's expense assumption is affected by certain factors, such as inflation, market competition and other factors. The Group uses information currently available at the balance sheet date to determine expense assumption and a risk adjustment is considered.

Lapse rates

Lapse rates depend on policy year, product type and sales channel. The assumptions of lapse rates are affected by factors such as future economic environment and market competition, and hence subject to uncertainty.

Expected loss ratios and future claim development pattern

The major assumptions applied in measuring LIC include the expected loss ratios and future claim development pattern. The expected loss ratios and future claim development pattern of each measurement unit are based on the Group's historical claims development experience and loss ratios, with consideration of adjustments to company policies such as underwriting policies, level of premium rates, claims handling processes, and the changing trends in external environment such as macroeconomic, regulations, and legislation.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

3. SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

3.2 Valuation of insurance contract liabilities (continued)

Estimates of future cash flows (continued)

Discount rate

A bottom-up approach is applied in the determination of the discount rate for different products.

The expected cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The Group generally determines the risk-free rates using the China's treasury bond yield.

Discount rates applied for discounting of future cash flows are listed below:

	2025	2024
Discount rates	1.12%-1.87%	0.54%-1.70%

Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are generally determined by considering the expected cash flows arising from insurance contracts in each segment for each of the geographical markets in which the Group operates, consistent with the way that non-financial risk is managed. Risk adjustments are determined separately from estimates from the present value of future cash flows, using the confidence level technique.

Applying a confidence level technique, the Group estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75% (the target confidence level) over the expected present value of the future cash flows.

3.3 Current and deferred income taxes

The Group is subject to income taxes in the PRC. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognised liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax expenses in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilized. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

3.4 Impairment assessment on ZhongAn Technologies International Group Limited ("ZhongAn International")

The Group assesses at the end of each reporting period to consider whether there is any indication for impairment on the investment accounted for using the equity method - ZhongAn International and further assesses if ZhongAn International has suffered any impairment. The Group determines the recoverable amount of ZhongAn International at the higher of its value in use ("VIU") and its fair value less costs of disposal ("FVLDC") with the assistance from an independent professional valuer engaged by the Group. Value in use calculation is undertaken and the Group estimates the present values of cash flows expected to arise from continuing to hold ZhongAn International with a suitable discount rate.

4. SEGMENT REPORTING

The Groups operating segments are listed as follows:

- The insurance segment offers a wide range of online P&C insurance business;
- The technology segment provides IT related business and international IT consulting to its customers;
- The banking segment provides banking services to its customers;
- The others segment includes entities other than the insurance segment, the technology segment and the banking segment, which mainly provides online life insurance services, insurance brokerage and medical services.

The measurement of segment assets and liabilities, as well as segment revenue, expense and results is based on the Group's accounting policies. There is no difference between the accounting policies used in the preparation of the Group's financial statements and those used in preparing the operating segment information.

100% (2024: 100.0%) of the Group's revenue is derived from its operations in the PRC. 97.4% (2024: 97.2%) of the Group's assets are located in PRC. In 2025, the income from transactions with the top five external customers amounted to 3.1% (2024: 3.5%) of the Group's total segment income.

Segment statement of profit or loss for the year ended 31 December 2025

	Insurance	Technology	Banking	Others	Eliminations	Reconciliations*	Total
Insurance revenue	33,485,519	—	—	11,153	(951)	(11,153)	33,484,568
Insurance service expenses	(32,368,942)	—	—	(30,792)	195,348	30,792	(32,173,594)
Net income from reinsurance contracts held	126,868	—	—	3,716	—	(3,716)	126,868
Insurance service result	1,243,445	—	—	(15,923)	194,397	15,923	1,437,842
Net investment income	1,767,581	83,885	243,800	27,221	(3,929)	(266,951)	1,851,607
Net fair value changes through profit or loss	352,211	(12,877)	—	(27,004)	—	3,180	315,510
Net impairment losses on financial assets	(13,784)	(760)	(71,540)	(2,218)	—	74,423	(13,879)
Finance expenses from insurance contracts issued	(32,553)	—	—	(6,252)	—	6,252	(32,553)
Finance income from reinsurance contracts held	6,261	—	—	518	—	(518)	6,261
Other income	148,884	930,796	286,748	861,838	(1,127,236)	(441,545)	659,485
Foreign exchange gains/(losses)	37,017	1,180	22,205	(1,457)	—	(21,928)	37,017
Other finance costs	(305,098)	(7,628)	(8)	(3,981)	—	6,898	(309,817)
Other operating expenses and impairment loss on joint venture	(1,116,905)	(158,287)	(277,986)	(212,602)	(465,067)	392,130	(1,838,717)
Other expenses	(21,519)	(801,108)	(198,169)	(578,872)	734,735	326,201	(538,732)
Share of net gain/(loss) of associates and joint ventures accounted for using the equity method	—	16,841	—	9,521	—	(94,147)	(67,785)
Profit before income tax	2,065,540	52,042	5,050	50,789	(667,100)	(82)	1,506,239
Income tax	(386,183)	(82)	—	(18,451)	—	82	(404,634)
Net profit	1,679,357	51,960	5,050	32,338	(667,100)	—	1,101,605

* Reconciliations represented the elimination of the amounts disclosed for the joint venture - ZhongAn International in excess of those amounts reflected in the consolidated financial statements.

Notes to the Consolidated Financial Statements

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4. SEGMENT REPORTING (continued)

Segment balance sheet at 31 December 2025

	Insurance	Technology	Banking	Others	Eliminations	Reconciliations*	Total
Cash and amounts due from banks and other financial institutions	2,709,118	100,099	949,446	320,274	(5,921)	(1,037,724)	3,035,292
Financial assets (a)	31,923,561	569,010	8,670,605	1,395,022	(80)	(9,128,172)	33,429,946
Investments in associates, joint ventures and subsidiaries	5,668,951	827,397	—	2,216,474	(4,869,894)	1,032,452	4,875,380
Other assets	5,294,964	480,445	130,179	521,471	(819,509)	(238,532)	5,369,018
Segment assets	45,596,594	1,976,951	9,750,230	4,453,241	(5,695,404)	(9,371,976)	46,709,636
Securities sold under agreements to repurchase	5,778,257	—	—	—	—	—	5,778,257
Customer deposits	—	—	8,727,173	—	(5,921)	(8,721,252)	—
Insurance contract liabilities	7,151,266	—	—	149,835	102,402	(149,835)	7,253,668
Bonds payable	2,559,881	—	—	—	—	—	2,559,881
Other liabilities	5,014,693	989,509	185,746	950,347	(970,840)	(500,889)	5,668,566
Segment liabilities	20,504,097	989,509	8,912,919	1,100,182	(874,359)	(9,371,976)	21,260,372

(a) Financial assets comprise securities purchased under agreements to resell, financial assets at fair value through profit or loss, financial assets at amortized cost, debt financial assets at fair value through other comprehensive income, equity financial assets at fair value through other comprehensive income, term deposits and restricted statutory deposits.

Other segment information for the year ended 31 December 2025

	Insurance	Technology	Banking	Others	Eliminations	Reconciliations*	Total
Depreciation and amortization	259,002	43,173	4,157	22,034	(690)	(16,843)	310,833
Capital expenditure	1,040,067	3,028	918	4,359	—	(2,252)	1,046,120
Impairment loss charges	87,036	16,995	72,246	2,218	698,455	(91,365)	785,585
Interest income	(592,833)	(1,088)	(243,697)	(26,682)	3,928	264,415	(595,957)

* Reconciliations represented the elimination of the amounts disclosed for the joint venture - ZhongAn International in excess of those amounts reflected in the consolidated financial statements.

4. SEGMENT REPORTING (continued)

Segment statement of profit or loss for the year ended 31 December 2024

	Insurance	Technology	Banking	Others	Eliminations	Reconciliations*	Total
Insurance revenue	31,746,109	—	—	8,334	(1,766)	(8,334)	31,744,343
Insurance service expenses	(30,783,092)	—	—	(13,229)	93,057	13,229	(30,690,035)
Net expenses from reinsurance contracts held	(14,095)	—	—	(1,351)	—	1,351	(14,095)
Insurance service result	948,922	—	—	(6,246)	91,291	6,246	1,040,213
Net investment income	348,881	108,189	204,782	33,234	(2,647)	(230,951)	461,488
Net fair value changes through profit or loss	989,622	(9,293)	—	40,247	—	3,114	1,023,690
Net impairment losses on financial assets	(24,106)	(1,781)	(71,691)	(1,149)	—	73,901	(24,826)
Finance expenses from insurance contracts issued	(52,369)	—	—	(6,321)	—	6,321	(52,369)
Finance income from reinsurance contracts held	2,413	—	—	93	—	(93)	2,413
Other income	101,219	882,919	243,217	768,523	(591,482)	(372,666)	1,031,730
Foreign exchange (losses)/gains	(104,506)	(988)	(11,883)	8,628	7	9,771	(98,971)
Other finance costs	(439,493)	(9,508)	(11)	(4,374)	350	6,355	(446,681)
Other operating expenses	(888,185)	(241,790)	(431,632)	(214,148)	174,172	521,654	(1,079,929)
Other expenses	(29,980)	(702,569)	(24,794)	(564,759)	299,625	149,916	(872,561)
Share of net gain/(loss) of associates and joint ventures accounted for using the equity method	—	52,426	—	7,427	(16,275)	(173,568)	(129,990)
Profit/(Loss) before income tax	852,418	77,605	(92,012)	61,155	(44,959)	—	854,207
Income tax	(263,933)	—	—	13,182	—	—	(250,751)
Net profit/(loss)	588,485	77,605	(92,012)	74,337	(44,959)	—	603,456

* Reconciliations represented the elimination of the amounts disclosed for the joint venture - ZhongAn International in excess of those amounts reflected in the consolidated financial statements.

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4. SEGMENT REPORTING (continued)

Segment balance sheet at 31 December 2024

	Insurance	Technology	Banking	Others	Eliminations	Reconciliations*	Total
Cash and amounts due from banks and other financial institutions	1,064,111	94,669	1,032,687	618,315	(201,583)	(1,141,458)	1,466,741
Financial assets (a)	32,925,597	139,369	7,867,576	1,365,409	(80)	(8,348,878)	33,948,993
Investments in associates, joint ventures and subsidiaries	5,785,951	753,322	—	2,280,102	(4,363,176)	1,135,217	5,591,416
Other assets	3,950,878	834,683	81,780	391,422	(769,148)	(212,186)	4,277,429
Segment assets	43,726,537	1,822,043	8,982,043	4,655,248	(5,333,987)	(8,567,305)	45,284,579
Securities sold under agreements to repurchase	7,931,332	—	—	—	—	—	7,931,332
Customer deposits	—	—	7,801,079	—	(201,583)	(7,599,496)	—
Insurance contract liabilities	4,906,517	—	—	157,992	93,200	(157,992)	4,999,717
Bonds payable	6,912,317	—	—	—	—	—	6,912,317
Other liabilities	4,010,304	910,796	359,489	922,905	(878,865)	(809,817)	4,514,812
Segment liabilities	23,760,470	910,796	8,160,568	1,080,897	(987,248)	(8,567,305)	24,358,178

(a) Financial assets comprise securities purchased under agreements to resell, financial assets at fair value through profit or loss, financial assets at amortized cost, debt financial assets at fair value through other comprehensive income, equity financial assets at fair value through other comprehensive income, term deposits and restricted statutory deposits.

Other segment information for the year ended 31 December 2024

	Insurance	Technology	Banking	Others	Eliminations	Reconciliations*	Total
Depreciation and amortization	270,897	49,028	4,610	13,864	(2)	(9,525)	328,872
Capital expenditure	893,668	3,186	845	1,368	(268)	(2,610)	896,189
Impairment loss charges	32,281	9,836	60,937	1,095	—	(71,148)	33,001
Interest income	(676,644)	(2,522)	(208,741)	(30,972)	2,195	235,455	(681,229)

* Reconciliations represented the elimination of the amounts disclosed for the joint venture - ZhongAn International in excess of those amounts reflected in the consolidated financial statements.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK

(a) Insurance risk

The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. 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.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefits payments exceed the carrying amount of the insurance contract liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The Group's concentration of insurance risk reflected by its major lines of business as analysed by gross written premiums is shown below:

	Year ended 31 December 2025	Year ended 31 December 2024
Health insurance	14,047,129	11,104,978
Motor insurance	2,760,282	2,050,773
Bond insurance	2,690,149	3,954,244
Household property insurance	2,221,096	1,304,085
Accident insurance	1,982,225	2,146,816
Liability insurance	1,858,080	1,182,089
Credit insurance	1,772,397	1,212,324
Cargo insurance	144,960	135,762
Others (i)	8,258,676	10,326,346
	35,734,994	33,417,417

(i) Others primarily consist of shipping return insurance, which generated gross written premiums of RMB6,369,963 thousand and RMB8,690,022 thousand for the year ended 31 December 2025 and 2024, respectively.

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(a) Insurance risk (continued)

Sensitivities

Liabilities for incurred claims are mainly based on assumptions of expected loss ratio which is determined after considering industry benchmark, experience data, discount and margin factors. Liabilities for incurred claims are sensitive to the above key assumptions. The sensitivity of certain variables like legislative changes, uncertainty in the estimation process, is not possible to quantify. Furthermore, because of delays that arise between occurrence of a claim and its subsequent notification and eventual settlement, the liabilities for incurred claims are not known with certainty at the balance sheet date.

Expected loss ratio change results in changes in liabilities for incurred claims. The following table reflects sensitive analysis of key assumptions relevant to liabilities for incurred claims. Under the condition when other variables remain constant, changes in profit before income tax and total equity before income tax due to expected loss ratio change and average claim costs change are as follows:

Changes in expected loss ratio	31 December 2025	
	Impact on profit before income tax	Impact on total equity before income tax
+1%	(362,697)	(362,697)
- 1%	362,697	362,697

Changes in expected loss ratio	31 December 2024	
	Impact on profit before income tax	Impact on total equity before income tax
+1%	(349,528)	(349,528)
- 1%	349,528	349,528

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(a) Insurance risk (continued)

Claim development tables

The following tables reflect the estimates of cumulative incurred claims for each successive accident year at each balance sheet date, together with cumulative payments to date.

Gross liabilities for incurred claims:

	Accident year					Total
	2021	2022	2023	2024	2025	
Gross estimates of the undiscounted amount of the claims:						
End of current year	12,091,770	13,289,189	15,616,536	17,963,454	18,976,330	
One year later	11,362,847	12,909,582	15,269,825	17,598,157		
Two years later	11,273,070	12,779,579	15,044,747			
Three years later	11,156,528	12,645,246				
Four years later	11,055,786					
Current estimate of cumulative claims	11,055,786	12,645,246	15,044,747	17,598,157	18,976,330	75,320,266
Cumulative payments to date						(70,553,064)
Liability in respect of prior years, unallocated loss adjustment expenses, discount and risk adjustment margin						562,664
Total gross liabilities for incurred claims						5,329,866

Notes to the Consolidated Financial Statements

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(All amounts expressed in RMB'000 unless otherwise stated)

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(a) Insurance risk (continued)

Claim development tables (continued)

Net liabilities for incurred claims:

	Accident year					Total
	2021	2022	2023	2024	2025	
Net estimates of the undiscounted amount of the claims:						
End of current year	11,420,106	12,875,004	15,417,225	17,499,200	17,868,922	
One year later	10,746,843	12,483,607	15,021,395	17,079,180		
Two years later	10,650,368	12,352,272	14,792,751			
Three years later	10,535,722	12,222,731				
Four years later	10,440,638					
Current estimate of cumulative claims	10,440,638	12,222,731	14,792,751	17,079,180	17,868,922	72,404,222
Cumulative payments to date						(69,160,403)
Liability in respect of prior years, unallocated loss adjustment expenses, discount and risk adjustment margin						565,629
Total net liabilities for incurred claims						3,809,448

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk

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 comprises three types of risks, which arise from foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

(i) *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.

The Group operates principally in the PRC with only limited exposure to foreign exchange rate risk arising primarily from certain foreign currency bank deposit in United States dollar ("USD") and Hong Kong dollar ("HKD").

The following tables summarize the Group's exposure to foreign currency exchange rate risk at the balance sheet date by major foreign currency.

	31 December 2025		
	HKD'000	USD'000	Equivalent to RMB'000
Cash and amounts due from bank and other financial institutions	731	6,832	48,682

	31 December 2025		
	HKD'000	USD'000	Equivalent to RMB'000
Bonds payable	—	364,199	2,559,881

	31 December 2024		
	HKD'000	USD'000	Equivalent to RMB'000
Cash and amounts due from bank and other financial institutions	731	6,565	47,870

	31 December 2024		
	HKD'000	USD'000	Equivalent to RMB'000
Bonds payable	—	961,593	6,912,317

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Market risk (continued)

(i) Currency risk (continued)

Sensitivities

The analysis below is performed to show the reasonably possible movements in foreign currency exchange rates with all other assumptions held constant, showing the pre-tax impact on profit before income tax of the Group (due to changes in the fair value of currency sensitive monetary assets and liabilities) and total equity of the Group when the foreign exchange rates vary. The correlation of variables will have a significant effect in determining the ultimate impact on currency risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis.

Changes in exchange rate	31 December 2025	
	Impact on profit before income tax	Impact on total equity before income tax
+5%	(125,560)	(125,560)
-5%	125,560	125,560

Changes in exchange rate	31 December 2024	
	Impact on profit before income tax	Impact on total equity before income tax
+5%	(343,222)	(343,222)
-5%	343,222	343,222

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Market risk (continued)

(ii) Interest rate risk

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 match of fixed and variable rate instruments. The policy also requires it to manage the maturity of interest-bearing financial assets and interest-bearing financial liabilities.

Sensitivities

The analysis below is performed for reasonably possible movements in interest rate with all other variables held constant, for the following financial instruments, showing the pre-tax impact on profit before income tax and total equity. Since almost all financial instruments of the Group that bear interest rate risks are financial instruments denominated in RMB, the sensitivity analysis below only shows the pre-tax impact of RMB financial instruments on the Group's profit before income tax and total equity when RMB interest rate changes.

Changes in RMB interest rate	31 December 2025	
	Impact on profit before income tax	Impact on total equity before income tax
+50 basis points	(162,358)	(374,941)
- 50 basis points	168,231	393,909

Changes in RMB interest rate	31 December 2024	
	Impact on profit before income tax	Impact on total equity before income tax
+50 basis points	(162,180)	(419,543)
- 50 basis points	167,045	442,348

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Market risk (continued)

(iii) Price risk

Equity price risk is the risk that the fair value of a financial instrument (mainly include fund investments and listed equity investments) will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), 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.

Sensitivities

The analysis below is performed to show the reasonably possible movements in price with all other assumptions held constant, showing the pre-tax impact on profit before income tax and total equity of the Group when the price of relevant financial instruments vary.

Changes in price	31 December 2025	
	Impact on profit before income tax	Impact on total equity before income tax
+5%	422,624	471,032
- 5%	(422,624)	(471,032)

Changes in price	31 December 2024	
	Impact on profit before income tax	Impact on total equity before income tax
+5%	373,599	411,304
- 5%	(373,599)	(411,304)

Credit risk

Credit risks refer to the risk of losses incurred by the inability of debtors or counterparties to fulfill their contractual obligations or by the adverse changes in their credit conditions. The Group is exposed to credit risks primarily associated with its cash and amounts due from banks and other financial institutions, securities purchased under agreements to resell, financial assets at amortized cost, debt financial assets at fair value through other comprehensive income, term deposits, restricted statutory deposits and other assets. The Group uses a variety of controls to identify, measure, monitor and report credit risk.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(i) Credit risk management

The Group's bank deposits are mainly deposited in state-owned commercial banks and financial institutions which are generally considered to be relatively stable. The Group considers that there is no significant credit risk and does not generate any material losses due to the default of the other parties.

As the Group's investment types are limited by the National Financial Regulatory Administration (the "NFRA"), the Group's debt-based investments mainly include government bonds and corporate bonds. At 31 December 2025 and 2024, the majority of corporate bonds and short-term corporate financing bonds held by the Group had domestic credit rating AA+ or above. The credit rating of the bond is provided by a qualified assessment agency.

The credit risk associated with insurance contracts mainly come from customers. The Group mitigates credit risk by setting a shorter credit period or arranging the installment payment method. The Group regularly evaluates the credit status of reinsurance companies and selects reinsurance companies with higher credit qualifications to carry out reinsurance business.

The Group reduces credit risk by utilizing credit control policies, undertaking credit analysis on potential investments, and imposing aggregate counterparty exposure limits. The Group determines the amount and type of collateral required according to the credit risk assessment of the counterparty.

(ii) Expected credit loss

The Group formulates the credit losses of debt instruments carried at amortized cost and FVOCI using ECL models according to HKFRS 9 requirements.

Parameters of ECL model

The parameters and assumptions involved in ECL model are described below.

The Group considers the credit risk characteristics of different financial instruments when determining if there is significant increase in credit risk. For financial instruments with or without significant increase in credit risk, 12-month or lifetime ECL are provided respectively. The ECL is the result of discounting the product of EAD, PD and LGD.

Exposure at Default ("EAD"): 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.

Probability of Default ("PD"): PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months, or over the remaining lifetime of the obligation.

Loss given Default ("LGD"): LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support.

The Lifetime PD is developed by applying a maturity profile to the current 12-month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the Lifetime. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grading band. This is supported by historical analysis.

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(All amounts expressed in RMB'000 unless otherwise stated)

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(ii) **Expected credit loss** (continued)

Judgement of significant increase in credit risk ("SICR")

When considering the impairment stages for financial assets, the Group evaluates the credit risk at initial recognition and also whether there is any significant increase in credit risk for each reporting period.

The Group considers various reasonable supporting information to judge if there is significant increase in credit risk, including the forward-looking information, when determining the ECL staging for financial assets. Major factors being considered include regulatory and operating environment, internal and external credit ratings, solvency, and operational capabilities. The Group could base on individual financial instruments or portfolios of financial instruments with similar credit risk characteristics to determine ECL staging by comparing the credit risks of the financial instruments at the reporting date with initial recognition.

The Group set quantitative and qualitative criteria to judge whether the credit risk has SICR after initial recognition. The judgement criteria mainly includes the significant fluctuations in evaluation of bonds, significant changes in the financial business performance of the issuers, obvious changes in the issuers' ability and willingness of the solvency, incidents that affect the security of the bonds and other indicators of SICR, etc.

The definition of credit-impaired assets

In order to determine whether credit impairment occurs, the defined standards adopted by the Group are consistent with the internal credit risk management objectives for relevant financial assets, while considering quantitative and qualitative indicators. When the Group assesses whether the debtor has credit impairment, the following factors are mainly considered:

- Inability of obtaining full repayment of principal on due date;
- Bankruptcy of borrowers;
- Other reliable market information indicates that the principal or interest of the bond will not be fully repaid on time;

The credit impairment of financial assets may be caused by the joint effects of multiple events, and may not be caused by separately identifiable events.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(ii) **Expected credit loss** (continued)

Forward-looking information

The determinations of 12 months and the lifetime EAD, PD and LGD also incorporates forward-looking information. The Group has performed historical data analysis and identified the key macroeconomic variables associated with credit risk and ECL for each portfolio. The Group has developed macroeconomic forward-looking adjustment model by establishing a basket of factors, preparing data, filtering model factors and adjusting forward-looking elements. The basket of macroeconomic factors mainly includes Gross Domestic Products ("GDP"). Through regression analysis, the relationship among these economic indicators in history with EAD, PD and LGD is determined, and the EAD, PD, LGD are determined through forecasting economic indicator. The forecasting methods and critical assumptions applied have no material change during the year ended 31 December 2025 and 2024.

During the reporting period, the Group adjusted the predicted values of forward-looking economic indicators by statistical analysis and also considered the range of possible outcomes represented by each scenario, to determine the final macroeconomic scenarios and weights for measuring the relevant expected credit loss. The impact of these economic indicators on PD and LGD varies to different businesses. The Group comprehensively considers internal and external data, expert forecasts and statistical analysis to determine the relationship between these economic indicators with PD and LGD.

The specific values of the key macroeconomic assumptions used in different scenarios to evaluate ECL on 31 December 2025 and 2024 are as follows:

	2025	2024
GDP – year on year percentage change	2.24% - 6.23%	2.04% - 6.22%

Similar to other economic forecasts, the estimates of economic indicators forecasting have high inherent uncertainties, actual results may have significant difference with estimates. The Group considered the estimates above represented the optimal estimation of possible outcomes.

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(All amounts expressed in RMB'000 unless otherwise stated)

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(ii) **Expected credit loss** (continued)

Credit risk exposure

Without considering the impact of collateral and other credit enhancements, for on-balance sheet assets, the maximum exposures are based on net carrying amounts as reported in the consolidated financial statements.

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Policies are established regarding to the selection of types of collateral and valuation parameters.

The main type of collateral obtained is quoted securities from securities purchased under agreement to resell.

Management monitors the market value of the collateral, and requires additional collateral when needed according to contracts, when assessing the adequacy of impairment.

It is the Group's policy to dispose collateral orderly. The proceeds are used to repay all or part of the outstanding balance. Generally, the Group would not use the collateralised assets for business purpose.

The following table presents the credit risk exposure of the financial assets under the scope of ECL. Without considering guarantee or any other credit enhancement measures, for on-balance sheet assets, the maximum credit risk exposure is presented as the amortized cost of the financial assets:

	31 December 2025			Maximum credit risk exposure
	Stage 1	Stage 2	Stage 3	
Cash and amounts due from banks and other financial institutions	3,035,292	—	—	3,035,292
Securities purchased under agreements to resell	432,887	—	—	432,887
Financial assets at amortized cost	782,103	—	—	782,103
Debt financial assets at fair value through other comprehensive income	9,840,128	—	—	9,840,128
Term deposits	30,077	—	—	30,077
Restricted statutory deposits	347,287	—	—	347,287
Others	1,485,267	—	—	1,485,267
Total	15,953,041	—	—	15,953,041

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(ii) *Expected credit loss* (continued)

Credit risk exposure (continued)

	31 December 2024			Maximum credit risk exposure
	Stage 1	Stage 2	Stage 3	
Cash and amounts due from banks and other financial institutions	1,466,741	—	—	1,466,741
Securities purchased under agreements to resell	540,883	—	—	540,883
Financial assets at amortized cost	1,051,049	—	—	1,051,049
Debt financial assets at fair value through other comprehensive income	10,257,936	—	—	10,257,936
Term deposits	30,827	—	—	30,827
Restricted statutory deposits	301,313	—	—	301,313
Others	1,474,826	—	—	1,474,826
Total	15,123,575	—	—	15,123,575

The Group closely monitors collateral of credit-impaired financial assets.

At 31 December 2025 and 31 December 2024, all the impaired financial assets at amortized cost and debt financial assets at fair value through other comprehensive income are not covered by collateral.

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(ii) **Expected credit loss** (continued)

Credit risk exposure (continued)

The following tables explain the changes in the gross amortized cost and loss allowance of the main financial assets between the beginning and the end of the annual period due to these factors:

	Stage	1 January 2025	Net decrease*	Stages transfers			Write-offs	31 December 2025
				Transfer between Stage 1 and Stage 2	Transfer between Stage 1 and Stage 3	Transfer between Stage 2 and Stage 3		
Gross amortized cost								
Financial assets at amortized cost	stage 1	1,051,430	(269,110)	—	—	—	—	782,320
	stage 2	—	—	—	—	—	—	—
	stage 3	—	—	—	—	—	—	—
	Subtotal	1,051,430	(269,110)	—	—	—	—	782,320
Debt financial assets at fair value through other comprehensive income	stage 1	10,257,936	(417,808)	—	—	—	—	9,840,128
	stage 2	—	—	—	—	—	—	—
	stage 3	—	—	—	—	—	—	—
	Subtotal	10,257,936	(417,808)	—	—	—	—	9,840,128

* Changes in current year due to purchase, purchased credit-impaired or derecognition except write-offs.

	Stage	1 January 2025	Net decrease*	Stages transfers			Write-offs	31 December 2025
				Transfer between Stage 1 and Stage 2	Transfer between Stage 1 and Stage 3	Transfer between Stage 2 and Stage 3		
Impairment provision								
Financial assets at amortized cost	stage 1	381	(164)	—	—	—	—	217
	stage 2	—	—	—	—	—	—	—
	stage 3	—	—	—	—	—	—	—
	Subtotal	381	(164)	—	—	—	—	217
Debt financial assets at fair value through other comprehensive income	stage 1	7,554	(4,999)	—	—	—	—	2,555
	stage 2	—	—	—	—	—	—	—
	stage 3	—	—	—	—	—	—	—
	Subtotal	7,554	(4,999)	—	—	—	—	2,555

* Changes in current year due to purchase, purchased credit-impaired or derecognition except write-offs.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(ii) **Expected credit loss** (continued)

Credit risk exposure (continued)

The following tables explain the changes in the gross amortized cost and loss allowance of the main financial assets between the beginning and the end of the annual period due to these factors: (continued)

	Stage	1 January 2024	Net increase/ (decrease)*	Stages transfers			Write-offs	31 December 2024
				Transfer between Stage 1 and Stage 2	Transfer between Stage 1 and Stage 3	Transfer between Stage 2 and Stage 3		
Gross amortized cost								
Financial assets at amortized cost	stage 1	1,452,610	(401,180)	—	—	—	—	1,051,430
	stage 2	—	—	—	—	—	—	—
	stage 3	—	—	—	—	—	—	—
	Subtotal	1,452,610	(401,180)	—	—	—	—	1,051,430
Debt financial assets at fair value through other comprehensive income	stage 1	7,994,762	2,263,174	—	—	—	—	10,257,936
	stage 2	32,521	(32,521)	—	—	—	—	—
	stage 3	—	—	—	—	—	—	—
	Subtotal	8,027,283	2,230,653	—	—	—	—	10,257,936

* Changes in current year due to purchase, purchased credit-impaired or derecognition except write-offs.

	Stage	1 January 2024	Net increase/ (decrease)*	Stages transfers			Write-offs	31 December 2024
				Transfer between Stage 1 and Stage 2	Transfer between Stage 1 and Stage 3	Transfer between Stage 2 and Stage 3		
Impairment provision								
Financial assets at amortized cost	stage 1	483	(102)	—	—	—	—	381
	stage 2	—	—	—	—	—	—	—
	stage 3	—	—	—	—	—	—	—
	Subtotal	483	(102)	—	—	—	—	381
Debt financial assets at fair value through other comprehensive income	stage 1	5,674	1,880	—	—	—	—	7,554
	stage 2	2,684	(2,684)	—	—	—	—	—
	stage 3	—	—	—	—	—	—	—
	Subtotal	8,358	(804)	—	—	—	—	7,554

* Changes in current year due to purchase, purchased credit-impaired or derecognition except write-offs.

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(ii) **Expected credit loss** (continued)

Credit risk exposure (continued)

The Group internally grades the financial instruments based on the credit quality and risk characteristics. The credit rating of the financial instruments could further be classified as "low risk", "medium risk", "high risk" and "default" according to the internal rating scale. "Low risk" means that the asset quality is good, there is sufficient evidence to show that the asset is not expected to have default, or there is no reason to suspect that the asset had incurred default. "Medium risk" means that the asset quality is acceptable or there are factors revealing potential negative impact on the asset quality, but there is no sufficient reason to suspect that the asset had incurred default. "High risk" means that there are factors revealing significant adverse impact on the asset quality, but there is no event indicating incurred default. The criteria of "default" are consistent with those of "credit-impaired".

The following table contains an analysis of the credit risk grading of financial assets at amortized cost and debt financial assets at fair value through other comprehensive income. The amortized cost of financial assets below also represents the Group's maximum exposure to credit risk on these assets.

Financial assets at amortized cost

	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
Credit Grade				
Low Risk	782,320	—	—	782,320
Medium Risk	—	—	—	—
High Risk	—	—	—	—
Default	—	—	—	—
Gross amortized cost	782,320	—	—	782,320
Loss allowance	(217)	—	—	(217)
Net amortized cost	782,103	—	—	782,103

	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Credit Grade				
Low Risk	1,051,430	—	—	1,051,430
Medium Risk	—	—	—	—
High Risk	—	—	—	—
Default	—	—	—	—
Gross amortized cost	1,051,430	—	—	1,051,430
Loss allowance	(381)	—	—	(381)
Net amortized cost	1,051,049	—	—	1,051,049

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Credit risk (continued)

(ii) *Expected credit loss* (continued)

Credit risk exposure (continued)

Debt financial assets at fair value through other comprehensive income

	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
Credit Grade				
Low Risk	9,840,128	—	—	9,840,128
Medium Risk	—	—	—	—
High Risk	—	—	—	—
Default	—	—	—	—
Gross amortized cost	9,840,128	—	—	9,840,128

	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Credit Grade				
Low Risk	10,257,936	—	—	10,257,936
Medium Risk	—	—	—	—
High Risk	—	—	—	—
Default	—	—	—	—
Gross amortized cost	10,257,936	—	—	10,257,936

At 31 December 2025 and 2024, the total provision for impairment losses recognised for debt financial assets at fair value through other comprehensive income were RMB2,555 thousand and RMB7,554 thousand, respectively.

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Liquidity risk

The Group is exposed to liquidity risk on insurance products that permit surrenders, withdrawals or other forms of early termination, benefits or claims of the insurance and other daily expenses. The Group seeks to manage its liquidity risk by matching, to the extent possible, the duration of its investment assets with the duration of its insurance products and ensuring that the Group is able to meet its payment obligations and fund its lending and investment operations on a timely basis.

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

- Implementing liquidity risk policy by setting out the assessment and determination of what constitutes liquidity risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the Group's risk management committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Setting out guidelines on asset allocations, portfolio limit structures and maturity profiles of assets, in order to ensure that sufficient funding is available to meet insurance contract obligations.
- Setting up contingency funding plans which specify the minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Liquidity risk (continued)

The tables below summarize 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:

	31 December 2025					Total
	On demand	Within 1 year	1 to 5 years	Over 5 years	Undated	
Assets:						
Cash and amounts due from banks and other financial institutions	3,035,292	—	—	—	—	3,035,292
Securities purchased under agreements to resell	—	432,930	—	—	—	432,930
Financial assets at fair value through profit or loss	—	360,612	1,772,627	8,128,401	12,147,226	22,408,866
Financial assets at amortized cost	—	260,855	487,885	107,399	—	856,139
Debt financial assets at fair value through other comprehensive income	—	1,421,817	5,062,059	4,798,795	—	11,282,671
Equity financial assets at fair value through other comprehensive income	—	—	—	—	1,004,570	1,004,570
Term deposits	—	—	30,720	—	—	30,720
Restricted statutory deposits	—	—	370,715	—	—	370,715
Others	—	1,338,284	146,983	—	—	1,485,267
Total	3,035,292	3,814,498	7,870,989	13,034,595	13,151,796	40,907,170
Liabilities:						
Borrowings	—	73,132	—	—	—	73,132
Securities sold under agreements to repurchase	—	5,780,006	—	—	—	5,780,006
Bonds payable	—	2,561,830	—	—	—	2,561,830
Lease liabilities	—	80,771	64,894	—	—	145,665
Others	—	3,793,139	430,852	—	—	4,223,991
Total	—	12,288,878	495,746	—	—	12,784,624

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Liquidity risk (continued)

The tables below summarize 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 2024					Total
	On demand	Within 1 year	1 to 5 years	Over 5 years	Undated	
Assets:						
Cash and amounts due from banks and other financial institutions	1,425,212	41,529	—	—	—	1,466,741
Securities purchased under agreements to resell	—	540,885	—	—	—	540,885
Financial assets at fair value through profit or loss	—	477,136	2,715,748	9,595,984	10,145,673	22,934,541
Financial assets at amortized cost	—	472,165	615,406	54,423	—	1,141,994
Debt financial assets at fair value through other comprehensive income	—	599,026	5,897,315	5,979,406	—	12,475,747
Equity financial assets at fair value through other comprehensive income	—	—	—	—	789,783	789,783
Term deposits	—	31,380	—	—	—	31,380
Restricted statutory deposits	—	49,725	275,450	—	—	325,175
Others	—	1,331,962	142,864	—	—	1,474,826
Total	1,425,212	3,543,808	9,646,783	15,629,813	10,935,456	41,181,072
Liabilities:						
Borrowings	—	83,275	—	—	—	83,275
Securities sold under agreements to repurchase	—	7,933,160	—	—	—	7,933,160
Bonds payable	—	4,464,291	2,633,842	—	—	7,098,133
Lease liabilities	—	115,659	50,777	—	—	166,436
Others	—	3,255,472	258,467	—	—	3,513,939
Total	—	15,851,857	2,943,086	—	—	18,794,943

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Liquidity risk (continued)

The following tables provide a maturity analysis of the Group's insurance and reinsurance contracts, which reflects the dates on which the undiscounted contractual cash flows are expected to occur (the LRC for insurance contracts issued and the ARC for reinsurance contracts held measured under the PAA are not included in the tables):

		31 December 2025						
		Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
Insurance contracts								
	Insurance contract liabilities	4,676,628	551,152	124,131	11,958	304	—	5,364,173
Reinsurance contracts								
	Reinsurance contract assets	1,489,603	35,643	7,124	281	1	—	1,532,652
		31 December 2024						
		Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
Insurance contracts								
	Insurance contract liabilities	3,658,218	301,662	39,709	2,590	—	—	4,002,179
Reinsurance contracts								
	Reinsurance contract assets	925,858	17,626	2,495	408	—	—	946,387

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(b) Financial risk (continued)

Maximum exposure of structured entities

The Group uses structured entities in the normal course of business for a number of purposes, for example, structured transactions for institutions, to provide finance to public and private section infrastructure projects, and to generate fees from managing assets on behalf of third-party investors. These structured entities are financed through the contracts.

The following table shows the total assets of the various types of unconsolidated structured entities. The table also shows the Group's maximum exposure to the unconsolidated structured entities representing the Group's maximum possible risk exposure that could occur as a result of the Group's arrangements with structured entities. The maximum exposure is contingent in nature and approximates the sum of the total assets of unconsolidated structured entities.

The Group's maximum exposure are shown below:

	31 December 2025			Interest held by the Group
	Initial investment	Carrying amount	Maximum exposure	
Funds investments managed by third parties*	6,181,421	6,377,784	6,377,784	Investment income
Wealth management products managed by third parties*	3,049,846	3,133,827	3,133,827	Investment income
Trust investment schemes managed by third parties*	690,167	690,931	690,931	Investment income
Debt investment schemes managed by third parties*	9,000	9,140	9,140	Investment income
	9,930,434	10,211,682	10,211,682	

	31 December 2024			Interest held by the Group
	Initial investment	Carrying amount	Maximum exposure	
Funds investments managed by third parties*	6,413,136	6,512,880	6,512,880	Investment income
Wealth management products managed by third parties*	2,067,516	2,111,237	2,111,237	Investment income
Trust investment schemes managed by third parties*	522,932	524,310	524,310	Investment income
	9,003,584	9,148,427	9,148,427	

* The structured entities are sponsored by third party financial institutions and the information related to size of these structured entities were not publicly available.

The Group's interests in unconsolidated structured entities are included in funds investments, wealth management products and debt investment schemes under financial assets at fair value through profit or loss, trust investment schemes under financial assets at amortized cost.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(c) Operational risk

Operational risk is the risk of loss arising from inadequacy or failure on business processes, human error, information system failure, and etc. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial losses.

The Group is exposed to many types of operational risks in the conduct of its business, from inadequate or failure to obtain proper authorizations or supporting documentation to comply with operational and informational security procedures that prevent frauds or errors by employees, payment security, system attack and Trojan virus such information risks based on the Internet.

The Group cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Group is able to manage the risks. Controls include effective segregation of duties, access controls, authorization and reconciliation procedures, staff education and assessment processes, including the use of compliance check and internal audit.

(d) Capital management risks

The capital demands of the Company is mainly based on the Company size, types of debt business, industry and geographic location. Further objectives are set by the Company to maintain a strong credit rating and healthy solvency margin capital ratios in order to support its business objectives and maximize shareholders' value.

The Company manages its capital requirements by assessing shortfalls between reported and required capital levels on a regular basis. The Company will adjust the capital level when the economic condition and risk characteristics of the operating activities changes.

At 31 December 2025, the Company was fully in compliance with externally required capital requirement. The Company has fully implemented China Risk Oriented Solvency System phase II since 1 January 2022.

The table below summarizes the core capital, actual capital and minimum required capital of the Company according to the solvency rules.

	31 December 2025	31 December 2024
Core capital	19,740,884	18,926,766
Actual capital	20,525,889	19,467,556
Minimum required capital	8,464,388	8,559,150
Core solvency margin ratio	233%	221%
Comprehensive solvency margin ratio	242%	227%

According to the relevant regulations, if the actual solvency margin of an insurance company falls below the minimum solvency margin, the NFRA may take additional necessary measures depending on the circumstances, until the minimum solvency margin requirement is satisfied.

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(e) Fair value measurement

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 authorized securities exchange, the market value is the best reflection of the fair values 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 and amounts due from banks and other financial institutions, securities purchased under agreements to resell, financial assets at fair value through profit or loss, financial assets at amortized cost, financial assets at fair value through other comprehensive income, term deposits and restricted statutory deposits.

Determination of fair value and fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchies. The fair value hierarchy prioritizes 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 categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The levels of the fair value hierarchy are as follows:

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

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

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(e) Fair value measurement (continued)

Determination of fair value and fair value hierarchy (continued)

For Level 2 financial instruments, valuations are generally obtained from third party pricing services for identical or comparable assets, or through the use of valuation methodologies using observable market inputs, or recent quoted market prices. Valuation service providers typically gather, analyse and interpret information related to market transactions and other key valuation model inputs from multiple sources, and through the use of widely accepted internal valuation models, provide a theoretical quote on various securities. Debt securities traded among Chinese interbank market are classified as Level 2 when they are valued at recent quoted price from Chinese interbank market or from valuation service providers. Substantially most financial instruments classified within Level 2 of the fair value hierarchy are debt investments denominated in RMB. Fair value of debt investments denominated in RMB is determined based upon the valuation results by the China Central Depository & Clearing Co., Ltd, China Securities Depository and Clearing Corporation Limited and Shanghai Clearing House. 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. Determinations to classify fair value measures within Level 3 of the valuation hierarchy are generally based on the significance of the unobservable factors to the overall fair value measurement, and valuation methodologies such as discounted cash flow models and other similar techniques. 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 re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(e) Fair value measurement (continued)

Determination of fair value and fair value hierarchy (continued)

The following tables provide the fair value measurement hierarchy of the Group's financial assets and liabilities:

	31 December 2025			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets at fair value through profit or loss				
– Bond investments	1,113,627	7,616,626	—	8,730,253
– Fund investments	1,336,003	5,041,781	—	6,377,784
– Wealth management products	770,783	2,363,044	—	3,133,827
– Equity investments	2,074,704	—	560,911	2,635,615
– Asset-backed securities	—	20,271	—	20,271
– Debt investment schemes	—	—	9,140	9,140
Financial assets at fair value through other comprehensive income				
– Bond investments	1,068,754	8,827,223	—	9,895,977
– Equity investments	968,150	—	36,420	1,004,570
– Asset-backed securities	30,155	—	—	30,155
	7,362,176	23,868,945	606,471	31,837,592
Assets for which fair values are disclosed				
Financial assets at amortized cost	—	93,460	696,553	790,013
Liabilities for which fair values are disclosed				
Bonds payable	—	—	2,557,670	2,557,670

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(e) Fair value measurement (continued)

Determination of fair value and fair value hierarchy (continued)

	31 December 2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets at fair value through profit or loss				
– Bond investments	1,031,316	9,509,010	—	10,540,326
– Fund investments	1,018,258	5,494,622	—	6,512,880
– Wealth management products	1,535,751	575,486	—	2,111,237
– Equity investments	959,102	—	562,454	1,521,556
– Asset-backed securities	—	20,285	—	20,285
Financial assets at fair value through other comprehensive income				
– Bond investments	776,211	9,722,043	—	10,498,254
– Equity investments	754,097	—	35,686	789,783
– Asset-backed securities	30,600	—	—	30,600
	<u>6,105,335</u>	<u>25,321,446</u>	<u>598,140</u>	<u>32,024,921</u>
Assets for which fair values are disclosed				
Financial assets at amortized cost	—	536,321	541,782	1,078,103
Liabilities for which fair values are disclosed				
Bonds payable	—	—	6,780,237	6,780,237

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5. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

(e) Fair value measurement (continued)

Determination of fair value and fair value hierarchy (continued)

Reconciliation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy:

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income
1 January 2025	562,454	35,686
Addition	49,000	—
Disposal	—	—
Net unrealized (loss)/gain recognised in total comprehensive income	(41,403)	734
31 December 2025	570,051	36,420

Valuation techniques

The fair value of the unquoted equity investments has been determined using valuation techniques such as comparable company valuation multiples, recent transaction prices of the same or similar instruments, with appropriate adjustments have been made where applicable, for example, for lack of liquidity using option pricing models. The valuation requires management to make certain assumptions about unobservable inputs to the model, which mainly include historical volatility and estimated time period prior to the listing of the unquoted equity instruments. The fair value of the unquoted equity investments is not significantly sensitive to a reasonable change in these unobservable inputs.

6. SUBSIDIARIES

(a) The Company's subsidiaries at 31 December 2025 are as follows:

Name	Place of operations	Place of incorporation/ registration	Kind of legal entity	Nature of business	Registered capital (thousand)	Percentage of equity	Acquisition mode
ZhongAn Information Technology Services Limited Company ("ZhongAn Technology")	Shanghai, The PRC	Shenzhen, The PRC	Limited Liability Company	Technology Development/ Technology Consulting	RMB5,000,000	100.00%	Set-up
ZhongAn Online Insurance Broker Limited Company ("ZhongAn Insurance Broker")	Guangzhou, The PRC	Guangzhou, The PRC	Limited Liability Company	Insurance Broker	RMB300,000	100.00%	Set-up
Shanghai Lianmo Information Technology Co., Ltd. ("Shanghai Lianmo")	Shanghai, The PRC	Shanghai, The PRC	Limited Liability Company	Technology Development/ Technology Consulting	RMB7,010	100.00%	Equity purchase
ZhongAn (Hainan) Medical Technology Co., Ltd. ("ZhongAn Medical Technology")	Hainan, The PRC	Hainan, The PRC	Limited Liability Company	Medical Service	RMB50,000	100.00%	Set-up
ZhongAn (Hainan) Telemedicine Centre Ltd. ("ZA Telemedicine Centre")	Hainan, The PRC	Hainan, The PRC	Limited Liability Company	Medical Service	RMB50,000	100.00%	Set-up
ZhongAn (Hainan) Internet Hospital Ltd. ("ZA Internet Hospital")	Hainan, The PRC	Hainan, The PRC	Limited Liability Company	Internet Hospital	RMB50,000	100.00%	Set-up
Shanghai Haoyaoshi ZhongAn Pharmacy Co., Ltd. ("ZhongAn Pharmacy")	Shanghai, The PRC	Shanghai, The PRC	Limited Liability Company	Pharmacy	RMB1,000	100.00%	Set-up
Hebei Xiongan ZhongAn Financial Service Information Technology Limited Company ("Hebei Xiongan Information")	Hebei, The PRC	Hebei, The PRC	Limited Liability Company	Technology Development/ Technology Consulting	RMB3,000	100.00%	Set-up

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6. SUBSIDIARIES (continued)

(a) The Company's subsidiaries at 31 December 2025 are as follows: (continued)

Name	Place of operations	Place of incorporation/ registration	Kind of legal entity	Nature of business	Registered capital (thousand)	Percentage of equity	Acquisition mode
ZA Technology Services Ltd. ("ZA Technology")	British Virgin Islands	British Virgin Islands	Limited Liability Company	Technology Development/ Technology Consulting	USD0.001	100.00%	Set-up
ZhongAn (Wuxi) Information Technology Services Ltd. ("ZhongAn (Wuxi) Technology")	Jiangsu, The PRC	Jiangsu, The PRC	Limited Liability Company	Technology Development/ Technology Consulting	RMB50,000	100.00%	Set-up
Zhongyanshe (Jiaxing) Enterprise Management Consulting Ltd. ("Zhongyanshe")	Zhejiang, The PRC	Zhejiang, The PRC	Limited Liability Company	Technology Training	RMB5,000	100.00%	Set-up
Chongqing Zhongxiananxing Technologies Ltd. ("Zhongxiananxing")	Chongqing, The PRC	Chongqing, The PRC	Limited Liability Company	Technology Development/ Technology Consulting	RMB50,000	100.00%	Set-up
Chongqing Zongrun Business Information Consulting Partnership (Limited Partnership) ("Zongrun")	Chongqing, The PRC	Chongqing, The PRC	Limited Partnership	Technology Development/ Technology Consulting	RMB10,000	100.00%	Equity purchase

(b) At 31 December 2025, consolidated structured entities are as followings:

Name	Held by the Company (%)	Total Subscription	Principal activities
ZhongAn TaiKang Asset Management Plan	100.00%	2,267,601	Asset Management Product
ZhongAn LeXiang No.1 Asset Management Plan	100.00%	2,227,609	Asset Management Product
ICBC Credit Suisse Asset Management ZhongAn Insurance No.1 Asset Management Plan	100.00%	800,000	Asset Management Product
Shanghai Dexu Investment Center (Limited Partnership)	98.77%	355,000	Equity Investment

7. INSURANCE SERVICE RESULT

	Year ended 31 December 2025	Year ended 31 December 2024
Insurance revenue		
Insurance revenue from contracts measured under the PAA	33,484,568	31,744,343
Total insurance revenue	33,484,568	31,744,343
Insurance service expenses		
Incurred claims and other directly attributable expenses	(23,810,882)	(22,559,746)
Insurance acquisition cash flows amortization	(9,287,932)	(8,702,344)
Losses on onerous contracts and reversal of those losses	(194,137)	(213,188)
Adjustments to liabilities for incurred claims	1,119,357	785,243
Total insurance service expenses	(32,173,594)	(30,690,035)
Net expenses from reinsurance contracts held		
Allocation of reinsurance premiums from reinsurance contracts measured under the PAA	(710,460)	(355,883)
Recoveries on incurred claims and other incurred reinsurance service expenses	768,247	306,402
Changes in the loss recovery component	20,812	(369)
Changes in expected recoveries on past claims	48,282	35,830
Effect of changes in the risk of reinsurers' non-performance	(13)	(75)
Total net income/(expenses) from reinsurance contracts held	126,868	(14,095)
Insurance service result	1,437,842	1,040,213

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8. NET INVESTMENT INCOME

	Year ended 31 December 2025	Year ended 31 December 2024
Interest income (a)		
– Bond investments	545,616	615,404
– Trust investment schemes	24,499	33,789
– Bank deposits	18,426	23,164
– Securities purchased under agreements to resell	6,397	7,573
– Asset-backed securities	914	1,299
– Debt investment schemes	105	—
	595,957	681,229
Dividend income (b)		
– Equity investments	79,356	80,114
– Fund investments	51,032	92,830
– Wealth management products	48,113	66,550
	178,501	239,494
Realized gains/(losses), net (c)	1,077,149	(459,235)
	1,851,607	461,488

(a) Interest income

	Year ended 31 December 2025	Year ended 31 December 2024
Financial assets not measured at fair value through profit or loss		
– Debt financial assets at fair value through other comprehensive income	265,764	284,141
– Financial assets at amortized cost	62,669	82,372
	328,433	366,513
Financial assets at fair value through profit or loss	267,524	314,716
	595,957	681,229

8. NET INVESTMENT INCOME (continued)

(b) Dividend income

	Year ended 31 December 2025	Year ended 31 December 2024
Financial assets at fair value through profit or loss	129,419	175,174
Equity financial assets at fair value through other comprehensive income	49,082	64,320
	178,501	239,494

(c) Realized gains/(losses), net

	Year ended 31 December 2025	Year ended 31 December 2024
Financial assets at fair value through profit or loss	942,014	(659,903)
Investments in subsidiaries, joint ventures and associates	76,018	103,986
Debt financial assets at fair value through other comprehensive income	59,117	96,682
	1,077,149	(459,235)

9. NET FAIR VALUE CHANGES THROUGH PROFIT OR LOSS

	Year ended 31 December 2025	Year ended 31 December 2024
Financial assets at fair value through profit or loss		
– Equity investments	288,005	169,300
– Fund investments	108,938	571,190
– Wealth management products	37,613	80,927
– Debt investment schemes	129	—
– Bond investments	(119,175)	202,273
	315,510	1,023,690

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10. OTHER INCOME

	Year ended 31 December 2025	Year ended 31 December 2024
Revenue from services (a)	505,913	793,930
Government grants (b)	150,933	104,217
Other	2,639	133,583
	659,485	1,031,730

(a) Revenue from services includes information technology services, insurance brokerage services and other services provided by the Group.

(b) Government grants mainly include development support funds and government subsidies related to intangible assets.

11. OTHER OPERATING EXPENSES

	Year ended 31 December 2025	Year ended 31 December 2024
Advertising and marketing expense	4,939,286	4,138,085
Handling charges and commissions	4,271,127	3,684,265
Consulting and technical fee	3,014,952	2,970,919
Employee benefit expense	1,225,668	1,243,660
Depreciation and amortization	266,973	306,468
Others	1,012,056	878,535
– Auditors' remuneration	16,494	16,464
Less: Expenses attributed to insurance acquisition cash flows and other directly attributable expenses	(13,589,800)	(12,142,003)
	1,140,262	1,079,929

12. OTHER EXPENSES

	Year ended 31 December 2025	Year ended 31 December 2024
Cost of providing services	440,234	724,095
Expense of providing services	71,180	117,742
Others	27,318	30,724
	538,732	872,561

13. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' AND SUPERVISORS' REMUNERATION)

	Year ended 31 December 2025	Year ended 31 December 2024
Salaries, allowances and other short-term benefits	1,034,301	1,006,980
Contributions to defined contribution plans (a)	191,367	236,680
	1,225,668	1,243,660

(a) Contributions to defined contribution plans mainly include contributions made to the state pension schemes.

14. DIRECTORS' AND SUPERVISORS' REMUNERATION

	Year ended 31 December 2025	Year ended 31 December 2024
Fees	2,950	2,931
Wages and salaries	4,342	4,287
Bonuses	5,500	5,132
Pension costs - defined contribution plans	219	219
Other social security costs, housing benefits and other employee benefits	246	216
	13,257	12,785

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14. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

(a) Independent non-executive directors

	Year ended 31 December 2025					Total
	Fees	Wages and salaries	Bonuses	Pension costs - defined contribution plans	Other social security costs, housing benefits and other employee benefits	
Wei Ou (歐偉)	250	—	—	—	—	250
Vena Wei Yan Cheng (鄭慧恩)	250	—	—	—	—	250
Gigi Wing Chee Chan (陳詠芝)	250	—	—	—	—	250
Stanley Chiu Fai Choi (蔡朝暉)	250	—	—	—	—	250
	1,000	—	—	—	—	1,000

	Year ended 31 December 2024					Total
	Fees	Wages and salaries	Bonuses	Pension costs - defined contribution plans	Other social security costs, housing benefits and other employee benefits	
Wei Ou (歐偉)	250	—	—	—	—	250
Vena Wei Yan Cheng (鄭慧恩)	250	—	—	—	—	250
Gigi Wing Chee Chan (陳詠芝)	250	—	—	—	—	250
Stanley Chiu Fai Choi (蔡朝暉) ¹	145	—	—	—	—	145
	895	—	—	—	—	895

1. Appointed as independent non-executive director in June 2024

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14. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

(c) Supervisors

	Year ended 31 December 2025					Total
	Fees	Wages and salaries	Bonuses	Pension costs - defined contribution plans	Other social security costs, housing benefits and other employee benefits	
Limin Guo (郭立民)	150	—	—	—	—	150
Yuping Wen (溫玉萍)	25	—	—	—	—	25
Yao Wang (王瑤)	25	682	196	73	72	1,048
	200	682	196	73	72	1,223

	Year ended 31 December 2024					Total
	Fees	Wages and salaries	Bonuses	Pension costs - defined contribution plans	Other social security costs, housing benefits and other employee benefits	
Limin Guo (郭立民)	150	—	—	—	—	150
Yuping Wen (溫玉萍)	25	—	—	—	—	25
Yao Wang (王瑤)	25	792	91	73	72	1,053
	200	792	91	73	72	1,228

For the year ended 31 December 2025 and 2024, Xing Jiang and Gaofeng Li are key management personnel of the Company and their remuneration disclosed above include these services rendered as key management personnel.

15. FIVE HIGHEST PAID INDIVIDUALS

The number of highest paid non-director individuals whose remuneration fell within the following bands is set out below:

	Year ended 31 December 2025	Year ended 31 December 2024
Nil to RMB1,000,000	—	—
RMB1,000,001 to RMB2,000,000	—	—
RMB2,000,001 to RMB3,000,000	—	—
RMB3,000,001 to RMB4,000,000	4	5
RMB4,000,001 to RMB5,000,000	1	—
Total	5	5

Details of the remuneration of the highest paid non-director individuals are as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
Wages and salaries	6,920	7,137
Bonuses	12,168	9,865
Pension costs — defined contribution plans	325	309
Other social security costs, housing benefits and other employee benefits	429	348
	19,842	17,659

16. INCOME TAX

(a) Income tax

	Year ended 31 December 2025	Year ended 31 December 2024
Current income tax	406,276	1,156
Deferred income tax (Note 31)	(1,642)	249,595
	404,634	250,751

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(All amounts expressed in RMB'000 unless otherwise stated)

16. INCOME TAX (continued)

(b) Reconciliation of income tax

A reconciliation of income tax applicable to profit before income tax using the applicable income tax rate to the income tax at the Group's effective tax rate is as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
Profit before income tax	1,506,239	854,207
Tax computed at the applicable tax rate	522,648	204,468
Income not subject to tax	(11,957)	(13,869)
Expenses not deductible for tax	1,843	5,216
Extra tax deductions for research and development costs	(47,103)	(53,113)
Deductible temporary differences and tax losses for which no deferred income tax assets were recognized	14,372	135,392
Utilization of previously unrecognized deductible temporary differences and tax losses	—	(3,809)
Adjustments to income tax in respect of previous periods	(75,169)	(23,534)
Income tax at the Group's effective rate	404,634	250,751

17. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit for the year attributable to owners of the parent by the weighted average number of shares in issue during the year. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares.

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

	Year ended 31 December 2025	Year ended 31 December 2024
Net profit for the year attributable to owners of the parent	1,101,605	603,456
Weighted average number of shares in issue (in thousand)	1,576,429	1,469,813
Basic earnings per share (RMB yuan)	0.70	0.41
Diluted earnings per share (RMB yuan)	0.70	0.41

The Company had no dilutive potential shares at 31 December 2025 and 2024, respectively.

18. OTHER COMPREHENSIVE INCOME

	Year ended 31 December 2025	Year ended 31 December 2024
Debt financial assets at fair value through other comprehensive income		
(Losses)/Gains from changes in the fair value of debt instruments at fair value through other comprehensive income	(127,065)	325,026
Reclassification adjustments for amounts transferred to profit or loss	(57,849)	(102,298)
Change in credit risks provision of debt instruments at fair value through other comprehensive income	(4,999)	(804)
Income tax relating to debt financial assets at fair value through other comprehensive income	47,478	(55,481)
Equity financial assets at fair value through other comprehensive income		
Gains/(Losses) from changes in the fair value of equity instruments at fair value through other comprehensive income	51,768	(9,632)
Income tax relating to equity financial assets at fair value through other comprehensive income	(12,942)	2,408
Exchange differences on translation of foreign operations	—	386
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	2,059	74,584
	(101,550)	234,189

19. CASH AND AMOUNTS DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	31 December 2025	31 December 2024
Deposits with original maturity of no more than three months	1,892,900	760,365
Other monetary assets (i)	1,142,374	706,337
Add: Interest receivables	18	39
Less: Impairment provisions	—	—
	3,035,292	1,466,741

(i) Other monetary assets refer to funds deposited by the Group for daily business operations and investment activities.

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20. SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL

	31 December 2025	31 December 2024
Securities – bonds		
– Stock exchange	377,884	252,582
– Inter-bank market	55,000	288,250
Add: Interest receivables	5	53
Less: Impairment provisions	(2)	(2)
	432,887	540,883

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2025	31 December 2024
Bond investments	8,730,253	10,540,326
Fund investments	6,377,784	6,512,880
Wealth management products	3,133,827	2,111,237
Equity investments	2,635,615	1,521,556
Asset-backed securities	20,271	20,285
Debt investment schemes	9,140	—
	20,906,890	20,706,284
Comprising:		
– Listed	4,524,334	3,008,676
– Unlisted	16,382,556	17,697,608

22. FINANCIAL ASSETS AT AMORTIZED COST

	31 December 2025	31 December 2024
Trust investment schemes	690,931	524,310
Bond investments		
– Government bonds	50,162	485,880
– Corporate bonds	41,227	41,240
Less: Impairment provisions	(217)	(381)
	782,103	1,051,049
Comprising:		
– Listed	—	—
– Unlisted	782,103	1,051,049

The Group's maximum exposure to loss in the trust investment schemes is limited to their carrying amounts.

23. DEBT FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 December 2025	31 December 2024
Bond investments		
– Corporate bonds	5,427,268	6,326,093
– Finance bonds	3,504,651	2,823,182
– Government bonds	964,058	1,348,979
Asset-backed securities	30,155	30,600
	9,926,132	10,528,854
Comprising:		
– Listed	1,098,909	806,811
– Unlisted	8,827,223	9,722,043
Comprising:		
– Amortized cost	9,840,128	10,257,936
– Cumulative fair value changes	86,004	270,918

At 31 December 2025 and 2024, the total provision for impairment losses recognised for debt financial assets at fair value through other comprehensive income were RMB2,555 thousand and RMB7,554 thousand, respectively.

24. EQUITY FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 December 2025	31 December 2024
Equity investments	1,004,570	789,783
Comprising:		
– Listed	968,150	754,097
– Unlisted	36,420	35,686
Comprising:		
– Cost	999,313	802,426
– Cumulative fair value changes	5,257	(12,643)

The Group designated the portion of equity investments, which are held not for short-term price fluctuation gains, but for the dividends income arising from long-term possession, as equity financial assets at fair value through other comprehensive income.

For the year ended 31 December 2025 and 2024, dividend income recognised for such equity investments were RMB49,082 thousand and RMB64,320 thousand. As a result of the change of investment strategies, the Group disposed certain equity investments. The cumulative gains net of tax transferred into retained earnings from other comprehensive income upon disposal were RMB25,401 thousand for the year ended 31 December 2025 compared to RMB14,211 thousand cumulative losses net of tax for the year ended 31 December 2024.

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25. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

(a) The Group's associates and joint ventures at 31 December 2025 are as follows:

	31 December 2024	Share of net profit/(loss)	Share of other comprehensive income	Other equity changes	Others	Impairment	31 December 2025
Chongqing ZhongAn Microloan Limited Company ("ZhongAn Microloan")	440,585	16,632	—	—	—	—	457,217
Shanghai Ju'A Technology Ltd. ("Shanghai Ju'A")	—	—	—	—	—	—	—
Nova Insight Technology Limited (Formerly known as Nova Technology Ltd., "Nova Insight")	61,332	21,779	—	—	(1,682)	—	81,429
Yiyuan Technology Ltd. ("Yiyuan")	—	—	—	—	—	—	—
ZhongAn Information Technology (Shenzhen) Co., Ltd. ("ZhongAn Xinke") (i)	218,824	1,767	—	1,200	77,700	—	299,491
ZhongAn International	4,870,675	(107,963)	2,059	(29,073)	—	(698,455)	4,037,243
	<u>5,591,416</u>	<u>(67,785)</u>	<u>2,059</u>	<u>(27,873)</u>	<u>76,018</u>	<u>(698,455)</u>	<u>4,875,380</u>

(i) In February 2025, Wuxi Zhenwei New Industry Venture Capital Fund Partnership (Limited Partnership) and other external investors made capital contributions to ZhongAn Xinke. After this transaction, ZhongAn Technology holds approximately 39.31% of the voting rights in ZhongAn Xinke.

In October 2025, Wuhan Innovation Development Venture Capital Fund Partnership (Limited Partnership) and other external investors made capital contributions to ZhongAn Xinke. After this transaction, ZhongAn Technology holds approximately 35.49% of the voting rights in ZhongAn Xinke.

(ii) In 2025, ZhongAn Technology executed a share transfer agreement to transfer all equity interest in Baibao (Shanghai) Technology Co., Ltd. ("Baibao") to the remaining shareholders of Baibao.

(iii) On 19 December 2025, the business registration of Bosheng Haimi Technology (Beijing) Ltd. was cancelled.

Nature of investments in associates and joint ventures at 31 December 2025

Name	Place of incorporation	Kind of legal entity	Percentage of ownership interest	Percentage of voting power	Registered capital (thousand)	Paid-in capital (thousand)	Principal activity
ZhongAn Microloan	Chongqing, The PRC	Limited Liability Company	41.18%	41.18%	RMB1,020,000	RMB1,020,000	Micro Finance
Shanghai Ju'A	Shanghai, The PRC	Limited Liability Company	34.17%	34.17%	RMB14,630.70	RMB14,630.70	Technology Consulting
Nova Insight	Cayman Islands	Limited Liability Company	42.99%	28.75%*	USD50	USD22.32	Investment Holding
Yiyuan	Cayman Islands	Limited Liability Company	50.00%	42.27%*	USD50	USD13.66	Investment Holding
ZhongAn International	Hong Kong, The PRC	Limited Liability Company	43.43%	43.43%	RMB5,778,335	RMB5,778,335	Technology Development/Technology Consulting
ZhongAn Xinke	Shanghai, The PRC	Joint Stock Limited Company	35.49%	35.49%	RMB25,688	RMB25,688	Technology Development

* The percentage of voting power includes the interest held by preferred shareholders.

The Group has no significant contingent liabilities relating to the associates and joint ventures listed above.

25. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (continued)

(b) Particulars of the principal joint ventures

Summarised consolidated financial information in respect of ZhongAn International is set out below. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments.

	31 December 2025	31 December 2024
Current assets	20,208,255	16,891,167
Non-current assets	4,110,261	5,753,478
Total assets	24,318,516	22,644,645
Current liabilities	21,540,376	19,746,112
Non-current liabilities	39,123	50,748
Total liabilities	21,579,499	19,796,860
Net assets	2,739,017	2,847,785

	Year ended 31 December 2025	Year ended 31 December 2024
Revenue	1,623,043	1,392,745
Interest income	608,832	552,093
Depreciation and amortization	(78,502)	(26,804)
Interest expense	(387,509)	(442,361)
Income tax	(190)	—
Net loss	(169,218)	(419,378)
Other comprehensive income	15,758	162,996
Total comprehensive income	(153,460)	(256,382)

Reconciliation of the above summarised financial information to the carrying amount of interest in ZhongAn International recognised in the consolidated financial statements:

	31 December 2025	31 December 2024
Net assets attributable to owners of ZhongAn International	2,739,493	2,752,377
Proportion of the Group's interests in ZhongAn International	43.43%	43.43%
The Group's interests in net assets of ZhongAn International	1,189,762	1,195,357
Goodwill	3,545,936	3,675,318
Impairment	(698,455)	—
Carrying amount of the Group's interests in ZhongAn International	4,037,243	4,870,675

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25. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (continued)

(c) Net impairment loss of ZhongAn International

The Group performs impairment tests on long-term equity investments that have objective evidence of impairment. At 31 December 2025, the Group performed an impairment test on the carrying amount of Group's investment in ZhongAn International, which confirmed that there was impairment as at 31 December 2025 as the recoverable amount as determined by the higher of VIU and FVLDC. The discount rates applied to the cash flow projections range from 13.13% to 15% (2024:13.23% to 15%). Cash flows beyond the period of the financial budget are extrapolated using the estimated long-term growth rates of 2.5% (2024:2.3%).

	31 December 2025	
	Carrying value before impairment	Recoverable amount
ZhongAn International	4,735,698	4,037,243

26. TERM DEPOSITS

	31 December 2025	31 December 2024
Maturity Period		
3 months to 1 year (including 1 year)	—	30,000
1 to 2 years (including 2 years)	30,000	—
Add: Interest receivables	95	875
Less: Impairment provisions	(18)	(48)
	30,077	30,827

27. RESTRICTED STATUTORY DEPOSITS

	31 December 2025	31 December 2024
Restricted statutory deposits	340,000	295,000
Add: Interest receivables	7,402	6,404
Less: Impairment provisions	(115)	(91)
	347,287	301,313

	31 December 2025		
	Amount	Storage	Period
China Guangfa Bank	105,500	Term deposit	3 years
China Guangfa Bank	94,500	Negotiable Deposit	5 years and 1 month
Bank of Nanjing	90,000	Term deposit	3 years
Bank of China	50,000	Term deposit	3 years
Total	340,000		

27. RESTRICTED STATUTORY DEPOSITS (continued)

	31 December 2024		
	Amount	Storage	Period
China Guangfa Bank	105,500	Term deposit	3 years
China Guangfa Bank	94,500	Negotiable Deposit	5 years and 1 month
Bank of China	50,000	Term deposit	3 years
Bank of Ningbo	45,000	Term deposit	3 years
Total	295,000		

In accordance with relevant provision of Insurance Law of the PRC, the Company should place 20% of its share capital as restricted statutory deposits.

28. PROPERTY AND EQUIPMENT

	Buildings	Motor vehicles	Electrical equipment	Office furniture and equipment	Leasehold improvements	Total
Cost						
1 January 2024	—	3,978	47,586	10,848	168,029	230,441
Addition	580,104	—	20,804	1,893	54,822	657,623
Disposal	—	—	(17,161)	(364)	—	(17,525)
31 December 2024	580,104	3,978	51,229	12,377	222,851	870,539
Addition	829,085	—	9,117	109	4,133	842,444
Disposal	—	—	(4,038)	(507)	—	(4,545)
31 December 2025	1,409,189	3,978	56,308	11,979	226,984	1,708,438
Accumulated depreciation and impairment						
1 January 2024	—	(1,691)	(26,450)	(9,205)	(137,935)	(175,281)
Depreciation	—	(601)	(5,459)	(610)	(36,939)	(43,609)
Disposal	—	—	1,789	339	—	2,128
31 December 2024	—	(2,292)	(30,120)	(9,476)	(174,874)	(216,762)
Depreciation	(16,887)	(601)	(6,870)	(688)	(30,770)	(55,816)
Disposal	—	—	1,985	469	—	2,454
31 December 2025	(16,887)	(2,893)	(35,005)	(9,695)	(205,644)	(270,124)
Net book value						
31 December 2025	1,392,302	1,085	21,303	2,284	21,340	1,438,314
31 December 2024	580,104	1,686	21,109	2,901	47,977	653,777

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29. LEASE

(a) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

	31 December 2025	31 December 2024
Right-of-use assets		
Buildings	151,319	143,774
Lease liabilities	138,562	122,896

Additions to the right-of-use assets during the year ended 31 December 2025 and 2024 were RMB131,824 thousand and RMB27,689 thousand, respectively.

(b) Amounts recognised in the consolidated statement of profit or loss

The consolidated statement of profit or loss shows the following amounts relating to leases:

	Year ended 31 December 2025	Year ended 31 December 2024
Depreciation charge of right-of-use assets		
Buildings	123,193	153,024
Equipment	—	34
	123,193	153,058
Expense relating to short-term leases	6,124	3,848
Interest expense	4,737	12,055

The total cash outflow relating to leases during the year ended 31 December 2025 and 2024 was RMB125,107 thousand and RMB130,183 thousand, respectively.

(c) The Group's leasing activities and how these are accounted for

The Group leases various offices. Rental contracts are typically made for fixed periods of 2 to 3 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

30. INTANGIBLE ASSETS

	Software	Other	Total
Cost			
1 January 2024	1,726,546	1,826	1,728,372
Addition	238,566	—	238,566
Disposal	(10,718)	—	(10,718)
31 December 2024	1,954,394	1,826	1,956,220
Addition	203,659	17	203,676
Disposal	(466,153)	—	(466,153)
31 December 2025	1,691,900	1,843	1,693,743
Accumulated amortization and impairment			
1 January 2024	(1,199,886)	(1,105)	(1,200,991)
Amortization	(132,023)	(182)	(132,205)
Disposal	3,870	—	3,870
Impairment	(8,175)	—	(8,175)
31 December 2024	(1,336,214)	(1,287)	(1,337,501)
Amortization	(131,642)	(182)	(131,824)
Disposal	466,153	—	466,153
Impairment	(72,766)	—	(72,766)
31 December 2025	(1,074,469)	(1,469)	(1,075,938)
Net book value			
31 December 2025	617,431	374	617,805
31 December 2024	618,180	539	618,719

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31. DEFERRED INCOME TAX ASSETS AND LIABILITIES

	31 December 2025	31 December 2024
Net deferred income tax (liabilities)/assets, at the beginning of year	(270,136)	32,532
Recognised in profit or loss	1,642	(249,595)
Recognised in other comprehensive income	34,536	(53,073)
Net deferred income tax liabilities, at the end of year	(233,958)	(270,136)

The breakdown of deferred income tax assets and liabilities at the end of the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	31 December 2025	31 December 2024
Deferred income tax assets/(liabilities):		
Insurance contract liabilities	427,742	197,045
Amortization of intangible assets	53,449	44,268
Estimated liabilities for sales return	29,806	21,434
Lease liabilities	26,281	27,288
Employee stock ownership plan	9,600	9,600
Impairment loss provisions	6,144	44,949
Employee benefits	3,196	2,786
Accumulated taxable losses	—	174,917
Depreciation of property and equipment	(1,277)	—
Net fair value adjustment on equity financial assets at fair value through other comprehensive income	(1,314)	3,161
Share of net profit of associates and joint ventures accounted for using the equity method	(9,465)	(9,465)
Net fair value adjustment and credit risks provision on debt financial assets at fair value through other comprehensive income	(22,140)	(69,618)
Right-of-use assets	(30,449)	(32,523)
Net fair value adjustment on financial assets at fair value through profit or loss	(242,325)	(163,919)
Unrealized gains of structured entities	(485,214)	(522,510)
Others	2,008	2,451
Net deferred income tax liabilities	(233,958)	(270,136)
Represented by		
Deferred income tax assets	558,226	527,899
Deferred income tax liabilities	(792,184)	(798,035)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. At 31 December 2025, the Group did not recognise deferred income tax assets of RMB473,122 thousand in respect of losses amounting to RMB3,189,242 thousand that can be carried forward against future taxable income. At 31 December 2024, the Group did not recognise deferred income tax assets of RMB448,607 thousand in respect of losses amounting to RMB3,036,448 thousand that can be carried forward against future taxable income.

31. DEFERRED INCOME TAX ASSETS AND LIABILITIES (continued)

The expiry dates of unused taxable losses are as follows:

	31 December 2025	31 December 2024
31 December 2025	—	245
31 December 2026	24,216	25,625
31 December 2027	178,105	531,761
31 December 2028	518,240	706,905
31 December 2029	365,096	365,096
31 December 2030 and beyond	2,103,585	2,124,910
	3,189,242	3,754,542

OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules which became effective 1 January 2025, and it applies the HKAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group has performed an assessment of the potential risk of Pillar Two income taxes. The assessment of potential exposure to Pillar Two income tax is based on the most recent financial and tax data available for each of the Group's entities. Based on the assessment, for jurisdictions in which the Pillar Two legislation have been enacted or substantially enacted, the Group does not expect a material exposure to Pillar Two income taxes in these jurisdictions.

32. OTHER ASSETS

	31 December 2025	31 December 2024
Coinsurance receivable	593,299	386,418
Service fee receivable	287,770	152,117
Advanced payment	260,457	319,271
Output tax of premium receivable	258,138	237,747
Deposits	146,983	142,864
Estimate of input tax	141,948	11,003
Receivable from securities clearing	69,032	281,612
Recharge expense receivable	56,354	439,005
Assets recognised from costs to fulfil a contract	3,248	40,534
Others	148,123	147,382
Less: Provision for other assets	(2,803)	(6,789)
	1,962,549	2,151,164

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33. SHARE CAPITAL

	31 December 2025	31 December 2024
Number of shares issued and fully paid at RMB1 yuan each	1,684,813	1,469,813

According to the general mandate of the annual general meeting on 20 June 2025 and the resolution of the board of directors on 25 June 2025, the Company applied for the issuance of 215,000 thousand H shares through placing to overseas investors. As at 4 July 2025, the Company received a total of RMB3,550,681 thousand from the H shareholders, including an increase of RMB215,000 thousand (215,000 thousand shares) in share capital and a capital reserve of RMB 3,335,681 thousand.

34. RESERVES

The amounts of the Group's reserves and the movements therein during the year are presented in the consolidated statement of changes in equity.

(a) Capital reserves

Capital reserves mainly represent share premiums from issuance of shares.

(b) Surplus reserves

Surplus reserves consist of the statutory surplus reserves and the discretionary surplus reserves.

Statutory surplus reserves (the "SSR")

According to the PRC Company Law and the articles of association of the Company, the Company is required to set aside 10% of their net profit (after offsetting the accumulated losses incurred in previous years) determined under the Accounting Standard for Business Enterprises - Basic Standard, the specific accounting standards and other relevant regulations issued by the Ministry of Finance on 15 February 2006 and in subsequent periods ("PRC GAAP"), to the SSR until the balance reaches 50% of the respective registered capital.

Subject to the approval of shareholders, the SSR may be used to offset the accumulated losses, if any, and may also be converted into capital, provided that the balance of the SSR after such capitalisation is not less than 25% of the registered capital of the Company's retained profits.

Discretionary surplus reserves (the "DSR")

After making necessary appropriations to the SSR, the Company may also appropriate a portion of their net profit to the DSR upon the approval of the shareholders in general meetings.

Subject to the approval of the shareholders, the DSR may be used to offset accumulated losses, if any, and may be converted into capital.

34. RESERVES (continued)

(c) General risk reserve

According to the relevant regulations of the PRC, the Company has to set aside 10% of its net profit (after offsetting the accumulated losses incurred in previous years) determined in accordance with PRC GAAP to the general risk reserves for catastrophic losses. General risk reserves cannot be used for dividend distribution or converted into share capital.

(d) Other reserves

Other reserves mainly include other reserves due to share-based payments, investment revaluation reserves and the share of other comprehensive income of associates and joint ventures accounted for using the equity method.

35. SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE

	31 December 2025	31 December 2024
Securities - bonds		
– Inter-bank market	5,397,426	7,479,447
– Stock exchange	377,099	447,772
Add: Interest payables	3,732	4,113
	5,778,257	7,931,332

At 31 December 2025 and 2024, debt investments of approximately RMB6,443,133 thousand and RMB8,220,361 thousand were respectively pledged as 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.

36. INSURANCE AND REINSURANCE CONTRACTS

(a) Analysis by measurement component

	31 December 2025	31 December 2024
Insurance contracts		
Insurance contract assets measured under the PAA	477,038	386,108
Insurance contract liabilities measured under the PAA	(7,253,668)	(4,999,717)
	(6,776,630)	(4,613,609)
Reinsurance contracts		
Reinsurance contract assets measured under the PAA	721,993	323,887
Reinsurance contract liabilities measured under the PAA	(256)	(256)
	721,737	323,631

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36. INSURANCE AND REINSURANCE CONTRACTS (continued)

(b) Movement of insurance contract assets and liabilities of contracts issued measured under the PAA:

	Year ended 31 December 2025				
	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January 2025	608,278	(208,939)	(12,701)	(530)	
Insurance contract liabilities as at 1 January 2025	(347,237)	(696,221)	(3,862,732)	(93,527)	(4,999,717)
Net insurance contract liabilities as at 1 January 2025	261,041	(905,160)	(3,875,433)	(94,057)	(4,613,609)
Insurance revenue	33,484,568	—	—	—	33,484,568
Insurance service expenses					
– Incurred claims and other directly attributable expenses	—	—	(23,728,661)	(82,221)	(23,810,882)
– Insurance acquisition cash flows amortization	(9,287,932)	—	—	—	(9,287,932)
– Losses on onerous contracts and reversals of those losses	—	(194,137)	—	—	(194,137)
– Adjustments to liabilities for incurred claims	—	—	1,065,824	53,533	1,119,357
Insurance service result	24,196,636	(194,137)	(22,662,837)	(28,688)	1,310,974
Finance expenses from insurance contracts issued	6,143	(20,910)	(17,351)	(435)	(32,553)
Total changes recognised in total comprehensive income	24,202,779	(215,047)	(22,680,188)	(29,123)	1,278,421
Premiums received	(34,663,543)	—	—	—	(34,663,543)
Insurance acquisition cash flows	9,873,166	—	—	—	9,873,166
Claims and other directly attributable expenses paid	—	—	21,348,935	—	21,348,935
Total cash flows	(24,790,377)	—	21,348,935	—	(3,441,442)
Net insurance contract liabilities as at 31 December 2025	(326,557)	(1,120,207)	(5,206,686)	(123,180)	(6,776,630)
Insurance contract assets as at 31 December 2025	893,608	(172,005)	(239,331)	(5,234)	477,038
Insurance contract liabilities as at 31 December 2025	(1,220,165)	(948,202)	(4,967,355)	(117,946)	(7,253,668)

36. INSURANCE AND REINSURANCE CONTRACTS (continued)

(b) Movement of insurance contract assets and liabilities of contracts issued measured under the PAA: (continued)

	Year ended 31 December 2024				
	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Insurance contract assets as at 1 January 2024	817,838	(227,113)	(88,728)	(4,883)	
Insurance contract liabilities as at 1 January 2024	456,521	(442,284)	(3,193,971)	(154,908)	(3,334,642)
Net insurance contract liabilities as at 1 January 2024	1,274,359	(669,397)	(3,282,699)	(159,791)	(2,837,528)
Insurance revenue	31,744,343	—	—	—	31,744,343
Insurance service expenses					
– Incurred claims and other directly attributable expenses	—	—	(22,505,019)	(54,727)	(22,559,746)
– Insurance acquisition cash flows amortization	(8,702,344)	—	—	—	(8,702,344)
– Losses on onerous contracts and reversals of those losses	—	(213,188)	—	—	(213,188)
– Adjustments to liabilities for incurred claims	—	—	663,457	121,786	785,243
Insurance service result	23,041,999	(213,188)	(21,841,562)	67,059	1,054,308
Finance expenses from insurance contracts issued	2,987	(22,575)	(31,456)	(1,325)	(52,369)
Total changes recognised in total comprehensive income	23,044,986	(235,763)	(21,873,018)	65,734	1,001,939
Premiums received	(32,724,314)	—	—	—	(32,724,314)
Insurance acquisition cash flows	8,666,010	—	—	—	8,666,010
Claims and other directly attributable expenses paid	—	—	21,280,284	—	21,280,284
Total cash flows	(24,058,304)	—	21,280,284	—	(2,778,020)
Net insurance contract liabilities as at 31 December 2024	261,041	(905,160)	(3,875,433)	(94,057)	(4,613,609)
Insurance contract assets as at 31 December 2024	608,278	(208,939)	(12,701)	(530)	386,108
Insurance contract liabilities as at 31 December 2024	(347,237)	(696,221)	(3,862,732)	(93,527)	(4,999,717)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts expressed in RMB'000 unless otherwise stated)

36. INSURANCE AND REINSURANCE CONTRACTS (continued)

(c) Movement of reinsurance contract assets and liabilities of contracts held measured under the PAA:

	Year ended 31 December 2025				Total
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets as at 1 January 2025	(625,470)	8,129	937,962	3,266	323,887
Reinsurance contract liabilities as at 1 January 2025	(256)	—	—	—	(256)
Net reinsurance contract assets as at 1 January 2025	(625,726)	8,129	937,962	3,266	323,631
Allocation of reinsurance premiums	(710,460)	—	—	—	(710,460)
Amounts recovered from reinsurers					
– Incurred claims recovery and other incurred reinsurance service expenses	—	—	762,991	4,899	767,890
– Recognition and reversal of loss-recovery component	—	20,812	—	—	20,812
– Changes in expected recoveries on past claims	—	—	50,377	(2,095)	48,282
– Effect of changes in the risk of reinsurers' non-performance	—	—	(13)	—	(13)
– Others	357	—	—	—	357
Net expenses from reinsurance contracts held	(710,103)	20,812	813,355	2,804	126,868
Finance income from reinsurance contracts held	4,653	875	715	18	6,261
Total changes recognised in total comprehensive income	(705,450)	21,687	814,070	2,822	133,129
Investment components	(340,020)	—	340,020	—	—
Premiums ceded net of ceding commissions and other directly attributable expenses paid	843,228	—	—	—	843,228
Recoveries from reinsurers	—	—	(577,722)	—	(577,722)
Other cash flows	(529)	—	—	—	(529)
Total cash flows	842,699	—	(577,722)	—	264,977
Net reinsurance contract assets as at 31 December 2025	(828,497)	29,816	1,514,330	6,088	721,737
Reinsurance contract assets as at 31 December 2025	(828,241)	29,816	1,514,330	6,088	721,993
Reinsurance contract liabilities as at 31 December 2025	(256)	—	—	—	(256)

36. INSURANCE AND REINSURANCE CONTRACTS (continued)

(c) Movement of reinsurance contract assets and liabilities of contracts held measured under the PAA: (continued)

	Year ended 31 December 2024				Total
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Reinsurance contract assets as at 1 January 2024	(307,686)	8,023	559,784	4,309	264,430
Reinsurance contract liabilities as at 1 January 2024	(256)	—	—	—	(256)
Net reinsurance contract assets as at 1 January 2024	(307,942)	8,023	559,784	4,309	264,174
Allocation of reinsurance premiums	(355,883)	—	—	—	(355,883)
Amounts recovered from reinsurers					
– Incurred claims recovery and other incurred reinsurance service expenses	—	—	303,798	2,496	306,294
– Recognition and reversal of loss-recovery component	—	(369)	—	—	(369)
– Changes in expected recoveries on past claims	—	—	39,407	(3,577)	35,830
– Effect of changes in the risk of reinsurers' non-performance	—	—	(75)	—	(75)
– Others	108	—	—	—	108
Net expenses from reinsurance contracts held	(355,775)	(369)	343,130	(1,081)	(14,095)
Finance income from reinsurance contracts held	988	475	912	38	2,413
Total changes recognised in total comprehensive income	(354,787)	106	344,042	(1,043)	(11,682)
Investment components	(191,910)	—	191,910	—	—
Premiums ceded net of ceding commissions and other directly attributable expenses paid	229,052	—	—	—	229,052
Recoveries from reinsurers	—	—	(157,774)	—	(157,774)
Other cash flows	(139)	—	—	—	(139)
Total cash flows	228,913	—	(157,774)	—	71,139
Net reinsurance contract assets as at 31 December 2024	(625,726)	8,129	937,962	3,266	323,631
Reinsurance contract assets as at 31 December 2024	(625,470)	8,129	937,962	3,266	323,887
Reinsurance contract liabilities as at 31 December 2024	(256)	—	—	—	(256)

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(All amounts expressed in RMB'000 unless otherwise stated)

36. INSURANCE AND REINSURANCE CONTRACTS (continued)

(d) Insurance acquisition cash flows asset

	31 December 2025	31 December 2024
Opening asset	455,619	342,323
Cash flows recognised as an asset during the year	185,347	455,619
Amounts derecognised on initial recognition of groups of insurance contracts	(455,619)	(342,323)
Closing asset	185,347	455,619
Number of years until expected derecognition	1 year	1 year

At 31 December 2025 and 2024, the cumulative impairment, net of reversals, recognised for insurance acquisition cash flows assets is nil.

37. BONDS PAYABLE

1 January 2025	Premium amortization	Redemption	Net changes in interest payable	Foreign exchange translation adjustment	31 December 2025
6,912,317	4,610	(4,277,659)	(61,232)	(18,155)	2,559,881

On 16 July 2020, the Company issued 5-year notes in the aggregate principal amount of USD600,000 thousand at the rate of 3.125 per cent on the Hong Kong Stock Exchange.

On 8 September 2020, the Company issued 5.5 years notes in the aggregate principal amount of USD300,000 thousand at the rate of 3.50 per cent on the Hong Kong Stock Exchange.

On 12 October 2020, the Company issued an additional notes in the aggregate principal amount of USD100,000 thousand at the rate of 3.50 per cent on the Hong Kong Stock Exchange, which was consolidated and formed a single series with the USD300,000 thousand notes issued on 8 September 2020.

As of 31 December 2025 and 2024, the Company had repurchased notes in the aggregate principal amount of USD49,900 thousand on the Hong Kong Stock Exchange.

In 2025, the Company had redeemed notes in the aggregate principal amount of USD590,000 thousand on the Hong Kong Stock Exchange. As of 31 December 2025, the notes at the rate of 3.50 per cent that remain outstanding amount to USD360,100 thousand.

38. OTHER LIABILITIES

	31 December 2025	31 December 2024
Payables to service suppliers	1,971,062	1,764,829
Commission and brokerage payable	1,146,164	882,845
Deposit payable	430,852	258,467
Salary and staff welfare payable	359,166	309,964
Tax payable other than income tax	174,575	139,520
Estimated liabilities	165,999	82,597
Insurance guarantee fund	70,419	63,378
Coinsurance payable	31,722	25,457
Payables for asset management fee	16,790	20,424
Others	423,314	422,616
	4,790,063	3,970,097

39. NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation from profit before income tax to cash generated from operating activities:

	Year ended 31 December 2025	Year ended 31 December 2024
Profit before income tax	1,506,239	854,207
Provision for impairment losses	771,706	8,175
Net impairment losses on financial assets	13,879	24,826
Net investment income	(1,851,607)	(461,488)
Net fair value changes through profit or loss	(315,510)	(1,023,690)
Depreciation of property and equipment	55,816	43,609
Amortization of intangible assets	131,824	132,205
Depreciation of right-of-use assets	123,193	153,058
Gains on disposal of property and equipment, intangible assets and other long-term assets	(657)	(2,454)
Foreign exchange (gains)/losses	(37,017)	98,971
Other finance costs	309,817	446,681
Increase in net reinsurance contract assets	(398,106)	(59,457)
Increase in net insurance contract liabilities	2,163,021	1,776,081
Amortization of deferred income	(800)	(4,661)
Share of net loss of associates and joint ventures	67,785	129,990
Decrease/(Increase) in other operating assets	490,407	(275,043)
Increase in other operating liabilities	505,842	138,422
Cash generated from operating activities	3,535,832	1,979,432

Notes to the Consolidated Financial Statements

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(All amounts expressed in RMB'000 unless otherwise stated)

39. NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Cash and cash equivalents

	31 December 2025	31 December 2024
Deposits with original maturity of no more than three months	1,892,900	760,365
Securities purchased under agreements to resell	432,884	540,832
Other monetary assets	1,142,374	706,337
	3,468,158	2,007,534

40. RELATED PARTY TRANSACTIONS

The Company's directors were of the view that Ant Group Co. Ltd. ("Ant Group"), Ping An Insurance (Group) Co. of China Ltd. ("Ping An Insurance"), Tencent Holdings Limited ("Tencent"), Shanghai Ju'A, Z Fin Limited (Formerly known as Sinolink Worldwide Holdings Limited, "Z Fin"), ZhongAn International, Nova Insight, Yiyuan, ZhongAn Xinke and their subsidiaries were considered as related parties of the Group. Key management personnel and the entity controlled or jointly controlled by a person was identified as key management personnel ("key management personnel") are considered as related parties of the Group as well. The Group's transactions with related parties were conducted under the ordinary course of business.

The Group had the following major transactions with related parties:

(a) Sale of insurance contracts

	Year ended 31 December 2025	Year ended 31 December 2024
Ant Group and its subsidiaries	73,566	54,804
Tencent and its subsidiaries	10,424	55,892
Z Fin and its subsidiaries	6,323	—
ZhongAn International and its subsidiaries	3,858	1,757
Nova Insight and its subsidiaries	1,515	13,102
	95,686	125,555

(b) Sale of technology service

	Year ended 31 December 2025	Year ended 31 December 2024
ZhongAn Xinke and its subsidiaries	49,886	39,972
Nova Insight and its subsidiaries	1,435	43,313
	51,321	83,285

40. RELATED PARTY TRANSACTIONS (continued)

(c) Sale of brokerage service

	Year ended 31 December 2025	Year ended 31 December 2024
Ping An Insurance and its subsidiaries	3,434	7,470

(d) Claim from insurance contracts

	Year ended 31 December 2025	Year ended 31 December 2024
Ant Group and its subsidiaries	54,983	49,072
Tencent and its subsidiaries	12,644	58,077
ZhongAn International and its subsidiaries	3,158	857
Nova Insight and its subsidiaries	2,595	9,827
	73,380	117,833

(e) Premiums ceded to reinsurer

	Year ended 31 December 2025	Year ended 31 December 2024
Tencent and its subsidiaries	516,668	546,294

(f) Reinsurance commission income

	Year ended 31 December 2025	Year ended 31 December 2024
Tencent and its subsidiaries	286,629	253,224

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(All amounts expressed in RMB'000 unless otherwise stated)

40. RELATED PARTY TRANSACTIONS (continued)

(g) Claims recovery from reinsurers

	Year ended 31 December 2025	Year ended 31 December 2024
Tencent and its subsidiaries	229,001	215,879

(h) Handling charges and commissions

	Year ended 31 December 2025	Year ended 31 December 2024
Ant Group and its subsidiaries	1,733,159	1,810,437
Tencent and its subsidiaries	144,746	123,677
Nova Insight and its subsidiaries	47,296	51,894
	1,925,201	1,986,008

(i) Asset management fees

	Year ended 31 December 2025	Year ended 31 December 2024
Ping An Insurance and its subsidiaries	8,335	8,002

(j) Fees for purchasing goods and other services

	Year ended 31 December 2025	Year ended 31 December 2024
Ant Group and its subsidiaries	1,419,187	988,901
Nova Insight and its subsidiaries	373,782	364,937
ZhongAn Xinke and its subsidiaries	248,580	193,973
Yiyuan and its subsidiaries	114,042	110,460
Tencent and its subsidiaries	74,021	31,251
Ping An Insurance and its subsidiaries	46,349	26,072
Z Fin and its subsidiaries	19,324	—
Shanghai Ju'A and its subsidiaries	1,556	2,324
	2,296,841	1,717,918

Fees for purchasing goods and other services mainly include advertising fees, technical fees and other IT service fees.

40. RELATED PARTY TRANSACTIONS (continued)

(k) Payment of lease liabilities

	31 December 2025	31 December 2024
Z Fin and its subsidiaries	117,271	—

(l) Payment of acquired properties

	31 December 2025	31 December 2024
Z Fin and its subsidiaries	804,937	—

(m) Deposits and other monetary assets deposited in related parties

	31 December 2025	31 December 2024
Ant Group and its subsidiaries	247,259	422,803
Ping An Insurance and its subsidiaries	103,376	85,653
Tencent and its subsidiaries	22,883	14,381
	373,518	522,837

(n) Receivables from related parties

	31 December 2025	31 December 2024
Ping An Insurance and its subsidiaries (i)	562,702	358,197
Tencent and its subsidiaries	436,950	476,452
ZhongAn International and its subsidiaries	57,641	421,111
Z Fin and its subsidiaries	55,776	-
Ant Group and its subsidiaries	35,809	49,743
ZhongAn Xinke and its subsidiaries	29,629	43,692
Yiyuan and its subsidiaries	7,678	-
Nova Insight and its subsidiaries	1,666	2,569
	1,187,851	1,351,764

(i) Due to the motor co-insurance business with Ping An Property and Casualty Insurance Company of China Ltd.

Notes to the Consolidated Financial Statements

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(All amounts expressed in RMB'000 unless otherwise stated)

40. RELATED PARTY TRANSACTIONS (continued)

(o) Prepayments to related parties

	31 December 2025	31 December 2024
Ant Group and its subsidiaries	135,982	164,122
Z Fin and its subsidiaries	11,788	—
Yiyuan and its subsidiaries	9,299	15,177
	157,069	179,299

(p) Payables to related parties

	31 December 2025	31 December 2024
Tencent and its subsidiaries	559,781	599,783
Ant Group and its subsidiaries	438,078	377,155
Nova Insight and its subsidiaries	207,303	93,405
ZhongAn Xinke and its subsidiaries	123,888	140,651
Ping An Insurance and its subsidiaries	4,937	2,644
	1,333,987	1,213,638

(q) Lease liabilities

	31 December 2025	31 December 2024
Z Fin and its subsidiaries	106,807	—

(r) Compensations of Key Management Personnel

The compensations paid or payable to key management personnel are shown below:

	Year ended 31 December 2025	Year ended 31 December 2024
Wages, salaries and bonuses	35,640	33,861
Pension costs – defined contribution plans	879	869
Other social security costs, housing benefits and other employee benefits	1,079	884
	37,598	35,614

41. CONTINGENT LIABILITIES

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

In addition to the above contingencies and legal proceedings relating to the claims on the Group's insurance contract, at 31 December 2025 and 2024, the Group has no major pending litigation that may have a material adverse effect on the financial position or operating results of the Group.

42. BALANCE SHEET AND STATEMENT OF CHANGES IN EQUITY OF THE COMPANY

	31 December 2025	31 December 2024
ASSETS		
Cash and cash equivalents	2,628,075	1,006,247
Securities purchased under agreements to resell	392,665	176,713
Financial assets at fair value through profit or loss	12,817,855	11,609,927
Financial assets at amortized cost	91,361	526,995
Debt financial assets at fair value through other comprehensive income	7,666,439	8,721,039
Equity financial assets at fair value through other comprehensive income	1,004,570	789,783
Insurance contract assets	477,038	386,108
Reinsurance contract assets	721,993	323,887
Investments in subsidiaries	10,964,162	12,088,437
Restricted statutory deposits	347,287	301,313
Property and equipment	1,434,267	650,628
Right-of-use assets	55,388	93,926
Intangible assets	613,686	613,636
Deferred income tax assets	367,179	383,934
Other assets	2,171,073	1,824,528
Total assets	41,753,038	39,497,101
EQUITY AND LIABILITIES		
Equity		
Share capital	1,684,813	1,469,813
Reserves	20,335,487	16,776,762
Retained earnings/(Accumulated losses)	1,303,256	(147,883)
Total equity	23,323,556	18,098,692
Liabilities		
Securities sold under agreements to repurchase	3,950,901	5,812,631
Income tax payable	367,704	—
Insurance contract liabilities	7,151,266	4,906,517
Reinsurance contract liabilities	256	256
Bonds payables	2,559,881	6,912,317
Lease liabilities	48,269	80,242
Deferred income tax liabilities	—	—
Other liabilities	4,351,205	3,686,446
Total liabilities	18,429,482	21,398,409
Total equity and liabilities	41,753,038	39,497,101

Notes to the Consolidated Financial Statements

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(All amounts expressed in RMB'000 unless otherwise stated)

42. BALANCE SHEET AND STATEMENT OF CHANGES IN EQUITY OF THE COMPANY (continued)

The movements in reserves and accumulated losses of the Company are set out below:

	Reserves						Financial assets at fair value through other comprehensive income revaluation reserves	(Accumulated losses)/ retained earnings	Total equity
	Share capital	Capital reserves	Surplus reserves	General risk reserves	Other reserves due to share-based payments				
1 January 2024	1,469,813	16,585,468	—	—	38,400	16,808	(341,601)	17,768,888	
Total comprehensive income	—	—	—	—	—	121,875	207,929	329,804	
Transfer of loss on disposal of equity investments at fair value through other comprehensive income to accumulated losses	—	—	—	—	—	14,211	(14,211)	—	
31 December 2024	1,469,813	16,585,468	—	—	38,400	152,894	(147,883)	18,098,692	
Total comprehensive income	—	—	—	—	—	(77,369)	1,751,552	1,674,183	
Capital Injection	215,000	3,335,681	—	—	—	—	—	3,550,681	
Appropriations to surplus reserves and general risk reserves	—	—	162,907	162,907	—	—	(325,814)	—	
Transfer of gains on disposal of equity investments at fair value through other comprehensive income to retained earnings	—	—	—	—	—	(25,401)	25,401	—	
31 December 2025	1,684,813	19,921,149	162,907	162,907	38,400	50,124	1,303,256	23,323,556	

43. SUBSEQUENT EVENTS

On 13 January 2026, the Company had redeemed notes at a total aggregate principal amount of USD360,100 thousand on the Hong Kong Stock Exchange. Upon redemption and cancellation of the outstanding amount of the notes on the date of redemption, there are no notes in issue.

44. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been approved and authorized for issue by the Company's board of the directors on 19 March 2026.

Definitions

“Ant Group”	Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), a limited liability company incorporated in the PRC (established on October 19, 2000, its former name being Zhejiang Alibaba E-Commerce Co., Ltd. (浙江阿里巴巴電子商務有限公司))
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of our Company
“CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“chief executive(s)”	has the meaning ascribed to it under the Listing Rules
“Company”, “Our Company”, “ZhongAn” or “ZhongAn Insurance”	ZhongAn Online P & C Insurance Co., Ltd. (眾安在綫財產保險股份有限公司), a joint stock limited company with limited liability incorporated in the PRC on October 9, 2013
“Director(s)”	the director(s) of our Company
“Domestic Shares”	ordinary shares issued by the Company, with a nominal value of RMB1, which are subscribed for or credited as paid in RMB
“Global Offering”	has the meaning ascribed to it in the Prospectus
“Group”, “we”, “our” or “us”	the Company and its subsidiaries, or where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, such subsidiaries could be viewed as if they were the subsidiaries of the Company at the time
“H Shares”	the ordinary shares in the ordinary share capital of the Company, with a nominal value of RMB1 each, which are subscribed for and traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange, and a “H Share” means any of them
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong dollars”, “HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	March 19, 2026, being the latest practicable date for ascertaining certain information in this annual report before its publication
“Listing”	the listing of the H shares on the Main Board of the Hong Kong Stock Exchange
“Listing Date”	September 28, 2017, the date on which the H Shares are listed and from which dealings in the H Shares take place on the Main Board of the Hong Kong Stock Exchange
“Listing Rules”	the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended or supplemented from time to time)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“NFRA”	the National Financial Regulatory Administration (國家金融監督管理總局) (formerly known as China Banking and Insurance Regulatory Commission (“CBIRC”) (中國銀行保險監督管理委員會))

Definitions

“Peak3”	Peak3 (Hong Kong) Limited, formerly known as ZA Tech Global Limited, a non-wholly owned subsidiary of ZhongAn International and a company incorporated in Hong Kong with limited liability
“Ping An Asset Management”	Ping An Asset Management Co., Ltd. (平安資產管理有限責任公司), a company established in May 2005 in the PRC with a registered capital of RMB1,500 million and a subsidiary of Ping An Insurance
“Ping An Bank”	Ping An Bank Co., Ltd. (平安銀行股份有限公司), a joint stock limited company incorporated in the PRC listed on the Shenzhen Stock Exchange (stock code: 000001)
“Ping An Group”	Ping An Insurance and its subsidiaries
“Ping An Insurance”	Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司), a joint stock limited company incorporated in the PRC on March 21, 1988 listed on the Main Board of the Hong Kong Stock Exchange (stock code: 02318) and the Shanghai Stock Exchange (SSE: 601318)
“Ping An P&C”	Ping An Property and Casualty Insurance Company of China, Ltd. (中國平安財產保險股份有限公司), a subsidiary of Ping An Insurance
“PRC” or “China”	the People’s Republic of China, but for the purposes of this annual report only, except where the context requires, references in this annual report to the PRC or China exclude Hong Kong, Macau and Taiwan
“Prospectus”	the prospectus of the Company dated September 18, 2017
“RMB” or “Renminbi”	the lawful currency of PRC
“Reporting Period”	the year ended December 31, 2025
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	the shares in the share capital of our Company with a nominal value of RMB1 each
“Shareholder(s)”	the holders of the Shares
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	member(s) of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company established pursuant to the Company Law of the PRC (中華人民共和國公司法)
“U.S.”	United States of America
“USD” or “US\$”	United State dollars, the lawful currency of the U.S.
“Z Fin”	Z Fin Limited, formerly known as Sinolink Worldwide Holdings Limited (百仕達控股有限公司), a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1168), and our connected person

“ZA Bank”	ZA Bank Limited (眾安銀行有限公司), a subsidiary of ZhongAn International, a joint venture of the Group, incorporated in Hong Kong on August 8, 2018
“ZA Insure” or “ZA Life”	ZA Life Limited (眾安人壽有限公司), a subsidiary of ZhongAn International, a joint venture of the Group, incorporated in Hong Kong on February 27, 2019
“ZhongAn Information Technology”	ZhongAn Information Technology (Shenzhen) Co., Ltd. (眾安信科(深圳)股份有限公司), an associate of the Group incorporated in the PRC
“ZA Global” or “ZhongAn International”	ZhongAn Technologies International Group Limited (眾安科技(國際)集團有限公司), a company incorporated in Hong Kong with limited liability and a joint venture of our Company whose results are not consolidated into those of the Group
“ZhongAn Technology”	ZhongAn Information and Technology Services Co., Ltd. (眾安信息技術服務有限公司), a wholly-owned subsidiary of our Company, incorporated in the PRC on July 7, 2016
“%”	per cent

Glossary

“AI”	artificial intelligence
“big data analytics”	the use of advanced analytic techniques against very large, diverse data sets to uncover hidden patterns, unknown correlations, market trends, customer preferences and other useful information that can help organizations make more-informed business decisions
“cede”	the transfer of all or part of a risk written by an insurer to a reinsurer
“claim”	an occurrence that is the basis for submission and/or payment of a benefit under an insurance policy. Depending on the terms of the insurance policy, a claim may be covered, limited or excluded from coverage
“commission”	a fee paid to an agent or broker by an insurance company for services rendered in connection with the sale or maintenance of an insurance product
“customer”	unless otherwise indicated, the insured under our insurance policies. The number of our customers was calculated based on unique identifiers and contact information available to us
“gross written premiums” or “GWP”	total premiums (whether or not earned) for insurance contracts written or assumed during a specific period, without deduction for premiums ceded
“handling charges and commissions”	fees paid to insurance agents for the distribution of our products
“insured”	the insured person as specified in the insurance product
“InsurTech”	use of technology innovations designed to achieve savings and efficiency from the traditional insurance industry model
“net investment income”	the sum of interest income, dividend income and realized gains or losses on securities through profit or loss and available-for-sale securities
“premium(s)”	payment and consideration received on insurance policies issued or reissued by an insurance company
“reinsurance”	the practice whereby a reinsurer, in consideration of a premiums paid to it, agrees to indemnify another party for part or all of the liabilities assumed by the reinsured party under an insurance contract, which the reinsured party has issued
“reserves”	liability established to provide for future payments of claims and benefits to policyholders net of liability ceded to reinsurance companies
“SaaS”	software as a service

Corporate Information

Board of Directors

Executive Directors

Xing Jiang (*General Manager and Chief Executive Officer*)
Gaofeng Li

Non-executive Directors

Hai Yin (*Chairman*)
Yaping Ou
Liangxun Shi
Shuang Zhang
Hugo Jin Yi Ou

Independent Non-executive Directors

Vena Wei Yan Cheng
Gigi Wing Chee Chan
Stanley Chiu Fai Choi
Wei Ou

Supervisors

Yuping Wen
Yao Wang
Limin Guo

Audit and Consumer Rights Protection Committee

Gigi Wing Chee Chan (*Chairperson*)
Vena Wei Yan Cheng
Stanley Chiu Fai Choi

Nomination and Remuneration Management Committee

Vena Wei Yan Cheng (*Chairperson*)
Wei Ou
Hugo Jin Yi Ou

Strategy and Investment Decision Committee

Hai Yin (*Chairperson*)
Xing Jiang
Gaofeng Li
Yaping Ou
Liangxun Shi
Shuang Zhang

Risk Management and Related Transaction Control Committee

Wei Ou (*Chairperson*)
Stanley Chiu Fai Choi
Gigi Wing Chee Chan

Headquarters and Principal Place of Business in the PRC

219 Yuanmingyuan Road
Shanghai
PRC

MFB1, MF102, MF201-1401
108 Beijing East Road
Huangpu District
Shanghai
PRC

Registered Office

4-5/F, Associate Mission Building
169 Yuanmingyuan Road
Shanghai
PRC

Corporate Information

Principal Place of Business in Hong Kong

Room 1910, 19/F
Lee Garden One, 33 Hysan Avenue
Causeway Bay, Hong Kong

H Share Registrar

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Company Secretary

Yongbo Zhang

Authorized Representatives

Hugo Jin Yi Ou
Yongbo Zhang

Legal Advisors

As to Hong Kong and U.S. laws:
Baker & McKenzie

As to PRC law:
CM Law Firm

Auditors

PricewaterhouseCoopers
Certified Public Accountants and Registered PIE Auditor

Principal Banks

ICBC Shanghai Branch Sales Department
China Merchants Bank Shanghai Branch,
Nanjingxilu Sub-branch

Stock Code

6060

Company Website

www.zhongan.com

