

PING AN

Expertise Creates Value

Expertise Makes Life Easier



2025 Annual Report

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Cautionary Statements Regarding Forward-Looking Statements

To the extent any statements made in this Report contain information that is not historical, these statements are essentially forward-looking. These forward-looking statements include but are not limited to projections, targets, estimates and business plans that the Company expects or anticipates may or may not occur in the future. Words such as "potential", "estimates", "expects", "anticipates", "objective", "intends", "plans", "believes", "will", "may", "should", variations of these words and similar expressions are intended to identify forward-looking statements.

These forward-looking statements are subject to known and unknown risks and uncertainties that may be general or specific. Readers should be cautioned that a variety of factors, many of which are beyond the Company's control, affect the performance, operations and results of the Company, and could cause actual results to differ materially from the expectations expressed in any of the Company's forward-looking statements. These factors include, but are not limited to, exchange rate fluctuations, market shares, competition, environmental risks, changes in legal, financial and regulatory frameworks, international economic and financial market conditions and other risks and factors beyond our control. The forward-looking statements herein do not constitute a material commitment by the Company to investors, and investors and related persons should maintain an adequate understanding of the risks and should understand the differences between commitments and forward-looking statements such as plans and forecasts. These and other factors should be considered carefully; readers should not place undue reliance on the Company's forward-looking statements, and should pay attention to investment risks. In addition, the Company undertakes no obligation to publicly update or revise any forward-looking statement that is contained in this Report as a result of new information, future events or otherwise. Neither the Company nor any of its employees or affiliates is responsible for, or is making, any representations concerning the future performance of the Company.



Professional, Ping An in Your Heart

Each gentle tap our AI reads
We immediately know your needs
From instant claim settlement
And medical accompaniment
To in-home one-click rescue
Professional services for you
At the touch of a small screen

At your fingertips Ping An is seen

When you travel far from home
When you miss parents living alone
When you are having a tough day
Anything, anytime, and anyplace
Across time zones, seas and sky
Our rescue force is on standby
To protect your peace and safety

At every moment Ping An is ready

From planning ahead in your prime
To enjoying peaceful silver-hair time
And maintaining dignity in later life
Health and senior care we provide
Online, in-hospital, in-home, in-company
Our promise along your life journey
Your lifelong partner, we serve as

Your lifelong trust, Ping An deserves

Pursuing our original aspiration with expertise
Creating value through heartwarming services
Toward our destination, we are heading fast
Reliable and professional, Ping An in your heart

Five-Year Summary

(in RMB million)	2025/ December 31, 2025	2024/ December 31, 2024	2023/ December 31, 2023	2022/ December 31, 2022	2021/ December 31, 2021
INTEGRATED FINANCE					
Number of retail customers (in million)	250.97	242.47	231.57	226.64	221.91
Number of contracts per customer (contract)	2.94	2.92	2.95	2.97	2.91
THE GROUP					
Operating profit after tax attributable to shareholders of the parent company	134,415	121,862	111,728	146,895	147,961
Net profit attributable to shareholders of the parent company	134,778	126,607	85,665	111,008	101,618
Total assets	13,898,471	12,957,827	11,583,417	11,009,940	10,142,026
Total liabilities	12,482,483	11,653,115	10,354,453	9,823,944	9,064,303
Equity attributable to shareholders of the parent company	1,000,419	928,600	899,011	869,191	812,405
Group comprehensive solvency margin ratio (%)	193.3	204.1	208.0	217.6	233.5
Operating ROE (%)	12.7	12.7	12.5	17.9	18.9
Dividend per share (in RMB)	2.70	2.55	2.43	2.42	2.38
Basic operating earnings per share (in RMB)	7.66	6.89	6.31	8.42	8.40
LIFE AND HEALTH INSURANCE BUSINESS					
Operating ROE (%)	21.3	25.7	30.2	37.3	32.3
Operating profit	103,265	96,022	99,775	109,810	97,075
New business value ("NBV")	36,897	28,534	31,080	28,820	37,898
Contractual service margin ("CSM")	725,119	731,312	768,440	818,683	N/A
Comprehensive solvency margin ratio of Ping An Life (%)	175.7	189.2	194.7	219.7	230.4
PROPERTY AND CASUALTY INSURANCE BUSINESS					
Net profit	14,597	15,021	8,958	10,112	16,192
Combined ratio ("COR") (%)	96.8	98.3	100.7	99.6	98.0
Auto insurance COR (%)	95.8	98.1	97.7	96.6	98.9
Comprehensive solvency margin ratio (%)	217.1	205.3	207.8	220.0	278.4
BANKING BUSINESS					
Net profit	42,633	44,508	46,455	45,516	36,336
Net interest margin (%)	1.78	1.87	2.38	2.75	2.79
Cost-to-income ratio (%)	29.06	27.66	27.90	27.45	28.30
Non-performing loan ratio (%)	1.05	1.06	1.06	1.05	1.02
Provision coverage ratio (%)	220.88	250.71	277.63	290.28	288.42
Core tier 1 capital adequacy ratio ("CAR") (%)	9.36	9.12	9.22	8.64	8.60
ASSET MANAGEMENT BUSINESS					
Net profit	(3,000)	(11,114)	(19,522)	3,803	13,952
FINANCE ENABLEMENT BUSINESS					
Operating profit	132	349	2,980	6,697	9,448

WHO WE ARE

A world-leading “integrated finance + health and senior care” services group

As a **world-leading “integrated finance + health and senior care” services group**, Ping An has provided professional financial, health and senior care, and health management services to **251 million** retail customers in the past nearly 40 years. We are dually listed on the main board of the Stock Exchange of Hong Kong (2318.HK) and the Shanghai Stock Exchange (601318.SH).

2318.HK

The Stock Exchange of Hong Kong

601318.SH

Shanghai Stock Exchange

Corporate Mission

WHY WE HERE

We are committed to becoming a world-leading integrated finance, health and senior care services group, creating value for customers, employees, shareholders and society.

Over the years, we have provided “worry-free, time-saving, and money-saving” one-stop services via professional financial advisers, health advisers, and senior care concierges under the service philosophy and business purpose of “Expertise makes life easier.”

Professional Financial Advisers

Leveraging Ping An's leading service capabilities, comprehensive product portfolio, professional risk management and significant technological strength, we provide “worry-free, time-saving, and money-saving” one-stop professional services covering auto, home and insurance purchases, investments, savings, and credit cards.

Professional Health Advisers

Leveraging Ping An's professional health care system and global service network underpinned by “PKU Healthcare Group and Ping An Health,” together with Ping An's five medical centers, we provide “online, in-hospital, in-home and in-company” health care services for corporate and retail customers.

Professional Senior Care Concierges

With nearly four decades of experience in insurance, health management, and health and senior care industries, we integrate and offer exclusive “3-in-1” concierge, doctor, and nursing services under a “people-centered and service-oriented” philosophy. We strive to provide professional, heartwarming, comfortable, high-quality health and senior care services with commitment, diligence, and perseverance.



Opportunities of Our Times

WHY WE HERE

With the successful conclusion of the 14th Five-Year Plan, China's economy is gradually entering a stage of medium-to-high-speed development. During the 15th Five-Year Plan period, the development potential of many industries will be further unleashed, providing new room for growth. A diversified financial services system and high-quality health and senior care services will be crucial to breakthroughs in the financial industry.

China's life insurance sector will be a key driver of high-quality economic development because it is uniquely positioned to serve national strategies and support people's livelihoods. Now in its golden age, the life insurance sector is expected to be a "new bellwether" of the global insurance industry.

● The rise of the middle class and the diversification of their assets are fueling strong demand for integrated financial services

China's increasingly expanding middle class is expected to account for one-third of the world's middle class by 2030. This group has not only relatively high incomes, but also diversified assets including multiple accounts, insurance policies, bank cards, and vehicles. Wealth accumulation drives middle-class families' growing demand for professional, personalized and integrated financial services. Therefore, the integrated financial service model is embracing broader market opportunities.



● Growing health care demand and uneven resource distribution are driving the urgent need for efficient health care services

China's per capita health expenditure is expected to grow consistently as it is far lower than developed countries'. The size of China's health care industry will reach RMB16 trillion by 2030. The Chinese government has adopted multiple policies to promote high-quality development of the health care industry. However, "the difficulty in seeing a doctor and the high cost of getting a treatment" remain prominent, reflecting uneven resource distribution and low efficiency of the industry. Residents' demand for comprehensive, professional and efficient one-stop health care services is increasingly urgent.



● Accelerating population aging and the evolving senior care pattern are driving long-term demand for high-quality senior care services

As China enters a "longevity era," the demand for high-quality health and senior care grows consistently. China's silver economy is expected to reach RMB30 trillion by 2035. The senior care industry faces supply shortages of high-quality one-stop health and senior care services under China's "9073" senior care pattern (90% of the elderly are cared for at home, 7% depend on community care, and 3% reside in institutions). Under a national strategy of actively responding to population aging, it is urgent to further reform and develop senior care services.



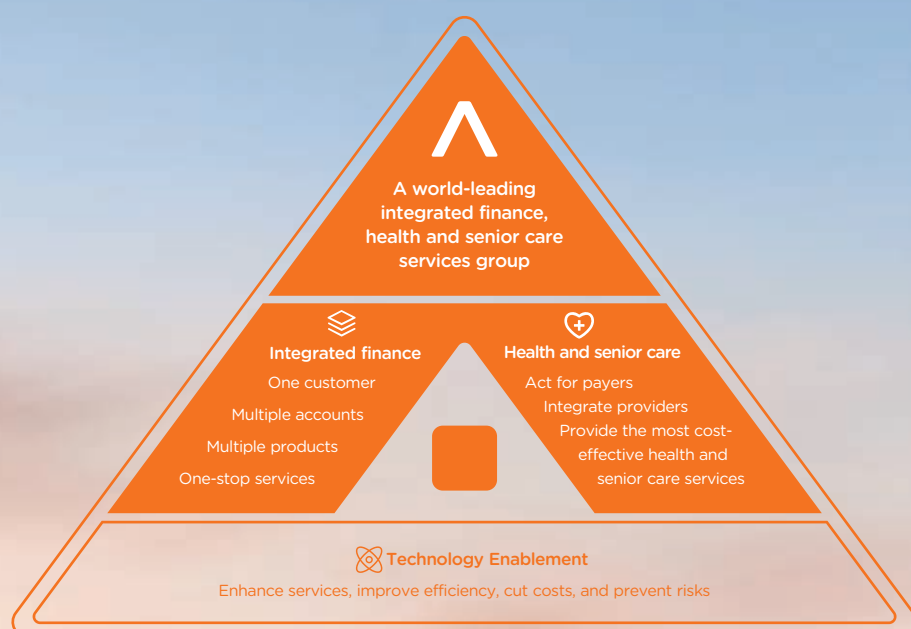
Notes: (1) The expected proportion of China's middle class by 2030 is from Credit Suisse Research Institute.
(2) The expected size of China's health care industry by 2030 is from the *Outline of the Healthy China 2030 Plan*.
(3) The expected size of China's silver economy by 2035 is from the *Blue Book of Silver Economy: Annual Report on the Development of Silver Economy in China (2024)*.

Corporate Strategy

WHAT WE DO

The financial industry is profoundly transitioning from “pure financial service” to “finance + service” driven by increasingly fierce competition and evolving customer needs. As an important part of the financial industry, the insurance sector has taken the lead in the transition, and upgraded mainstream products from traditional “financial protection” into integrated solutions of “insurance and financial protection + health and senior care services.”

Against this backdrop, we consistently advance our “integrated finance + health and senior care” strategy and sharpen our core competitive edge via “service differentiation,” providing customers with all-around professional financial advisory, health advisory and senior care concierge services.



Corporate Honors

In 2025, Ping An maintained its leading brand value, received wide recognition and praise, and won various honors and awards from domestic and foreign rating agencies and media in respect of comprehensive strength, corporate governance, corporate social responsibility, and so on.

**FORTUNE
500**

Fortune

No. 47 on the *Fortune* Global 500 list
No. 9 among financial companies worldwide

SCI

MSCI ESG Rating

MSCI ESG Rating rose to AAA
No. 1 in the multi-line insurance and brokerage industry in Asia-Pacific for 4 consecutive years

Forbes

Forbes

No. 27 on the *Forbes* Global 2000 list

CMG
中央广播电视总台

Top 100 Pioneers among China's ESG Listed Companies list

On China Central Television's 2025 Top 100 Pioneers among China's ESG Listed Companies list for 3 consecutive years



China Association for Public Companies

2025 Best Practice of the Board of Directors of Listed Companies
Best Practice of the 2024 Earnings Conference Call of Listed Companies

恒生指数
HANG SENG INDEXES

Hang Seng Indexes Rating

2025 Hang Seng Indexes Company ESG Rating: A

KANTAR BRANDZ

Kantar BrandZ

No. 9 on the BrandZ Top 100 Most Valuable Chinese Brands list
No. 1 among Chinese insurance brands for 11 consecutive years

Wind ESG

Wind ESG Rating

AAA (the highest) as the only company among A-share and Hong Kong-listed peers

Brand Finance

Brand Finance

No. 32 on the Brand Finance Global 500 2026 list
No. 1 among Chinese insurance brands for 10 consecutive years

Business Highlights

RMB**134,415** mn 

OPAT attributable to shareholders of the parent company

1. High-value overall business growth

Operating profit after tax (“OPAT”) attributable to shareholders of the parent company was RMB**134,415** million, up **10.3%** YoY.

Net profit attributable to shareholders of the parent company excl. non-recurring gains and losses was RMB**143,773** million, up **22.5%** YoY.

Revenue amounted to RMB**1,140,324** million, basically stable.

Equity attributable to shareholders of the parent company rose above RMB1 trillion for the first time to RMB**1,000,419** million, up **7.7%** YTD.

Note: Revenue grew 2.1% YoY to RMB1,050,506 million in 2025 under the *Accounting Standards for Business Enterprises* and other applicable regulations issued by the Ministry of Finance.

5.9%



YoY full-year DPS growth

2. Rising cash dividends for 14 consecutive years

Proposed final dividend for 2025 is RMB**1.75** per share in cash.

Full-year cash dividend will be RMB**2.70** per share, up **5.9%** YoY.

Total cash dividends paid will be RMB**48,891** million. Cash dividend payout ratio based on OPAT attributable to shareholders of the parent company will be **36.4%**.

Note: The above profit distribution proposal will be implemented after approval at the Company's 2025 Annual General Meeting.

29.3%



YoY Life & Health NBV growth

3. L&H's growth driven by multi-channel high-quality development

Life and health insurance (“Life & Health” or “L&H”) business's new business value (“NBV”) increased **29.3%** YoY to RMB**36,897** million, and NBV margin based on annualized new premium (“ANP”) rose **5.8** pps YoY to **28.5%**.

Agency channel NBV grew **10.4%** YoY, driven by a **17.2%** YoY increase in NBV per agent.

Bancassurance channel NBV climbed **138.0%** YoY.

Bancassurance, community finance and other channels' share in Ping An Life's NBV rose **12.1** pps YoY.

96.8%



Ping An P&C's COR

4. Ping An P&C's sustained business growth and steadily improving quality

Premium income was RMB**343,168** million, up **6.6%** YoY.

Insurance revenue was RMB**338,912** million, up **3.3%** YoY.

Overall COR improved by **1.5** pps YoY to **96.8%**, indicating sustained strong profitability.

Auto insurance COR improved by **2.3** pps YoY to **95.8%**, consistently better than the market average.

Net cash inflows from operating activities increased **48.3%** YoY, with liquidity significantly improved.

Driven by premium cash flows, investment scale excl. financial assets sold under agreements to repurchase grew **12.1%** YTD.

6.3%



Comprehensive investment yield

5. Excellent insurance funds investment results

Insurance funds investment portfolio grew **13.2%** YTD to RMB**6.49** trillion. Comprehensive investment yield was **6.3%**, up **0.5** pps YoY.

The portfolio achieved a **4.8%** average net investment yield and a **4.9%** average comprehensive investment yield over the past decade, both higher than the EV long-run investment return assumption.

RMB**42,633** mn 
Ping An Bank's net profit

6. Ping An Bank's steady business results and asset quality, with a rising core tier 1 CAR

Net profit was RMB**42,633** million.
Non-performing loan ratio was **1.05%**.
Provision coverage ratio was **220.88%**.
Core tier 1 CAR rose **0.24** pps YTD to **9.36%**.

99% 
Retention rate of customers holding ≥ 3 categories of products

7. Integrated finance enables core competitive moat and improves customer development

Retail customers increased **3.5%** YTD to **251** million.
Industry-leading average monthly online active customers: about **90** million.
Retention rate reached **99%** among customers holding 3 or more categories of products.

100% 
Retail customers covered by "AI + human doctor" services

8. Health & senior care strategy enables core businesses via differentiation

Ping An has partnered with **100%** of China's top 100 hospitals and 3A hospitals. "AI + human doctor" services cover **100%** of the Group's retail customers.
QR code payment service covers **77K** pharmacies nationwide.
Over **240K** customers are entitled to home-based senior care services. Ping An's Zhen Living premium health and senior care communities have been unveiled in **5** cities. Among them, Zhen City • Shanghai has opened for business, and Zhen City • Futian in Shenzhen has started a soft opening.

RMB**10.88** trn+ 
Cumulative investment to bolster the real economy

9. Corporate social responsibility, green development and rural vitalization

Cumulative investment to bolster the real economy exceeded RMB**10.88** trillion.
Green investment of insurance funds amounted to RMB**530,087** million.
Green loan balance was RMB**266,433** million.
Green insurance premium income was RMB**76,474** million.
Funding for rural industrial vitalization totaled RMB**57,148** million.
MSCI ESG Rating rose to **AAA, No.1** in the multi-line insurance and brokerage industry in Asia-Pacific for 4 consecutive years.
Ping An was included in S&P Global's *Sustainability Yearbook (China Edition) 2025* as the **only** Chinese mainland insurer included.

No.1 
Chinese insurance brand on Brand Finance list for 10 years

10. Consistently rising brand value

Ping An rose to **No.47** on the *Fortune* Global 500 list (**No.9** among financial companies worldwide).
No.13 on the *Fortune* China 500 list.
No.27 on the *Forbes* Global 2000 list (**No.1** among Chinese insurers).
No.32 on the Brand Finance Global 500 2026 list (**No.1** among Chinese insurance brands for 10 consecutive years).

Notes: (1) The above is based on the Company's business results for 2025.
(2) Figures may not match the calculation due to rounding.



Chairman's Statement

Professional, Ping An in Your Heart

Where professional expertise leads, the heart follows, and Ping An (“peace and safety” in Chinese) resides. I would like to extend my sincerest gratitude to all our customers, shareholders, employees, and members of society who support Ping An. Thanks to your long-standing trust and support, Ping An has remained steadfast in its course amid the tides of change, consistently advancing its technology-enabled “integrated finance + health and senior care” dual-pronged strategy, and ensuring your “peace and safety” at all times with “worry-free, time-saving, and money-saving” services.

In the fall of 2025, my colleagues and I visited an ancient tea garden in Fenghuang Town, Chaozhou to review an ancient tree protection initiative under Ping An’s “Hundred, Thousand, and Ten Thousand Project.” We were amazed to see a 600-year-old Dancong tea tree was still sprouting new buds. **The development of an enterprise is akin to the growth of a tree. Only with deep roots can it stand firm.** The “roots” of Ping An lie in being people-centered, focusing on customer and society needs, keeping pace with the times, consistently pursuing innovation, and creating lasting value to nurture enduring vitality.

Today, as China’s economy enters a phase of medium-to-high-speed growth, significant opportunities are emerging in sectors including financial services, insurance, health and senior care. However, new challenges are also emerging: **the glaring mismatch between growing consumer demand for “worry-free, time-saving, and money-saving” services and the reality of “complex, time-consuming, and over-spending” experience.** For instance, chronic patients lack disease management guidance due to insufficient science-based, systematic health management; services for an aging society are undersupplied, leaving the elderly unaccompanied and helpless in seeking medical services.

We keep asking ourselves: In an age of changes and challenges, what does “peace and safety” mean to you? It means steady asset growth, reliable health protection, worry-free senior care,

and a profound sense of safety, stability and trust at every important moment of life. Behind such peace and safety lies our ultimate professional expertise: **through “finance + service” offerings, we deliver professional and comprehensive plans, precise analysis and judgment, and meticulous implementation to meet people’s fundamental aspirations for a better life.**



Ping An’s “Traffic Lights” road safety public welfare program donated 10,052 road safety facilities and renovated 1,789 road sections in 2025.

In 2025, Traffic Lights stood guard as schoolchildren stepped onto zebra crossings that Ping An helped renovate and paint at 1,789 busy road sections from Shanbian Village, Chaozhou to Acheng District, Harbin. **This is Ping An as a public welfare booster.** In the lobby of Shenzhen Bei Yi Rehabilitation Hospital, Ping An’s therapist is helping a stroke patient use an exoskeleton robot for gait training. **This is Ping An as a health care supporter.** In the domed hall of Zhen City • Shanghai on Changshu Road in downtown Shanghai, silver-haired seniors sat rapt, enjoying an indoor symphony concert. **This is Ping An as a senior care provider.** On the front lines of the conflict between Israel and Iran, Ping An was commissioned to complete vehicle coordination, route planning in combat zones, and border clearance procedures within six hours. Ping An helped 14 enterprises safely evacuate 74 stranded Chinese citizens from danger zones within 10 days. **This is Ping An as an emergency rescue**

expert. Before the Spring Festival travel rush, when an insured enterprise encountered operational difficulties and delayed wage payments to migrant workers, Ping An immediately sent a task force to the enterprise and paid out RMB4.2 million of “Construction Project Wage Payment Guarantee Insurance” claims to the workers within two business days. **This is Ping An as a protector of people’s livelihoods.**

Professional, this is Ping An in your heart.

Via strategic focus, model innovation, platform management, and technology enablement, we constantly improve our service network, fulfilling our commitment that “expertise ensures every family’s peace and safety.”

2025 marks the conclusion of China’s 14th Five-Year Plan. Despite a complex, volatile macroeconomic environment in 2025, the strong resilience of China’s economy and the fundamental momentum of structural upgrade provided solid foundations for Ping An to overcome challenges and grow steadily. Ping An consistently advanced its “integrated finance + health and senior care” strategy, sharpened its core competitive edge via “service differentiation,” and ensured **high growth, resilience and sustainability.** Operating profit after tax attributable to shareholders of the parent company was RMB134,415 million, up 10.3% year on year. Net profit attributable to shareholders of the parent company excluding non-recurring gains and losses was RMB143,773 million, up 22.5% year on year. Equity attributable to shareholders of the parent company rose above RMB1 trillion for the first time to RMB1,000,419 million. **Attaching great importance to shareholder returns,** Ping An plans to pay a final dividend of RMB1.75 per share in cash for 2025. Total cash dividends paid for 2025 will be RMB48,891 million, having risen for 14 consecutive years. **Life & Health sustained business growth,** increasing NBV by 29.3% year on year. **Ping An delivered excellent results in insurance funds investment.** Comprehensive investment yield was 6.3%, up 0.5 pps year on year.

Ping An further advanced customer development

via integrated finance. The Group’s retail customers increased 3.5% from the beginning of 2025 to 251 million. Average monthly online active customers reached about 90 million. The retention rate reached 99% among customers holding three or more categories of products within the Group. **Ping An accelerated the implementation of its health and senior care strategy.** AI Doctor was used by nearly 12 million persons per year. Over 240,000 customers are entitled to home-based senior care services. **By leveraging vast amounts of data,** Ping An conducts technology research, development and application to build vertical large artificial intelligence (“AI”) models for domains including finance, health care and senior care. **To fulfil corporate social responsibilities,** Ping An cumulatively invested over RMB10.88 trillion to bolster the real economy. Moreover, Ping An provided RMB57,148 million in funding for rural industrial vitalization in 2025. Our MSCI ESG Rating rose to AAA, No.1 in the multi-line insurance and brokerage industry in the Asia-Pacific region for the fourth consecutive year.

Each inch of progress in service depth extends the “roots” of growth by a foot.

Ping An has launched the “Year of Services” multiple times since it unveiled its “service commitments” in 2009. Our service upgrade initiatives were highly recognized by customers, and many remain in force today. Now in 2026, we launched the “Year of Services” again, hoping to turn each customer need into a concrete, tangible service scenario. We will further upgrade the “finance + service” business model into reliable, high-quality lifestyles, deliver more cost-effective health and senior care experience, create value via services, and safeguard customers with expertise.

Chairman's Statement

Professional, Ping An in Your Heart

In 2026, our “Year of Services,” we at Ping An will pursue value in three key directions:

Firstly, we will pursue value by reshaping customer experience and building an AI gateway to “worry-free, time-saving, and money-saving” services. Ping An has 251 million retail customers, whose profound trust is our most valuable wealth. Ping An will take AI as the core driver of service upgrade, and build a unified “Express Service” gateway. Our “one gateway to one-stop solutions” will give customers easy access to all-around online and offline services including investment and wealth management, account management, insurance claims, road rescue, home-based senior care, and medical concierge services at hospitals. Through “human + AI” collaboration, each of us at Ping An can serve as a professional financial adviser, health adviser, and senior care concierge. In this way, we can understand and meet customers’ needs across their entire lifecycle, from wealth growth, health management, and family protection to senior care, succession, and dignity of life.

Secondly, we will pursue value by expanding safety services and building a global emergency rescue system. Peace and safety is humankind’s eternal pursuit. However, emergencies can happen anytime, anywhere. In times of crisis, it is our duty to provide assistance. By leveraging over 30 years of experience in emergency rescue, Ping An has developed a 3A (Anytime, Anywhere and Anything) global emergency rescue system. Ping An carries out nearly 10,000 emergency rescue missions per year by leveraging a 24/7 smart dispatch hub, one-touch emergency calls, a rescue center with seconds-level response capabilities, a worldwide rescue network, and robust technology infrastructure. In this way, we ensure customers have quick access to Ping An’s rescue services anytime, anywhere, whether indoors or outdoors, at home or abroad. We expect to ensure your peace and safety by upgrading financial services from a mere contract into a reassuring, reliable lifestyle.

Thirdly, we will pursue value by building our unique “online, in-hospital, in-home and in-company” network of closed-loop health and senior care services. After over 10 years of development, the network now covers comprehensive “online, in-hospital, in-home and in-company” scenarios. **In respect of online services,** Ping An provides 24/7 online consultations via over 3,500 contracted expert doctors at Ping An Health and Peking University International Hospital as well as AI Doctor enabling seconds-level response. **In respect of in-hospital services,** Ping An maintains a provider network of over 1,300 overseas medical institutions and over 37,000 domestic claims partner hospitals. **In respect of in-home services,** Ping An Health exercises end-to-end, full-process control over home-based care services under an innovative “standardization – central procurement – supervision” model. **In respect of in-company services,** we served over 95,000 corporate clients and their 60 million plus employees in 2025.



ICU health workers at Peking University International Hospital communicate with a hearing-impaired older patient by using a whiteboard and wipe his face.

We plan to expand services to dignified care in the late stages of life by launching the “Life Dignity Protection Service Plan” based on the “online, in-hospital, in-home and in-company” health and senior care service network. **By doing so, we hope to help the elderly realize two core values: confidence in reliable late-life support, and dignity in the late stages of life.** At every moment of life, customers deserve autonomy in choice, dignity of life, and peace of mind. This is our most fundamental commitment to “lifelong companionship.”

2026 marks the commencement of China’s 15th Five-Year Plan. The underlying conditions and fundamental trends sustaining China’s long-term economic growth remain unchanged. As the financial industry focuses on its core mission and pursues high-quality development, residents’ demands for health and senior care services are increasing. Ping An’s “integrated finance + health and senior care” service framework will usher in a new spring. Remaining true to our original aspiration of providing people-centered financial services, **we will advance our technology-enabled “integrated finance + health and senior care” dual-pronged strategy under the business policy of “high-value growth, service innovation, technology enablement, and regulatory compliance.”** In this “Year of Services,” we will constantly upgrade three major innovative service frameworks, improve operations, and strengthen risk management, staying committed to the path of financial development with Chinese characteristics.

Your trust is the driving force behind our service excellence. Our ultimate objective is **to be the most professional, reliable and heartwarming “Ping An” in your heart.**



Chairman

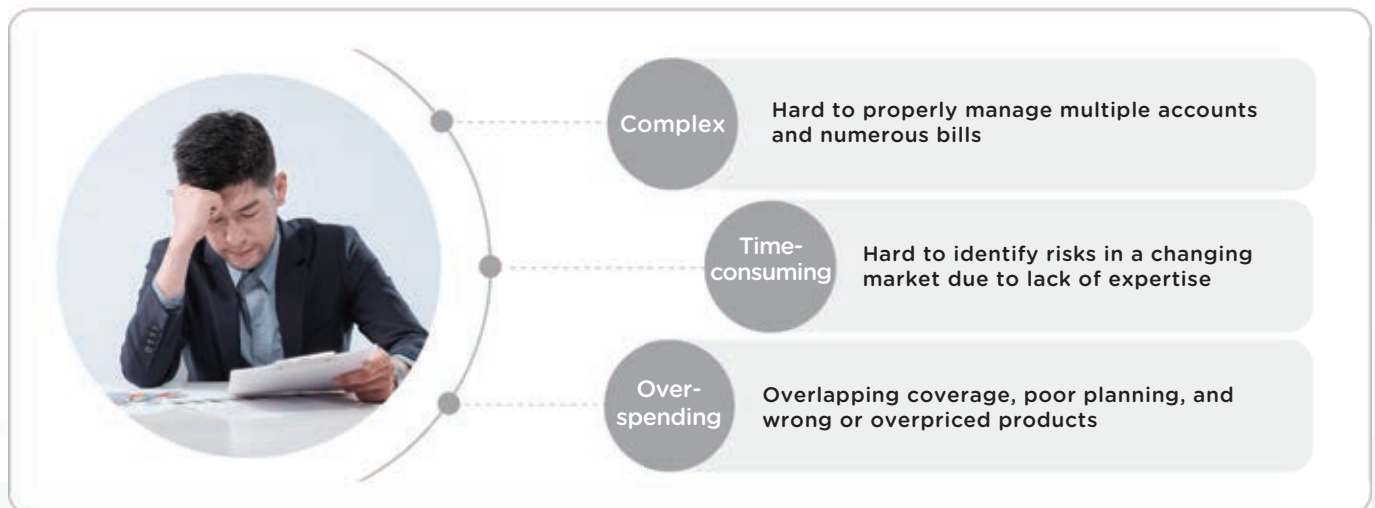
Shenzhen, PRC
March 26, 2026

Integrated Finance

MARKET OPPORTUNITIES AND PING AN'S INTEGRATED FINANCE SOLUTIONS

Market Opportunities: Diversification of Residents' Financial Needs Creates Greater Opportunities for Integrated Finance

During the 15th Five-Year Plan period, China will accelerate its growth into a financial powerhouse by driving the high-quality development of its financial industry. Traditional financial service models face three major pain points, namely product homogenization, low-frequency customer interaction, and poor customer experience. With the increase in Chinese residents' wealth, middle- and higher-class households generally have **multiple insurance policies, credit cards, bank accounts, and vehicles**. Consequently, traditional financial service models struggle to meet customers' increasingly diverse financial service needs. China's middle class is expected to expand rapidly to one-third of the global middle class by 2030, with growing demand for upgraded financial services. Against this backdrop, professional, personalized, and integrated financial services are the solutions to these pain points, paving the way for greater opportunities for the integrated financial service model.





Ping An's Mission: Worry-Free, Time-Saving, and Money-Saving

Under its unique integrated financial service model, Ping An is well positioned to address the pain points of traditional finance and deliver targeted, comprehensive solutions centered on **“one customer, multiple accounts, multiple products, and one-stop services.”** Leveraging its leading service capabilities, comprehensive product portfolio, professional risk management, and significant technological strength, Ping An is committed to providing customers with **“worry-free, time-saving, and money-saving”** high-quality service experience.

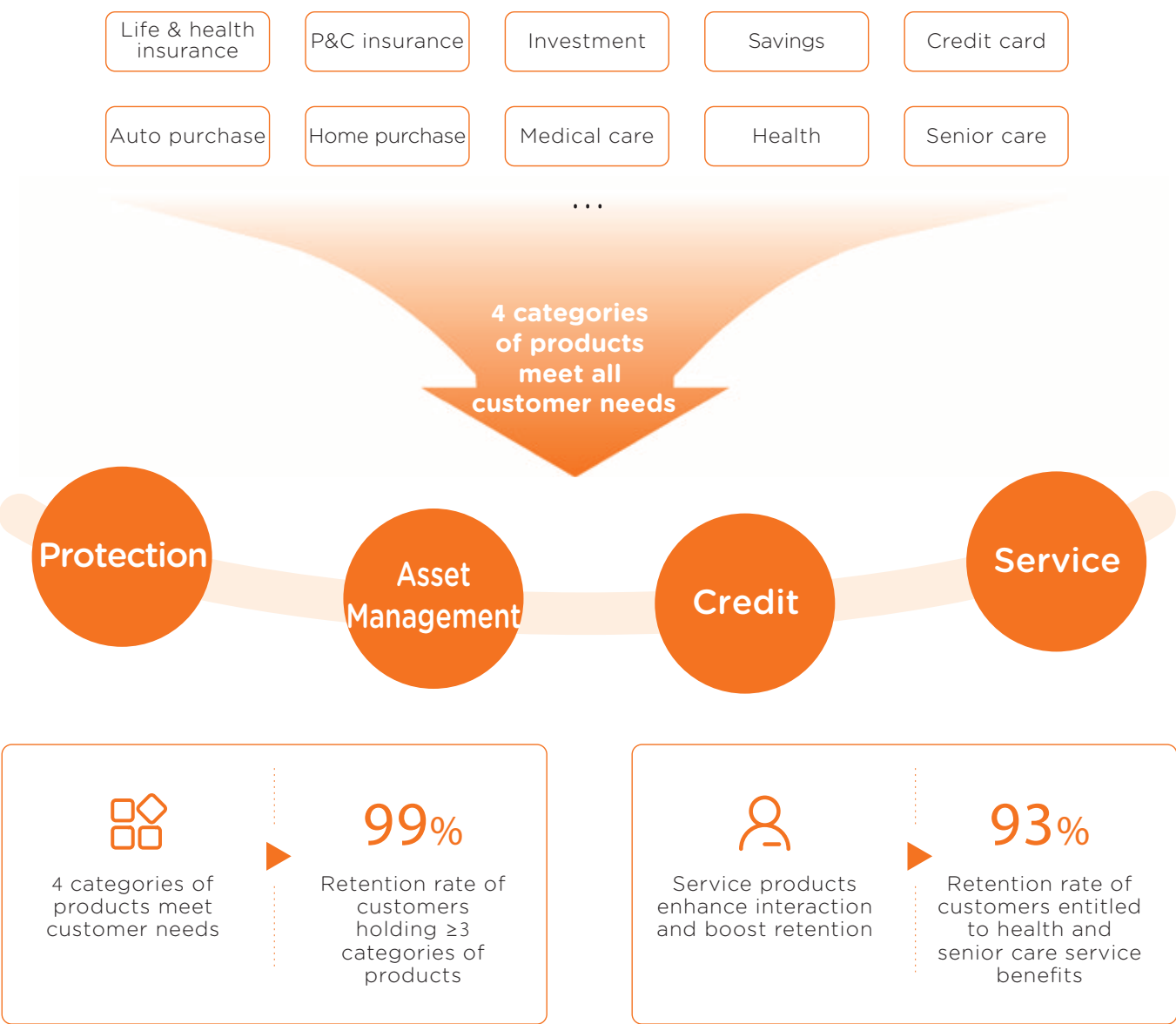


Integrated Finance

UNIQUE ADVANTAGES OF INTEGRATED FINANCE

Four Categories of Products Meet All Customer Needs

As an integrated financial services group with a full suite of licenses, Ping An has built a comprehensive product portfolio across four categories, namely protection, asset management, credit, and service. This allows the Company to systematically meet customers' diverse financial, health and senior care needs. Moreover, the Company enhances customer interaction and boosts retention with service products. Ping An achieved a 93% retention rate of customers entitled to service benefits in the health and senior care ecosystem in 2025. The retention rate of customers holding three or more categories of products reached 99%, indicating significantly higher loyalty.



Notes: (1) Protection products: Products that provide risk protection and long-term risk management solutions to meet customer needs related to personal safety, health, and property risks.
(2) Asset management products: Products that provide asset management solutions to meet customer needs related to wealth management and asset allocation.
(3) Credit products: Products that provide comprehensive financing services including loans and mortgages to meet customer needs related to financing and cash flows.
(4) Service products: Products that provide medical, health, and senior care service benefits to meet customer needs related to health care, senior care, and daily life.

Promoting Customer Development by Merging Offline and Online Channels

Offline Channels: Wide Coverage and Strong Customer Reach

Ping An's extensive offline channels cover 330 major cities nationwide, with over 7,000 offline outlets and over 1.30 million captive and non-captive sales agents.

The integrated financial service model enables Ping An to diversify the operations of offline channels. Ping An Life's sales agents, as the core force for in-depth customer development, raised per capita productivity by 17.2% year on year in 2025. Ping An Life's unique, innovative community finance channel for integrated finance had 4.29 million in-force integrated finance contracts as of December 31, 2025, up 24% from the beginning of the year. Ping An Bank, a key channel for high-value customer development, boosted its productivity per outlet by 126% year on year in 2025. Ping An P&C, the Group's powerful customer acquisition gateway for integrated finance, helped other member companies cumulatively acquire 4.50 million customers via cross-selling in the past three years.

Wide coverage



Cities covered

330



Offline outlets

7,000+



Captive/non-captive sales agents

1.30 mn+

Strong customer reach

Ping An Life agents

Core force for in-depth customer development

Per capita productivity

+17.2% YoY

Ping An Life community finance

Innovative channel for integrated finance

In-force integrated finance contracts

+24% YTD

Ping An Bank bancassurance

Channel for high-value customer development

Productivity per outlet

+126% YoY

Ping An P&C

Powerful customer acquisition gateway

Customers acquired by other member companies via cross-selling in the past 3 years

4.50 mn

Integrated Finance

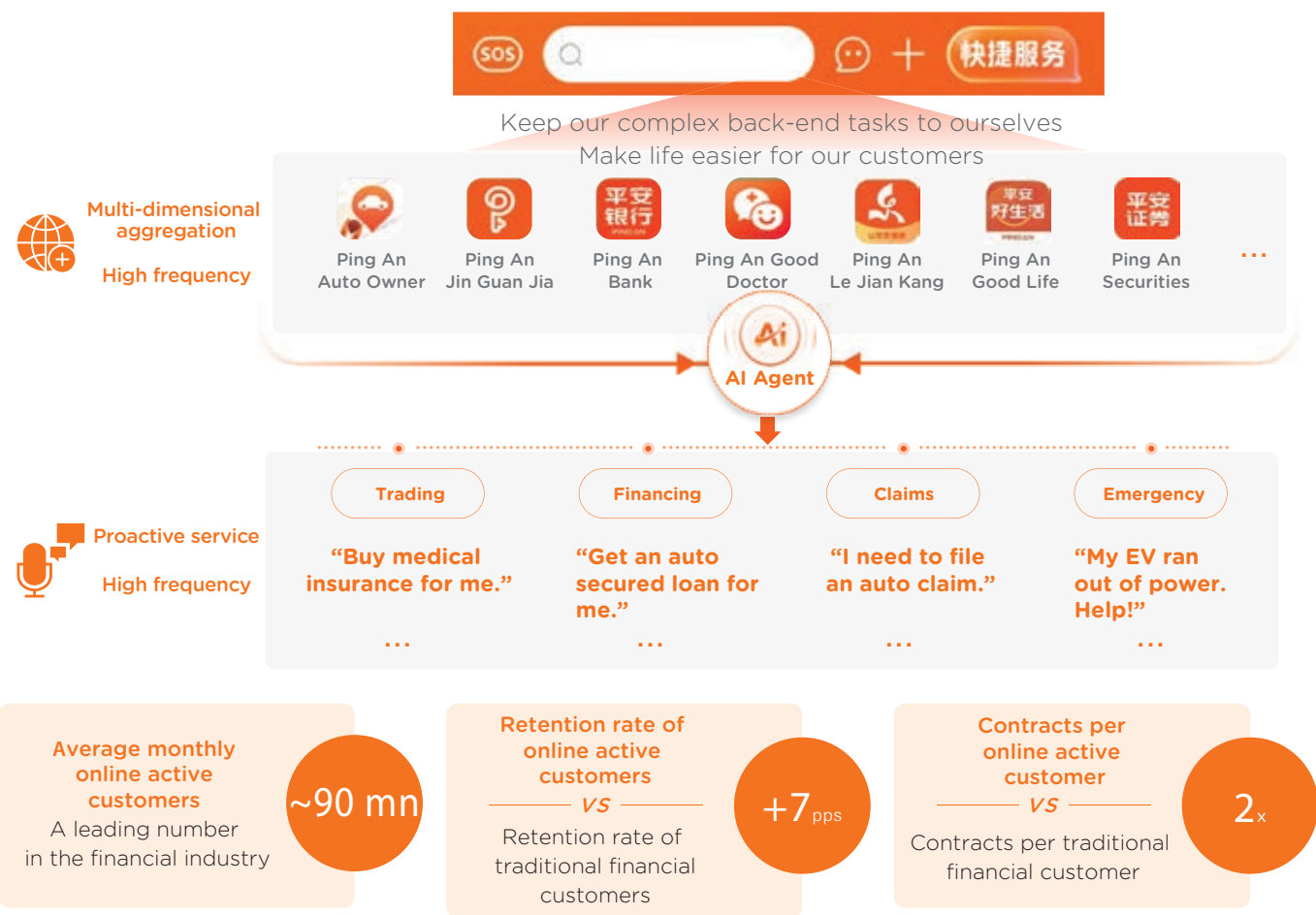
UNIQUE ADVANTAGES OF INTEGRATED FINANCE

Promoting Customer Development by Merging Offline and Online Channels

Online Channels: “Express Service” Gateway Drives Efficient Conversion

Leveraging AI as a core driver, Ping An has built a unified technology platform and an “Express Service” gateway, which seamlessly integrates multiple service scenarios and apps including Ping An Jin Guan Jia, Ping An Pocket Bank, Ping An Auto Owner, and Ping An Good Doctor.

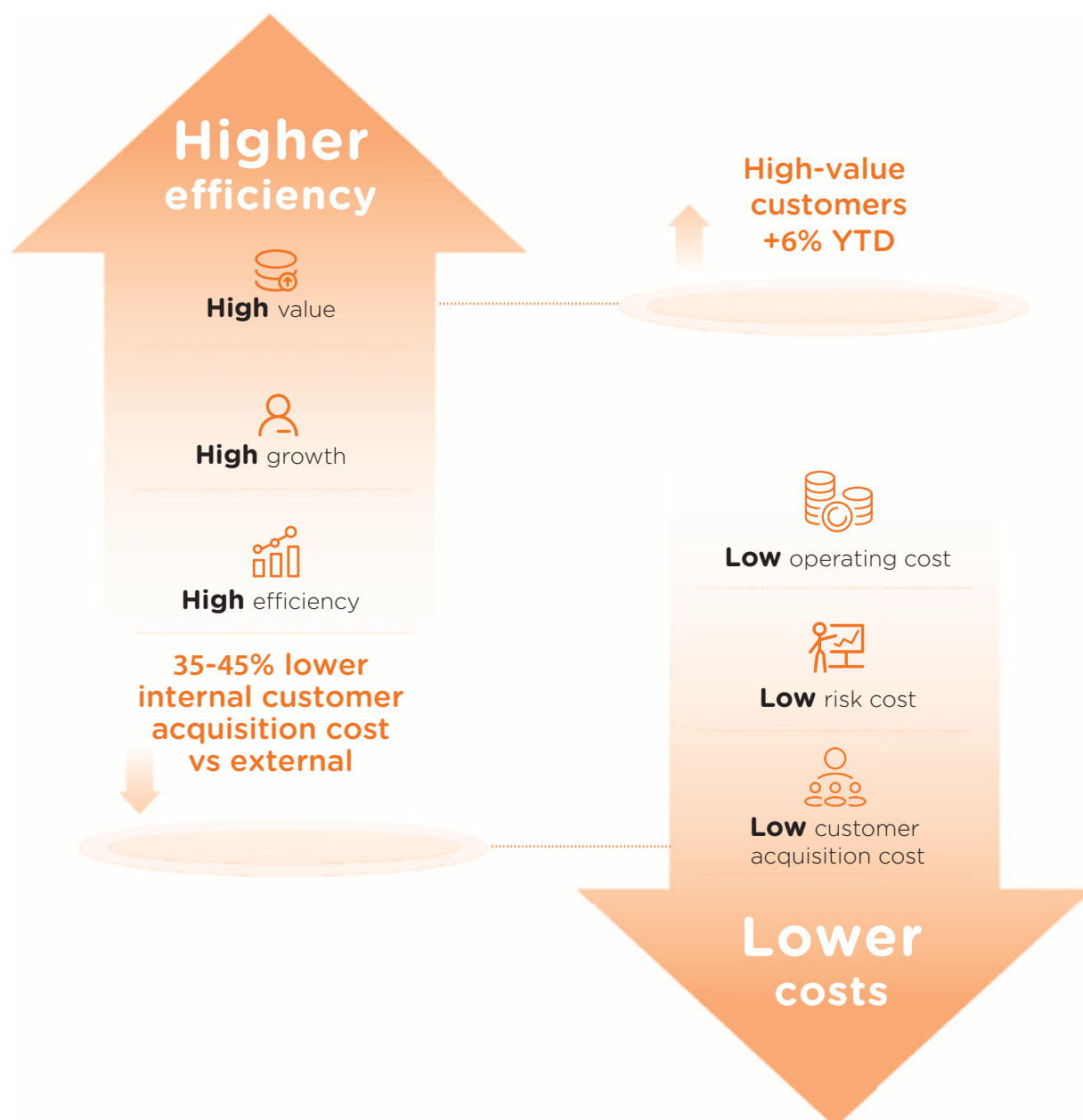
In 2025, the gateway’s average monthly online active customers reached about 90 million, a leading number in the financial industry. Through the integration of financial and non-financial accounts, proactive online notifications, and intelligent services, the “Express Service” gateway significantly boosts customer interaction frequency and improves service experience. Compared with traditional financial customers, online active customers showed a 7-pps-higher retention rate in 2025 and held twice as many contracts per customer as of December 31, 2025.



Note: The “Express Service” gateway is currently a beta version, subject to an official release.

Integrated Financial Service Model Boosts Efficiency and Reduces Costs

Supported by robust technology platforms and efficient collaboration mechanisms, Ping An's unique integrated financial service model significantly enhances operational efficiency and drives cost optimization, consistently strengthening its competitive differentiation in the market. After years of sustained operations in integrated finance, Ping An has achieved high-value, high-growth, and high-efficiency business results. The number of high-value customers⁽¹⁾ increased by 6% from the beginning of the year as of December 31, 2025. Moreover, the integrated financial service model effectively reduces customer acquisition cost, risk cost, and operating cost. The cost of acquiring internal customers was 35-45% lower than that of acquiring external customers on average.



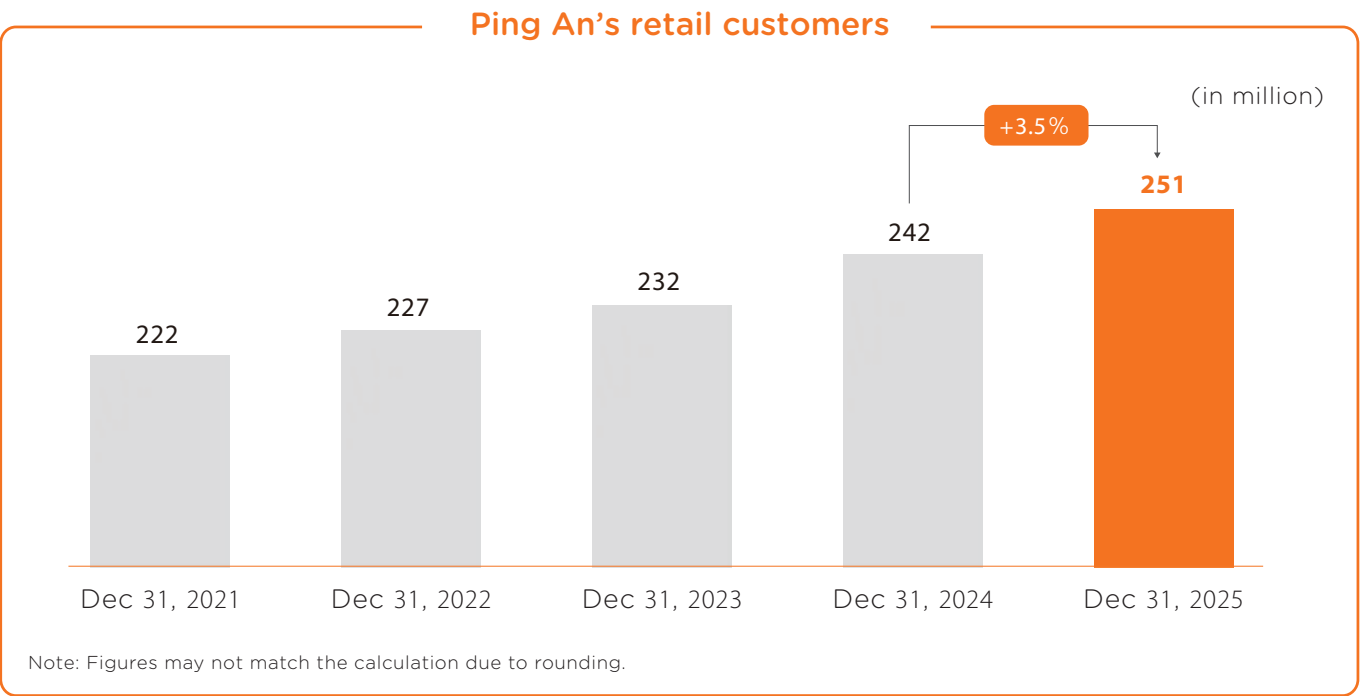
Note: (1) High-value customers refer to customers with investable assets more than RMB500,000.

Integrated Finance

CUSTOMER DEVELOPMENT PROGRESS

Steadily Increasing Customers

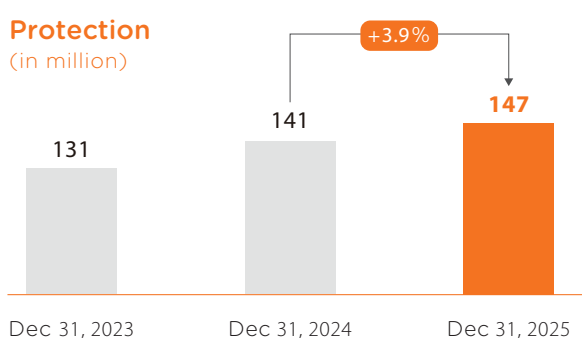
Ping An has built a huge, well-structured customer base, laying a solid foundation for long-term business development. The Group's retail customers increased 3.5% from the beginning of the year to 251 million as of December 31, 2025, including 33.03 million new customers acquired in 2025.



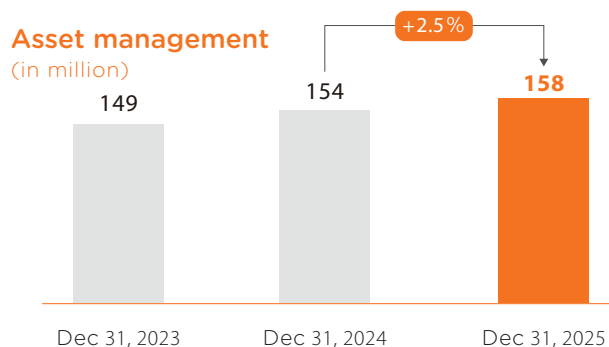
Customers of protection, asset management and service products, which are the key drivers of our customer growth, increased by 3.9%, 2.5% and 4.0% respectively from the beginning of the year as of December 31, 2025. As credit business was experiencing cyclical fluctuations of the industry, Ping An proactively adjusted its credit strategies and prioritized the development of high-quality customers, consistently optimizing its customer mix and de-risking the business.

Number of customers by product category

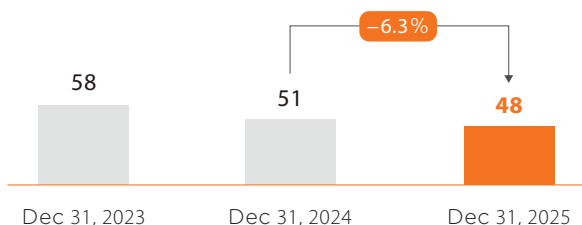
Protection (in million)



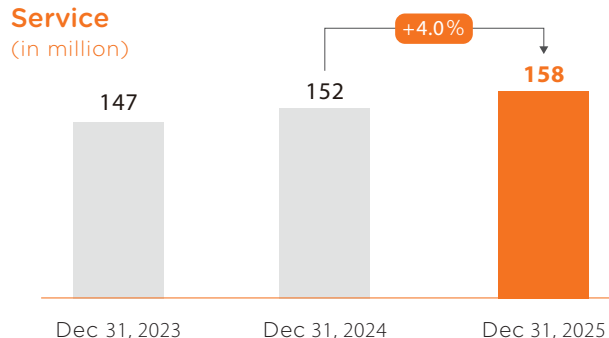
Asset management (in million)



Credit (in million)



Service (in million)



Note: Figures may not match the calculation due to rounding.

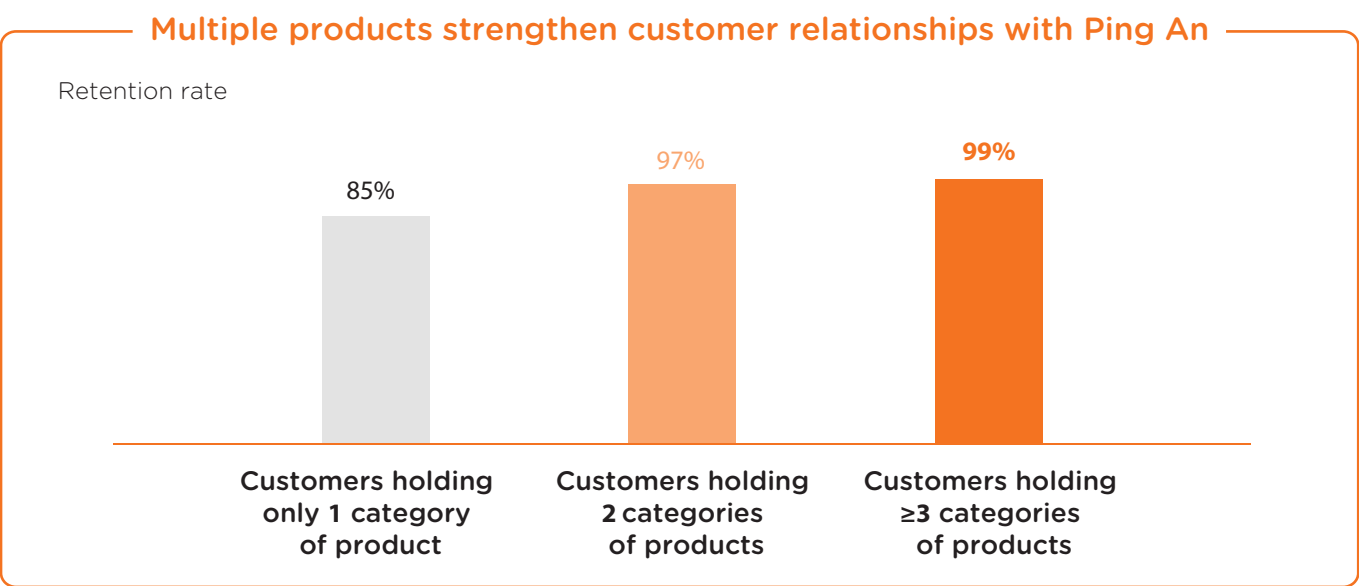
Integrated Finance

CUSTOMER DEVELOPMENT PROGRESS

High Customer Retention

By leveraging our “one customer, multiple accounts, multiple products, and one-stop services” business model, we have upgraded customer relationships from single-product connections into multi-product synergistic services, enhancing customer stickiness, satisfaction and trust in the platform.

The retention rate of the Group’s customers holding two categories of products was 97%, while the retention rate of those holding three or more categories of products was 99% in 2025.



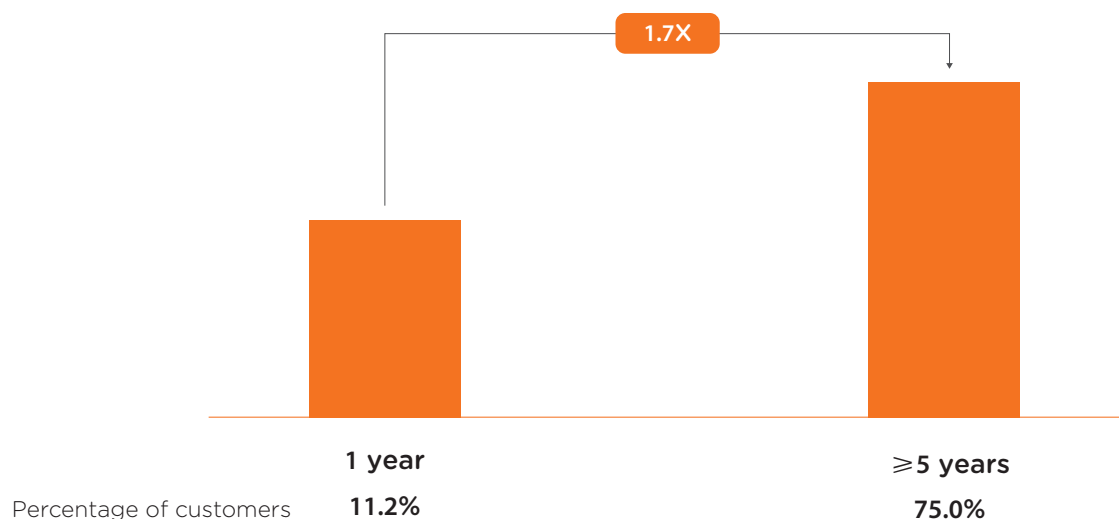
Consistently Unlocking Customer Value

Integrated finance consistently unlocks customer value, driving steady growth in contracts per customer, which increased by 0.7% from the beginning of 2025 to 2.94 as of December 31, 2025.

Customer development results indicate that the longer our customers are served by us, the more contracts per customer they hold, with customer value consistently accumulating over time. As of December 31, 2025, 75.0% of our customers had been served by us for five or more years, holding 1.7 times more contracts per customer than first-year customers.

75.0% of customers had been served by us for 5 or more years, holding 1.7 times more contracts per customer than 1st-year customers

Contracts per customer as of Dec 31, 2025



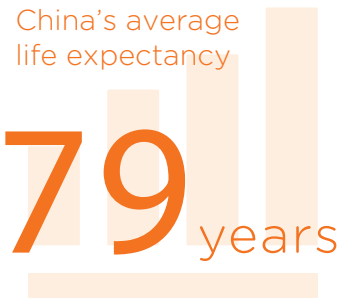
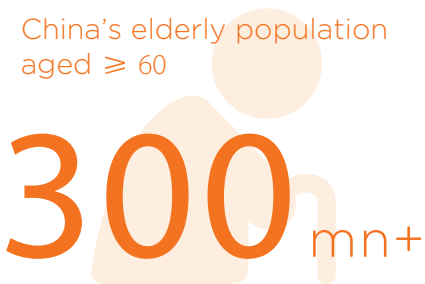
Adhering to a customer-centric philosophy, Ping An consistently improves “worry-free, time-saving, and money-saving” service experience, refines operations through smart customer acquisition, retention and migration, and boosts customer value via integrated finance. By doing so, Ping An steadily increases the number of retail customers, product categories per customer, and contracts per customer.

Health and Senior Care

MARKET OPPORTUNITIES

Population Aging Drives Health and Senior Care Demand

China is rapidly entering a “longevity era” as its life expectancy is significantly increased by improving living standards and advancing health technology. China’s elderly population aged 60 and above has exceeded 300 million⁽¹⁾, and China’s average life expectancy is currently 79 years⁽¹⁾. Alongside this trend, access to all-around, multi-tiered, and high-quality health and senior care services is becoming Chinese residents’ urgent and rigid real-world demand.



Health Care – Managed Care Model with Chinese Characteristics

During the 15th Five-Year Plan period, China will accelerate the “Healthy China” initiative. Medical resources will be more evenly distributed (from “3A hospitals” to “primary health care institutions”), the service philosophy will be gradually upgraded (from “treatment-oriented” to “health-oriented”), and the payment system will be gradually improved (from “reliance on social health insurance alone” to “multi-tiered coverage”). A high-quality, efficient, and integrated health care service system is taking shape. With the advancement of technologies including AI, it is becoming a reality to provide customers with a system of convenient, professional, online-merge-offline closed-loop services. Aligned with government policies, Ping An will leverage its technological strength to build a managed care model with Chinese characteristics. In this way, Ping An will help the government address challenges such as uneven distribution and imbalance of medical resources and services.

Senior Care – China’s Leading Senior Care Ecosystem Operator

Addressing population aging has become a national strategy. During the 15th Five-Year Plan period, China will build a multi-tiered senior care service system that coordinates **home-based, community-based and institutional senior care** and integrates medical, health and senior care. China will promote the coordinated development of government-sponsored senior care and market-driven supply, consistently expanding the silver economy and bringing new business opportunities and sustainable growth potential for Ping An.

Expected size of China’s
health care industry by 2030



Expected size of China’s
silver economy by 2035



Notes: (1) Data sources: National Bureau of Statistics and National Health Commission.

(2) The expected size of China’s health care industry by 2030 is from the *Outline of the Healthy China 2030 Plan*.

(3) The expected size of China’s silver economy by 2035 is from the *Blue Book of Silver Economy: Annual Report on the Development of Silver Economy in China (2024)*.



Health and Senior Care

PING AN'S SOLUTIONS

Market Insight 1 - Interconnected Financial, Health and Senior Care Needs

We have observed that residents' wealth and health needs are not independent, but rather complement one another across their entire lifecycle. As customers pass through different stages of life, their health and senior care needs constantly evolve. In particular, China's "baby boomer" generation—those born in the 1960s and 1970s and now approaching retirement—benefited from the reform and opening-up and built a solid financial foundation. This cohort demonstrates stronger health management awareness, with higher demands for professional, systematic and high-quality health and senior care services.

Market Insight 2 - Pain Points in Health and Senior Care Scenarios

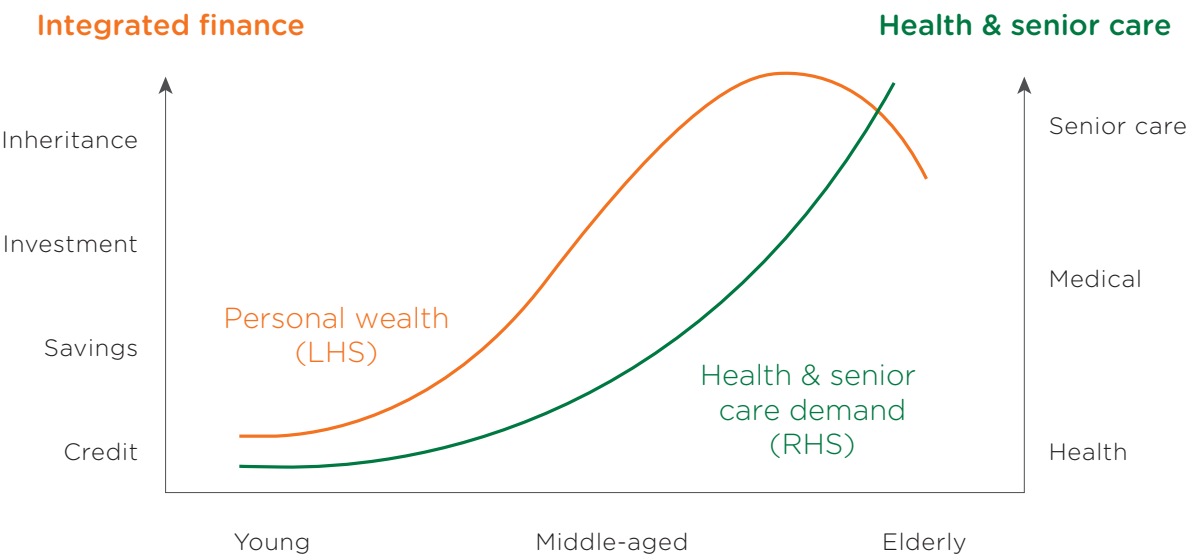
Increasing longevity contributes to more complex health and senior care needs. Common chronic diseases have become a real-world issue. Health management is increasingly routine and refined. Demand for senior care is also evolving. Beyond basic living support, customers increasingly demand access to services including high-quality medical care, professional rehabilitation, and full-cycle health management. Moreover, traditional payment scenarios often require significant upfront payments, involve cumbersome claims procedures, and lack coordination across service providers.

Market Insight 3 - Policy Support and Structural Reform Create Long-Term Momentum

China's health and senior care service systems still face multiple challenges. Access to high-quality medical resources remains constrained, and treatment pathways are often complex. In addition, medical resources are unevenly distributed, with premium health care services highly concentrated. The senior care industry, meanwhile, remains at an early stage of development, with insufficient service supply. Under China's "9073" senior care pattern (90% of the elderly are cared for at home, 7% depend on community care, and 3% reside in institutions), most people prefer home-based senior care.

Encouragingly, national policies and the social security system are actively driving reforms, with major illnesses to be diagnosed/treated within the province, common illnesses at municipal or county facilities, and routine health issues at primary health care institutions. Policy mechanisms supporting the senior care industry are also gradually improving, and service networks are increasingly robust. These measures will enhance overall service efficiency and unlock substantial long-term growth opportunities for health and senior care markets.

Building on its solid foundation in integrated finance, Ping An will center on full-lifecycle customer needs and leverage differentiated advantages to provide comprehensive health and senior care solutions. By creating an efficient payment bridge connecting payers and providers, the Company strives to deliver a **"worry-free, time-saving, and money-saving"** service experience, helping customers to coordinate financial well-being and health care, and contributing to the "Healthy China" initiative.



Business Model - Acting for Payers and Integrating Providers to Deliver the Most Cost-Effective Health and Senior Care Services

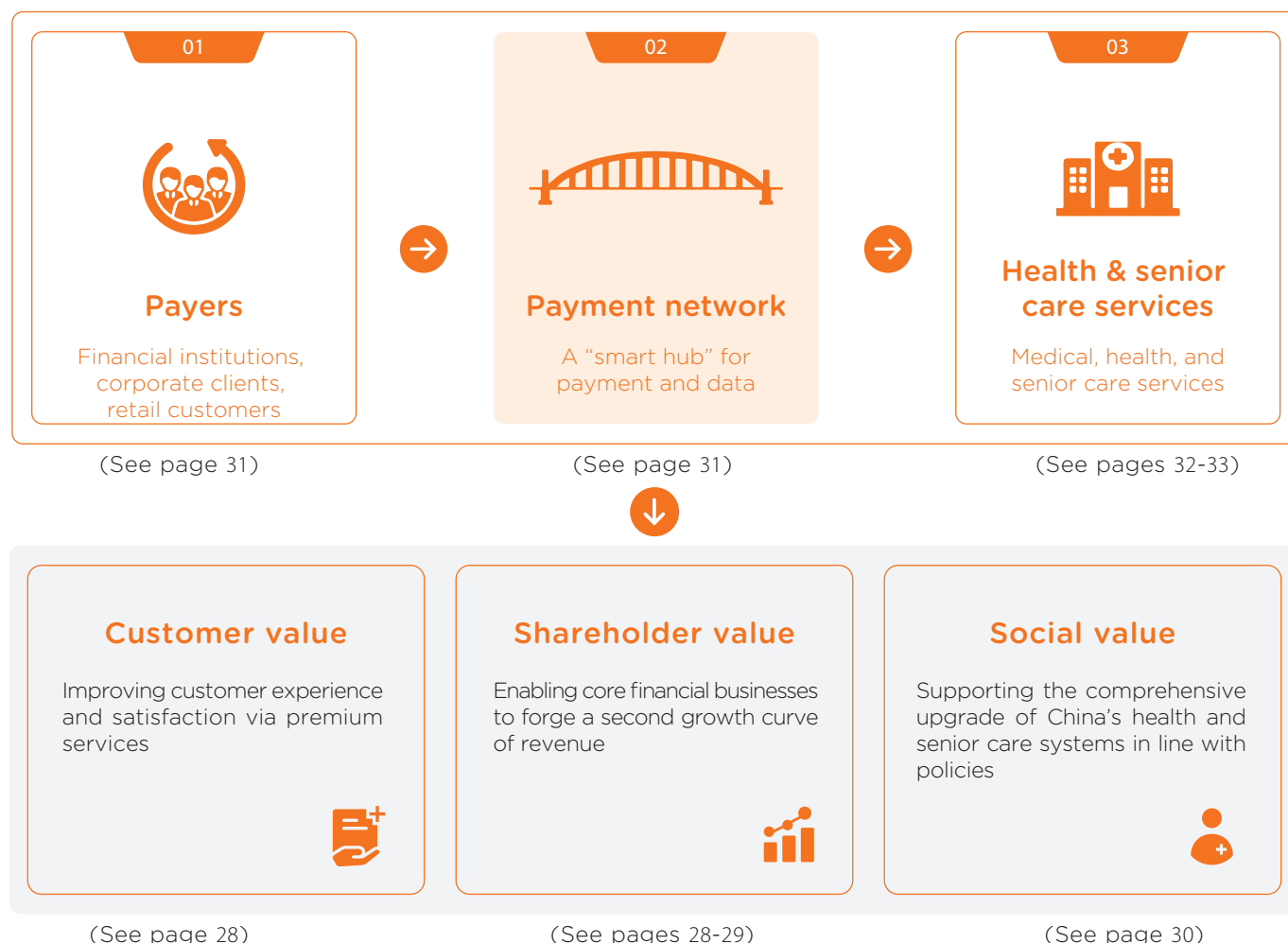
Ping An is committed to providing customers with prudent wealth management solutions while proactively addressing the misallocation of health and senior care resources. Leveraging its unique strengths, the Company provides customers with one-stop health and senior care services, and plays the following three core roles to develop a new commercial closed loop connecting payers and service providers:

In respect of connecting payers, China's health care payment structure still has meaningful room for optimization. Supplementary medical insurance and commercial health insurance are playing increasingly important complementary roles alongside the public system. Ping An leverages its core financial businesses to establish key advantages in relation to payers. With a broad customer base and extensive regional coverage, Ping An can act for its customers to integrate top-tier global health and senior care resources. Through large-scale operations and central procurement, Ping An provides corporate and retail customers with more cost-effective health and senior care services.

In respect of connecting service providers, Ping An gradually develops an **"online, in-hospital, in-home and in-company"** full-scenario service network via technology enablement, pursuing **"Five Mosts⁽¹⁾"** for customers. The network covers full-lifecycle customer needs from health management and disease treatment to senior care. The Company gradually develops sustainable health and senior care service capabilities on the basis of wide coverage, low cost, and high efficiency.

In respect of connecting the ecosystem, Ping An consistently builds a medical payment network, committed to developing an integrated, full-scenario payment system that connects social health insurance, commercial insurance, enterprises, and individuals. By building an efficient payment bridge connecting payers and providers, Ping An aims to be a "smart hub" for payment and data in the health and senior care ecosystem.

Note: (1) Five Mosts: the most suitable hospital, the most suitable doctor, the most suitable treatment, the most suitable medication, and the most suitable time.



Health and Senior Care

STRATEGIC ADVANTAGES

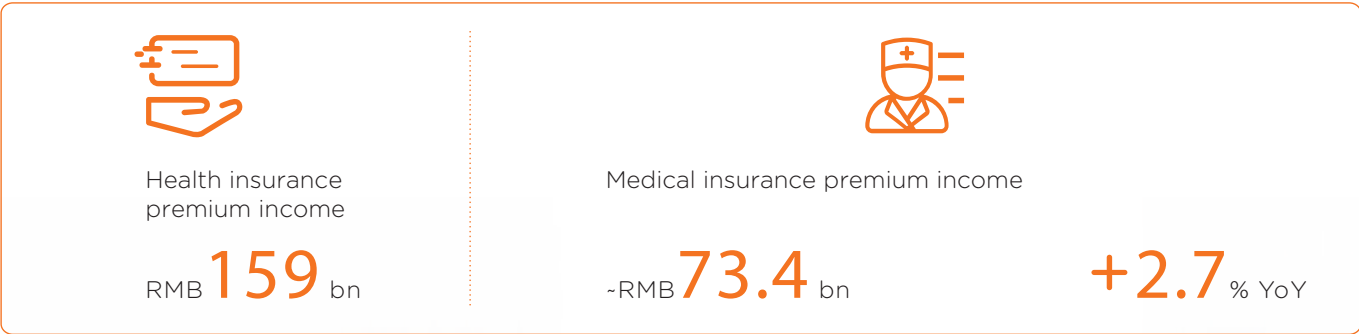
Since its establishment, Ping An has been deeply rooted in the Chinese market under a business philosophy of “international standards and local advantages.”

Customer Base

Ping An has a vast financial customer base, with appropriately one out of every six Chinese people being Ping An’s customer. The Group’s 251 million retail customers are the core “moat” for its health and senior care strategy.

Payment Capability

Ping An meets customers’ multi-tiered health care needs by consistently developing products including corporate health insurance plans and commercial health insurance. Moreover, Ping An leverages innovative “insurance + service” offerings to integrate a broader range of financial products with health and senior care service benefits, expanding clients’ payment capabilities to foster circulation within the ecosystem. In 2025, Ping An realized RMB159 billion in health insurance premium income⁽¹⁾, including nearly RMB73.4 billion⁽²⁾ in medical insurance premium income, up 2.7% year on year.



Notes: (1) The health insurance premium income is the sum of health insurance premium incomes achieved by companies including Ping An Life, Ping An Annuity, Ping An Health Insurance, and Ping An P&C.
(2) The medical insurance premium income comprises RMB58.1 billion from individual commercial medical insurance and RMB15.3 billion from corporate supplementary medical insurance.



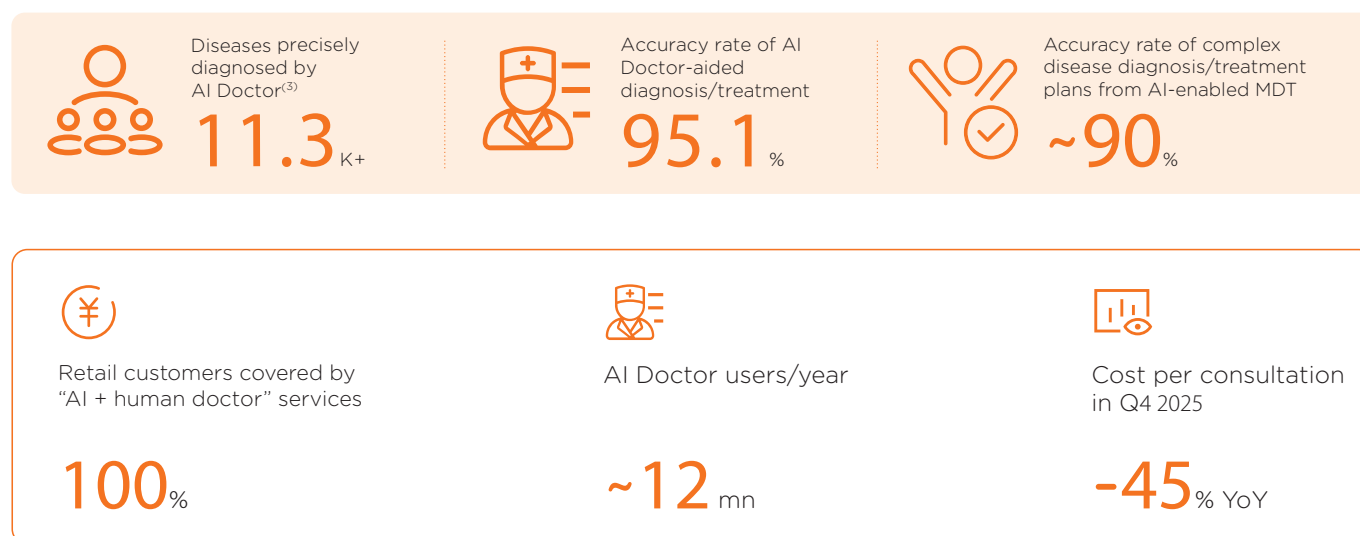
Technological Strength

Ping An owns one of the world's largest medical databases⁽¹⁾. Through its proprietary medical AI model "Ping An Medical Master," Ping An has built a full-process digital capability covering disease prevention, precise diagnosis, and health management. Leveraging its strong data capabilities, Ping An can provide customers with more accurate and personalized health care management solutions, enhancing the efficiency of diagnosis and treatment while consistently improving service quality and user experience.

In the health care sector, Ping An ranks No.1 globally by number of patents across three key application areas—medical image processing, senior care, and intelligent consultation—and No.2 globally in health monitoring, driving multi-dimensional innovation characterized by "core technology focus and full-scenario coverage."⁽²⁾

Through the **"AI in ALL"** strategy, Ping An has deeply integrated AI into service processes to achieve precise match and efficient fulfillment, creating ultimate experience for customers.

In 2025, the Company launched AI products including Renowned Doctor Digital Avatar, AI Family Doctor, and AI Senior Care Concierge, covering the entire customer journey of prevention, diagnosis, treatment and rehabilitation. Moreover, the Company pioneered an AI-enabled multi-disciplinary team ("MDT") assistance platform for complex disease diagnosis, which has been applied to diseases including breast cancer.



Notes: (1) The medical database includes individual and corporate information, hospital and physician information, disease directories, and pharmaceutical and medical device information.

(2) *Fintech Industry 2025 Patent Analysis White Paper* and *Healthcare Industry 2025 Patent Analysis White Paper* published by the state-owned Intellectual Property Publishing House.

(3) AI Doctor includes Renowned Doctor Digital Avatar and AI Family Doctor.

(4) The above data represents business results for 2025.

Health and Senior Care

VALUE CREATION

Customer Value

Ping An provides all-around health and senior care services to customers through diverse channels including Ping An Life, Ping An P&C, Ping An Annuity, Ping An Health Insurance, and Ping An Bank, consistently improving user experience, market reputation and service satisfaction.

 Service case 1

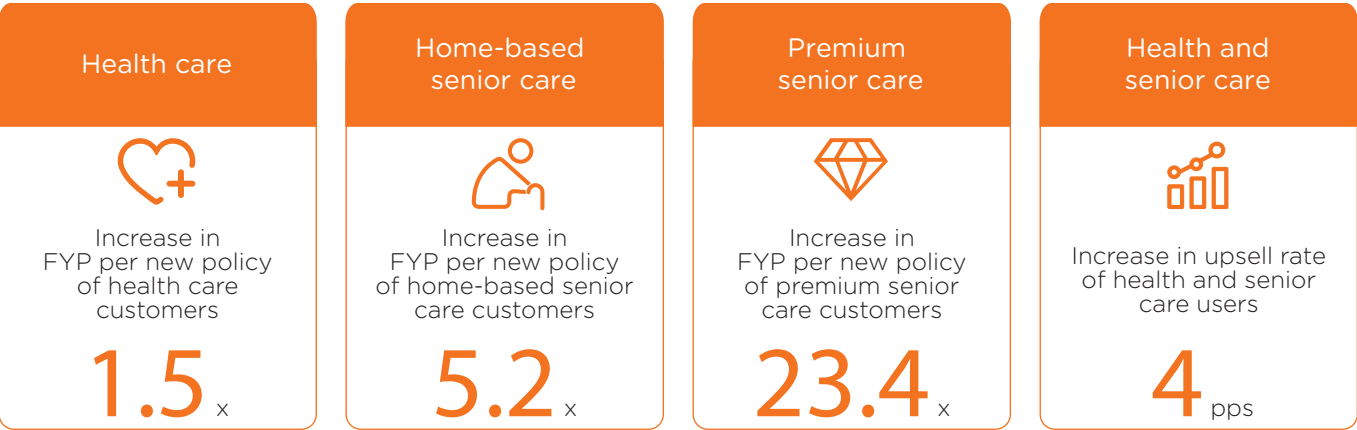
An insurance customer of Ping An Life, acting on health management advice from Ping An Family Doctor, underwent a health checkup at a checkup center designated by the Company. The checkup revealed high-risk pulmonary nodules suspected to be lung cancer. Ping An Family Doctor immediately arranged video consultations with experts in Beijing and Shanghai. The patient was ultimately diagnosed with lung cancer, and surgical procedures were prescribed. Given the patient's history of cardiovascular blockage and balloon angioplasty, Ping An Family Doctor arranged a comprehensive cardiac function assessment before the operation. Ping An Family Doctor also assisted the patient in making appointments at 3A hospitals in Beijing and provided medical accompaniment, reducing waiting times. From the revelation of pulmonary nodules to pre-operative preparations, the process took only 20 days, securing a valuable treatment window.

 Service case 2

An insured under Ping An Health Insurance's Ping An e Sheng Bao was diagnosed with breast cancer in 2025. She faced challenges including the difficulty in securing hospital admission, limited treatment options, and concerns about post-surgical trauma affecting her quality of life. Ping An responded swiftly by coordinating an MDT at Peking University International Hospital. Experts from breast surgery, oncology, and other related departments collaborated to tailor a breast-conserving treatment plan. Ping An not only ensured precise treatment, but also protected the customer's dignity as a female, enabling her to undergo treatment with assurance and peace of mind.

Shareholder Value

Core business enablement: Ping An has effectively driven increases in the upsell rate and the premium per policy by enabling core financial business development via the health and senior care ecosystem⁽¹⁾.



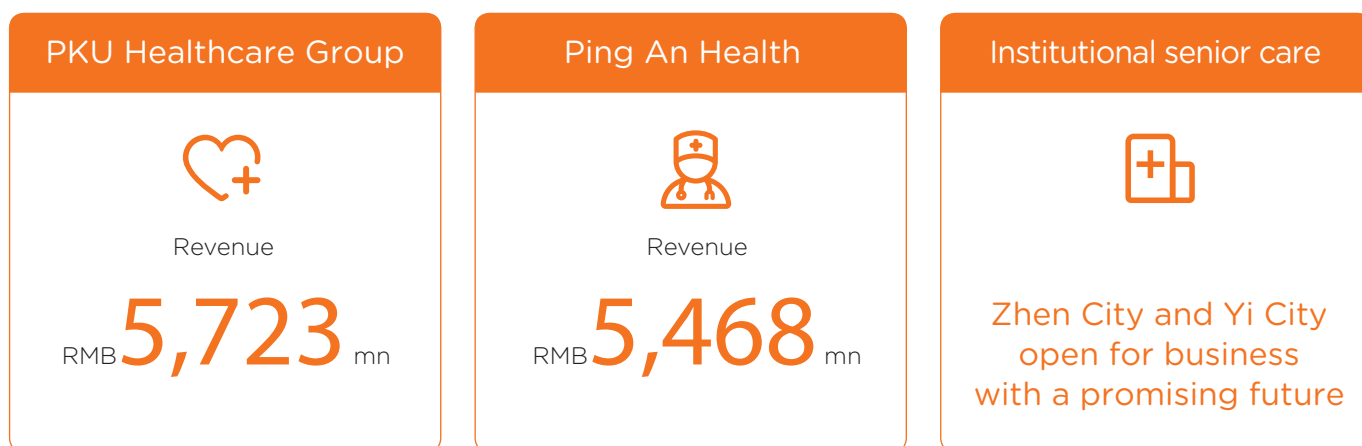
Notes: (1) The increase in premium refers to the FYP per policy of all products with an abovementioned benefit purchased by customers entitled to the benefit divided by the FYP per policy of all products with the benefit purchased by all customers, in respect of Ping An Life's agency and community finance channels. The increase in the upsell rate refers to the difference between the upsell rate of customers who have used health and senior care services and that of customers who have not used such services.
(2) The above data represents business results for 2025.

Long-term revenue: Health and senior care services are rapidly becoming a key driver of Ping An's second growth curve.

PKU Healthcare Group: Since its management was taken over by Ping An in 2021, PKU Healthcare Group has maintained prudent operations, positive development, and consistent revenue growth. In particular, Peking University International Hospital has consistently strengthened discipline development, enhanced operations management, and comprehensively improved patient services.

Ping An Health: As the core flagship of the Group's health and senior care ecosystem, Ping An Health has further strengthened its synergy with the Group.

Institutional senior care: Premium senior care communities such as Zhen City have opened for business successively.



Note: The above data represents business results for 2025.

Health and Senior Care

VALUE CREATION

Social Value

Ping An delivers effective, supplementary solutions to China's population aging challenge under a market-driven sustainable approach.

Ping An keeps building an innovative “insurance + health care” model to help develop a multi-tiered medical security system, enhancing medical experience and insurance efficiency for customers.

By leveraging intelligent triage and referral through family doctors, Ping An precisely matches patient needs with medical resources, delivering “online-merge-offline” closed-loop medical services and improving China's overall health care efficiency.

Ping An enhances service quality and drives industry upgrade by constantly developing new standards for “technology + processes.” In the family doctor sector, Ping An Health helped promulgate China's first association standard for family doctor services, the *Remote and Internet-Based Health Service Standards for Family Doctors*. In the medical accompaniment sector, Ping An Health Insurance, in collaboration with Chinese Health Association, jointly issued two association standards: the *Service Standards for Medical Accompaniment* and the *Requirements for Medical Accompaniment Personnel*. In the home-based senior care sector, Ping An cumulatively led or participated in the development of six industry association standards, including the *Service Management Standards for Home-Based Rehabilitation and Nursing*, the *Guidelines for Remote Home-Based Senior Care Concierge Services*, and the *Basic Functional Requirements for Home-Based Senior Care Service Platforms*.



Case

Ping An keeps building a distinctive, innovative “insurance + health care” model which serves as an industry benchmark. Through strategic partnerships with nearly 40 3A hospitals, Ping An promotes innovative practices including commercial insurance payments, direct billing of expenses, and specialized tumor management, enhancing medical experience and insurance efficiency for customers. By doing so, Ping An strengthens the health care ecosystem and contributes expertise to the “Healthy China” initiative.

HEALTH AND SENIOR CARE ECOSYSTEM PROGRESS

Connecting Funds (Payers): Aggregating Payment Capabilities and Enhancing Customer Value

Financial institutions	Financial institutions
	Our health and senior care services were used by 18,298 thousand or 38.5% of Ping An Life's customers, including 71% of its newly-enrolled customers in 2025. Over 240 thousand customers were entitled to home-based senior care services as of December 31, 2025.
Corporate clients	Corporate clients Ping An served over 95 thousand corporate clients and their 60 million plus employees in 2025.
Retail customers	Retail customers Ping An directly provides retail customers with more professional, accessible service experience via its online flagship medical platform as well as proprietary and partner health and senior care institutions.

Connecting the Ecosystem (Payment Network): A “Smart Hub” for Payment and Data

Online	Online medicine purchases In 2025, Ping An started to provide “direct billing” services at online pharmacies. Corporate health accounts will be “directly billed” after members of corporate health management programs purchase medicines online.
Offline	Offline hospitals In 2025, Ping An started to provide members of corporate health management programs with convenient payment services at social health insurance (“SHI”) designated hospitals of Grade 2 and above nationwide. After SHI settlement, the members can directly scan a QR code to pay the balance, enjoying an experience of zero upfront payment and no claims procedure. In 2025, Ping An started to provide commercial insurance customers with “direct billing” services at public hospitals (including VIP and international departments), private hospitals, and overseas medical institutions. Customers enjoy a convenient experience of zero upfront payment and no claims procedure when receiving medical care within the service network.
	Offline pharmacies In 2025, Ping An launched a QR code payment service for the offline medicine purchase scenario of members of corporate health management programs, covering 77 thousand pharmacies nationwide. While providing users with more convenient experience, Ping An realized closed loops of services and data.

Health and Senior Care

HEALTH AND SENIOR CARE ECOSYSTEM PROGRESS

Connecting Supply (Providers): Integrating Service Networks to Achieve “Five Mosts”

Medical services	Online doctor services: 24/7 online diagnosis and treatment via “AI + human doctor” services
	Ping An had about 50,000 in-house and contracted external doctors as of December 31, 2025. Among them are over 3,500 contracted expert doctors, including 10 academicians/national TCM masters leading the team, over 800 hospital presidents/vice hospital presidents/department heads/discipline leaders, offering tip-top services such as remote video consultations with renowned doctors, MDT consultations, outpatient and inpatient care, lectures and salons, and in-company one-on-one care. In 2025, Ping An integrated its online doctors with medical large AI models to achieve seconds-level, high-accuracy response, upgrading them into “proactive private health concierges” under a differentiated service model.
	Offline health care: a comprehensive, precise medical service system covering “screening, prevention, diagnosis, treatment, and rehabilitation” across customers’ entire lifecycle
	Proprietary network: Ping An had five general hospitals, two rehabilitation hospitals, and one cardiovascular and cerebrovascular hospital as of December 31, 2025. Peking University International Hospital’s number of available beds reached 1,312 and outpatient visits exceeded 1.32 million. In 2025, Ping An’s proprietary flagship rehabilitation hospital, Shenzhen Beiyi Rehabilitation Hospital, officially opened for business with 301 authorized beds, expected to serve up to 100,000 patients per year. Partner network: Ping An partnered with over 37,000 hospitals (including all top 100 hospitals and 3A hospitals) in China for claims services as of December 31, 2025. Among them, 3,216 Ping An Selected Hospitals consolidate core medical resources to provide services including appointments, bed arrangement, surgeries, examinations, and rehabilitation, meeting all-around, full-cycle customer needs for medical services. Ping An Selected Hospitals covered 96.5% or 1,732 of 3A hospitals as of December 31, 2025, up by 108 from the beginning of 2025. Overseas, Ping An partnered with over 1,300 medical institutions as of December 31, 2025, including 9 of global top 10 and 60 of global top 100, up by 2 and 4 respectively from the beginning of 2025, in 35 countries across the world.
	Medication services: online and offline full-scenario medication services
	Ping An had over 240,000 partner pharmacies as of December 31, 2025, up by over 5,000 from the beginning of 2025, covering over 35% of pharmacies nationwide.

Health services	Health management: upgrading reactive care into proactive intervention via proactive health management In 2025, Ping An deeply integrated resources from Ping An Health, PKU Healthcare Group, and global partners to build a full-cycle, proactive health management system for customers. By leveraging the Group's app matrix and AI-driven express services, we realized online-merge-offline collaboration and extensive geographic coverage. Our services span key areas including physical activity, longevity, anti-aging and sleep management, shifting health care from treatment to prevention and creating premium healthy lifestyles for customers.
	Chronic disease management: online-merge-offline integrated, personalized, and precise chronic disease management Our health management specialists, nutritionists, physicians, and psychological counselors collaborate to deliver personalized, proactive health management services centered around medication, lifestyle, and medical resource arrangement. Such services are designed to control diabetes, hypertension, fatty liver, hyperuricemia, and hyperlipidemia as well as manage body weight and comorbidities. Ping An's chronic disease management services were used 16.90 million times in 2025, with a 99% customer satisfaction rating.
	Home-based senior care: "making the elderly comfortable and their children worry-free through committed concierges" In 2025, Ping An upgraded its health care services to improve customer service quality by gradually upgrading dedicated doctors into those with associate chief physician titles or above, backgrounds in 3A hospitals, and an average of over 20 years of clinical experience. In 2025, the average monthly activity rate of home-based senior care services was 84%, and the response rate of "Smart Guard" alarms was 100%.
Senior care services	Community-based senior care: senior care community selection services for customers entitled to home-based senior care In 2025, Ping An provided full-process assistance before, during, and after customers' residence. Before residence, Ping An recommends senior care institutions, with dedicated care managers visiting customers to assess professional care plans and accurately recommend partner institutions based on customer needs. During residence, customers also have access to home-based senior care benefits including senior care concierge services, doctor consultations, and medical assistance. After residence, our care managers visit the elderly with moderate to severe disabilities on a yearly basis.
	Institutional senior care: "one-stop" premium health and senior care communities Proprietary model: Ping An unveiled a total of six Zhen Living premium health and senior care communities in five cities as of December 31, 2025. Among them, Zhen City • Shanghai has opened for business, and Zhen City • Futian in Shenzhen has started a soft opening. Partnership model: Ping An carefully selects operators, and formulates operational standards and requirements. In Yi City, Ping An's customers enjoy benefits such as guaranteed admission and guaranteed continuous residence. An experience and showcase center of Yi City in Foshan started a soft opening as of December 31, 2025. Going forward, Yi City will expand to new first-tier cities such as Wuhan, Chengdu, Qingdao and Suzhou.

Technology Enablement



Under the principle of **“AI in ALL,”** Ping An remains customer needs-oriented, focuses on enabling its core businesses, and consistently invests in research and development (“R&D”) to build leading technological capabilities based on the four elements of AI, namely algorithms, data, scenarios, and computing power. Via industry-leading proprietary databases, Ping An lays core foundations for AI-driven value creation by developing vertical large AI models for domains including finance, health care and senior care supporting internal scenario applications through distillation and reinforcement learning of external advanced open-source large AI models. Ping An drives the entire Group’s operations and management to transition from **“experience-based decision-making” to “data-driven decision-making.”** The implementation of business scenario applications in fields including finance, health care and senior care lays solid technical foundations for professional capabilities of financial advisers, health advisers, and senior care concierges. This supports the “integrated finance + health and senior care” strategy, providing strong momentum for high-quality business development.

Over 230,000 employees of Ping An Group used its internal AI agent platform, developed over 70,000 AI agent applications, and called AI models 3.65 billion times in 2025. Ping An’s databases have accumulated 33 terabytes of data covering 251 million retail customers. Moreover, the Company has amassed over 3.2 trillion tokens of high-quality text corpus, 500,000 hours of annotated voice corpus, and over 8.5 billion image corpus entries.

SCENARIO APPLICATIONS AND VALUE CREATION

Ping An enables financial businesses to **improve experience, manage risks, cut costs, and promote sales** by constantly deepening and widening scenario applications.

Improve experience

● AI-enabled policy issuance

Leveraging constant breakthroughs in AI technologies including multi-modal perception and intelligent reasoning, Ping An P&C has overcome barriers to automatic recognition and understanding of many unstructured, non-standard documents including qualified certificates of new vehicles and shipping orders. In the AI-enabled auto insurance policy issuance scenario, 93% of policies sold via the auto dealer channel are intelligently issued within one minute on average.



93%

**Policies intelligently issued
in 1 minute on average**

● AI-enabled claim settlement

Leveraging cutting-edge technologies including AI-powered robotics, smart recognition cameras, AI-powered claim review, and external data connectivity, Ping An has created a new brand image of life insurance claim service with “111 Quick Claims” featuring one-sentence case reporting, one-click material uploading, and one-minute claim review. In 2025, 59% of claims were settled via the quick claim service.

For complex medical documents including medical, hospital admission and discharge records, Ping An P&C has effectively broken through the technical bottleneck of understanding accuracy. Ping An P&C applied the technology to end-to-end automatic settlement of non-auto insurance claims, covering nearly a million cases. With the technology, 70% of personal injury claims were settled automatically within as little as 51 seconds.

Manage risks

● AI-enabled risk management

AI enables our insurance business lines to enhance risk management capabilities by strengthening unusual behavior detection and facilitating intelligent risk assessment and early warning. Ping An P&C's claims savings via smart fraud detection amounted to RMB10.51 billion in 2025, exceeding RMB10 billion for the third consecutive year.



RMB 10.51 bn
Claims savings via smart
fraud detection

Cut costs

● AI-enabled underwriting

Ping An leveraged cutting-edge technologies including big data, AI and machine learning to develop innovative digital underwriting practices, with 94% of life insurance policies underwritten within seconds.

● AI-enabled services

The volume of services provided by Ping An's AI service representatives⁽¹⁾ reached about 1,702 million times, accounting for 80% of Ping An's total customer service volume in 2025. AI service representatives effectively reduced the costs of human service representatives by swiftly responding to and handling customer inquiries and complaints.



80%
Proportion of services by
AI service reps

● AI-enabled coding

Ping An actively advanced the application of AI coding tools, with the AI code penetration rate⁽²⁾ reaching 35.49%, effectively enhancing the efficiency of R&D staff.

Notes: (1) The volume of services provided by AI service representatives refers to the total times of inbound and outbound call services provided by speech robots and text robots for credit card and insurance business lines.

(2) The AI code penetration rate refers to the proportion of AI-generated codes in incremental codes.

Promote sale

● AI-enabled sales

AI agents helped realize RMB133,179 million in sales in 2025 by enabling demand analysis, personalized recommendation, sales pitches, and so on.

Leveraging big data and AI, Ping An developed a model for rating the difficulty of reinstating insurance policies, and built a smart “AI + human” reinstatement task assignment system. As a result, Ping An reinstated 30% more policies, effectively renewing insurance coverage for customers.



30%
Increase in reinstated
policies

Performance Overview

Business Results of the Group

CONSOLIDATED RESULTS

Ping An provides a wide range of financial products and services via multiple distribution channels. Ping An engages in financial businesses through subsidiaries including Ping An Life, Ping An P&C, Ping An Annuity, Ping An Health Insurance, Ping An Bank, Ping An Trust, Ping An Securities, Ping An Asset Management, and Ping An Financial Leasing. Ping An develops a finance enablement ecosystem through subsidiaries including Ping An Health, Lufax Holding, and OneConnect.

China's economy forged ahead despite pressures, with new quality productive forces enabling high-quality development, all major targets achieved, and the 14th Five-Year Plan successfully concluded in 2025. This fully demonstrated the resilience and adaptability of China's economy in navigating and overcoming challenges in a volatile and uncertain environment. Resolutely implementing the strategies adopted by the Communist Party of China ("CPC") Central Committee and the state, Ping An focused on core financial businesses and strengthened the insurance protection function to serve the real economy. Ping An implemented its business policy of "focusing on core businesses, boosting revenue and cutting costs, advancing reform and innovation, and preventing risks." Advancing the technology-enabled "integrated finance + health and senior care" dual-pronged strategy, Ping An consistently consolidated its integrated finance advantages, remained customer needs-oriented, and pursued high-quality development.

- In 2025, the Group's operating profit after tax attributable to shareholders of the parent company increased **10.3%** year on year to RMB**134,415** million. Net profit attributable to shareholders of the parent company excl. non-recurring gains and losses rose **22.5%** year on year to RMB**143,773** million.

KEY INDICATORS

(in RMB million)	2025	2024	Change (%)
Operating profit after tax attributable to shareholders of the parent company	134,415	121,862	10.3
Basic operating earnings per share (in RMB)	7.66	6.89	11.2
Operating ROE (%)	12.7	12.7	-
Dividend per share (in RMB)	2.70	2.55	5.9
Net profit attributable to shareholders of the parent company	134,778	126,607	6.5
Net profit attributable to shareholders of the parent company excluding non-recurring gains and losses ⁽¹⁾	143,773	117,392	22.5
ROE (%)	14.0	13.8	0.2 pps

Notes: (1) Non-recurring gains and losses are recognized by the Company in accordance with the *Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1 – Non-Recurring Gains and losses (2023 Revision)* (CSRC Announcement [2023] No. 65). The Company's non-recurring gains and losses totaled RMB-8,995 million in 2025.

(2) Figures may not match the calculation due to rounding.

OPERATING PROFIT OF THE GROUP

Operating profit is a meaningful business performance evaluation and comparison metric given the long-term nature of the Company's major Life & Health business. Ping An defines operating profit after tax as reported net profit excluding the following items which are of a short-term, volatile or one-off nature and others:

- Short-term investment variance applies to Life & Health business excluding the part subject to the variable fee approach (the "VFA")⁽¹⁾. This short-term investment variance is the variance between the actual investment return on the aforesaid business and the embedded value ("EV") long-run investment return assumption. Net of the short-term investment variance, the investment return on the aforesaid Life & Health business is locked at 4.0%. Debt investments at fair value through other comprehensive income backing such business are measured at cost.
- The impact of one-off material non-operating items and others is the impact of material items that management considered to be non-operating incomes and expenses. Such impact in 2025 comprised one-off gains or losses resulting from the consolidation of Ping An Health, Ping An HealthKconnect, and OneConnect to the Group and the sale of Autohome, revaluation gains or losses on the conversion values of USD and HKD convertible bonds issued by the Company, and so on, which totaled RMB-8,619 million. Such impact in 2024 comprised a one-off gain or loss resulting from the consolidation of Lufax Holding to the Group, a revaluation gain or loss on the convertible bonds issued by Lufax Holding to the Company, a revaluation gain or loss on the conversion value of the USD convertible bonds issued by the Company, and so on, which totaled RMB8,694 million.

Note: (1) The financial changes in insurance contract liabilities subject to the VFA match the fair value changes of the underlying assets backing this type of business. Therefore, no adjustment is made when operating metrics are measured.

The reconciliation between operating profit and reported net profit is as follows:

(in RMB million)	2025						The Group
	Life and health insurance business	Property and casualty insurance business	Banking business	Asset management business	Finance enablement business	Other businesses and elimination	
Operating profit attributable to shareholders of the parent company	99,752	16,923	24,711	(3,785)	249	(3,435)	134,415
Operating profit attributable to non-controlling interests	3,513	77	17,922	785	(117)	1,261	23,441
Operating profit (A)	103,265	17,000	42,633	(3,000)	132	(2,174)	157,857
Plus:							
Short-term investment variance (B)	9,064	-	-	-	-	-	9,064
Impact of one-off material non-operating items and others (C)	-	(2,403)	-	-	2,943	(9,159)	(8,619)
Net profit (D=A+B+C)	112,329	14,597	42,633	(3,000)	3,075	(11,333)	158,301
Net profit attributable to shareholders of the parent company	108,723	14,531	24,711	(3,785)	3,192	(12,594)	134,778
Net profit attributable to non-controlling interests	3,606	66	17,922	785	(117)	1,261	23,523

Performance Overview

Business Results of the Group

2024

(in RMB million)	Life and health insurance business	Property and casualty insurance business	Banking business	Asset management business	Finance enablement business	Other businesses and elimination	The Group
Operating profit attributable to shareholders of the parent company	96,975	14,952	25,796	(11,899)	(29)	(3,932)	121,862
Operating profit attributable to non-controlling interests	(953)	69	18,712	785	378	1,110	20,101
Operating profit (A)	96,022	15,021	44,508	(11,114)	349	(2,822)	141,964
Plus:							
Short-term investment variance (B)	(3,925)	-	-	-	-	-	(3,925)
Impact of one-off material non-operating items and others (C)	-	-	-	-	12,936	(4,242)	8,694
Net profit (D=A+B+C)	92,097	15,021	44,508	(11,114)	13,285	(7,064)	146,733
Net profit attributable to shareholders of the parent company	93,025	14,952	25,796	(11,899)	12,907	(8,174)	126,607
Net profit attributable to non-controlling interests	(928)	69	18,712	785	378	1,110	20,126

Notes: (1) The life and health insurance business represents the results of three subsidiaries, namely Ping An Life, Ping An Annuity, and Ping An Health Insurance. The property and casualty insurance business represents the results of Ping An P&C. The banking business represents the results of Ping An Bank. The asset management business represents the results of subsidiaries that engage in asset management business including Ping An Securities, Ping An Trust, Ping An Asset Management, Ping An Financial Leasing, and Ping An Overseas Holdings. The finance enablement business represents the results of relevant subsidiaries including Ping An Health, Lufax Holding, and OneConnect. Eliminations are mainly offsets against shareholding among business lines.

(2) Figures may not match the calculation due to rounding.

OPERATING PROFIT AFTER TAX ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY

(in RMB million)	2025	2024	Change (%)
Life and health insurance business	99,752	96,975	2.9
Property and casualty insurance business	16,923	14,952	13.2
Banking business	24,711	25,796	(4.2)
Asset management business	(3,785)	(11,899)	Loss down by 68.2%
Finance enablement business	249	(29)	N/A
Other businesses and elimination	(3,435)	(3,932)	N/A
The Group	134,415	121,862	10.3

Note: Figures may not match the calculation due to rounding.

OPERATING ROE

(%)	2025	2024	Change (pps)
Life and health insurance business	21.3	25.7	(4.4)
Property and casualty insurance business	12.0	11.5	0.5
Banking business	9.2	10.1	(0.9)
Asset management business	(5.1)	(13.8)	8.7
Finance enablement business	0.3	-	0.3
Other businesses and elimination	N/A	N/A	N/A
The Group	12.7	12.7	-

OPERATING EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY

(in RMB million)	December 31, 2025	December 31, 2024	Change (%)
Life and health insurance business ⁽¹⁾	527,524	408,757	29.1
Property and casualty insurance business	145,543	135,854	7.1
Banking business	273,093	257,826	5.9
Asset management business	69,969	79,452	(11.9)
Finance enablement business	66,006	86,841	(24.0)
Other businesses and elimination	24,681	34,159	N/A
The Group⁽¹⁾	1,106,816	1,002,889	10.4

Note: (1) Excluding changes in fair value of debt investments at fair value through other comprehensive income backing life and health insurance business, as well as accumulated insurance finance expenses for insurance contract liabilities recognized through other comprehensive income that can be reclassified into profit or loss, except for the part subject to the VFA.

Performance Overview

Life and Health Insurance Business

BUSINESS OVERVIEW

The Company conducts its Life & Health business through Ping An Life, Ping An Annuity, and Ping An Health Insurance.



RMB36,897 mn
NBV

- **Life & Health business grew constantly.** Life & Health NBV amounted to RMB36,897 million in 2025, up 29.3% year on year.



10.4%
YoY growth in agency channel NBV

- **Ping An Life achieved high-quality development in multiple channels.** Agency channel NBV rose 10.4% year on year in 2025 driven by a 17.2% year-on-year increase in NBV per agent. Bancassurance channel NBV surged 138.0% year on year. Bancassurance, community finance and other channels' share in Ping An Life's NBV increased 12.1 pps year on year in 2025.



18,298k
Health & senior care customers

- **"Insurance + service" offerings are gaining traction.** Our health and senior care services were used by 18,298 thousand of Ping An Life's customers in 2025. Over 240 thousand customers were entitled to home-based senior care services as of December 31, 2025. We unveiled a total of six Zhen Living premium health and senior care communities, which are currently in operation or under construction, in five cities as of December 31, 2025. Among them, Zhen City • Shanghai has opened for business, and Zhen City • Futian in Shenzhen has started a soft opening.



97.4%
13-month persistency ratio

- **Business quality improved consistently.** Ping An Life kept high policy persistency ratios in 2025, with the 13-month persistency ratio up 1.0 pps year on year to 97.4% and the 25-month persistency ratio up 5.2 pps year on year to 94.9%.

CHANNEL DEVELOPMENT

Under the value orientation of high-quality development, Ping An Life consistently advanced transformation and built multi-channel professional sales capabilities, significantly improving development quality.

Agency channel

- Ping An Life consistently focused on high-quality development, steadily improving agency channel management. Ping An Life enhanced its "4-in-1" framework of "basic management rules, training, customer development, and products + services." Moreover, Ping An Life launched the "Xiang Ping An" customer benefits and the "Ping An Family Office" brand to boost customer development. Agency channel NBV grew 10.4% year on year in 2025, driven by a 17.2% year-on-year increase in NBV per agent.
- Ping An Life consistently enhanced its team development framework that prioritizes the cultivation, recruitment and fostering of high-quality agents. By implementing the new basic management rules, Ping An Life strengthened agents' intrinsic motivation, optimized the team structure, and stabilized the team size. The percentage of individual insurance sales agents with a junior college or higher degree rose 1.4 pps from a year ago as of December 31, 2025.

17.2%

YoY growth in NBV per agent

(in RMB million)	2025	2024	Change (%)
Agent productivity and income			
Agency channel NBV	23,823	21,580	10.4
NBV per agent (RMB per agent per year)	80,375	68,572	17.2
Agent activity ratio ⁽¹⁾ (%)	50.4	52.8	-2.4 pps
Agent income (RMB per agent per month)	9,299	10,395	(10.5)
Including: Income from Ping An Life's products (RMB per agent per month)	7,295	8,227	(11.3)

Note: (1) Agent activity ratio = annual total of monthly agents who issued insurance policies / annual total of monthly agents on board.

Bancassurance channel

Focusing on value growth, Ping An Life adheres to a high-quality development strategy for the bancassurance channel, consistently improving business performance and quality. Bancassurance channel NBV rose 138.0% year on year to RMB9,408 million in 2025.

- In respect of partnerships with banks, Ping An Life consistently diversified channels by strengthening partnerships with state-owned banks and major joint-stock banks, actively exploring potential partnerships with high-quality urban commercial banks, and opening up multiple new high-quality partner channels.
- In respect of outlet development, Ping An Life selected and expanded high-quality outlets, improved outlet operations, and boosted operational efficiency by building a standard operations management system. As a result, outlet productivity significantly increased year on year.
- In respect of team development, Ping An Life recruited high-quality talent and strengthened the professional development framework to build elite teams, which expanded steadily with productivity rising in tandem.
- In respect of service support, Ping An Life diversified its product portfolio to meet the needs of different wealth management customer segments, optimized services throughout the insurance application process, and offered diverse value-added services to enhance customer experience.

138.0%

YoY bancassurance channel
NBV growth

Community finance and other channels

In respect of the community finance channel, Ping An Life consistently promoted the community finance service model, prioritizing a farmer-like meticulous approach to relationships with retained customers⁽¹⁾. As a result, Ping An Life made consistent breakthroughs in value growth, and maintained the high-quality development of outlets and teams.

- In respect of value, the overall persistency ratio of retained customers improved by 0.8 pps year on year in 2025.
- In respect of outlets, Ping An Life had established 333 community finance outlets in 198 cities as of December 31, 2025, up by 202 outlets and 105 cities respectively from the beginning of 2025.
- In respect of teams, Ping An Life had built elite teams of over 40 thousand "high-competence, high-performing, and high-quality" agents as of December 31, 2025.

333

Community finance outlets in
198 cities

40K+

Agents of elite teams

Note: (1) Retained customers are customers holding in-force insurance policies which were sold by Ping An Life's former agents before their agency relationship terminated.

Performance Overview

Life and Health Insurance Business

In respect of the lower-tier channel, Ping An Life expanded sales to 21 provinces/cities and explored innovative digitally enabled business models as of December 31, 2025.

Number of individual life insurance sales agents

Ping An Life	December 31, 2025	December 31, 2024	Change (%)
Individual life insurance sales agents (in thousand)	351	363	(3.3)

Note: The number of individual life insurance sales agents refers to the number of agents who have signed insurance agency contracts with Ping An Life, including the agency channel, bancassurance channel, community finance and other channels.

LIFE INSURANCE PRODUCTS

Under a customer-centric philosophy, Ping An Life consistently diversifies and upgrades its insurance product portfolio to provide more comprehensive products. Moreover, by leveraging the Group’s health and senior care ecosystem, Ping An Life rolls out “insurance + service” products in an orderly manner, providing customers with heartwarming services.

Insurance products

Ping An Life consistently innovated and optimized its product portfolio, delved deeper into insurance protection, pension, and wealth management markets, and actively built its business presence in inclusive insurance, aiming to meet customers’ diverse protection needs.



Protection products

Ping An Life strengthened its presence in the critical illness insurance market while developing the medical insurance market. Ping An Life rolled out a range of critical illness insurance products including “Man Fen” products, “An You Fu” products, and “Quan Jia Bao.” In response to Diagnosis Related Group and Diagnosis-Intervention Packet payment reforms, Ping An Life launched new “e Sheng Bao” medical insurance products to meet different customer segments’ needs. In addition, Ping An Life upgraded accident insurance products including “An Bai Hui Xiang” to meet customers’ protection needs in multiple accident scenarios.



Senior care products

Ping An Life enhanced its annuity product line by developing senior care products for different senior care scenarios. In response to national policies, Ping An Life released “Sheng Shi You Xiang” (a personal tax-credit pension) and “Zhi Ying Jin Sheng” (an exclusive commercial pension). In addition, Ping An Life launched the “Yi Xiang Tian Nian” immediate annuity for soon-to-retire customers.



Wealth management products

Ping An Life constantly diversified the participating insurance products and participating account system. In a low interest rate environment, Ping An Life enhanced the R&D of variable-income products, upgraded flagship products, and launched new participating products including “Jin Yue (Company Anniversary Version).” By building a differential participating account system, Ping An Life enhanced the appeal of its participating products.



Inclusive insurance products

Ping An Life diversified the inclusive insurance products. Focusing on risks specific to the elderly, children, and women, Ping An Life rolled out products including “Yi Kang Bao,” “Shao Er Fu” and “Gratitude to Women” to provide dedicated protection and expand the coverage of inclusive insurance.

Insurance services

Insurance + health care

Ping An Life released the “Ping An Tian Rui – An You Hu” health service plan, a package of “critical illness insurance + critical illness management services,” in April 2025. The plan gives customers access to precise examinations, surgeries performed by renowned doctors, and rehabilitative treatment throughout the entire medical journey, making critical illness treatment more convenient and worry-free. Ping An Life launched the “Ping An Tian Rui – An You Yi” health service plan, a package of “medical insurance + medical services,” in September 2025. The plan gives customers access to more professional and comprehensive medical support and resources across the entire medical journey before, during, and after hospitalization. Our health and senior care services were used by 18,298 thousand of Ping An Life’s customers in 2025.



Insurance + home-based senior care

Ping An Life constantly explores a heartwarming “insurance + home-based senior care” service model, focusing on scenarios of the elderly’s core needs including medical services, health management, safety, and nursing care. Ping An Life has developed three brand-new service highlights, namely “access to health care when needed, emergency rescue in times of distress, and ongoing care throughout the aging journey.” Over 240 thousand customers were entitled to home-based senior care services as of December 31, 2025.



Insurance + premium senior care

Ping An is committed to developing the premium senior care market and creating innovative “one-stop” full-lifecycle senior care solutions. Under the core philosophy of “seven-dimensional health⁽¹⁾” and the value proposition of “prime life, exclusive services, and respectful care,” Ping An provides customized, exclusive health and senior care services and high-quality, heartwarming, brand-new health and senior care experience to meet the growing demand for premium senior care in China.

We unveiled a total of six Zhen Living premium health and senior care communities, which are currently in operation or under construction, in five cities as of December 31, 2025. Among them, Zhen City • Shanghai has opened for business, and Zhen City • Futian in Shenzhen has started a soft opening.



Note: (1) Seven-dimensional health refers to seven health dimensions, namely the body, cognition, emotion, spirit, financial status, career and social interaction.

Performance Overview

Life and Health Insurance Business

Ping An Life kept high persistency ratios of insurance policies in 2025, with the 13-month persistency ratio and 25-month persistency ratio up 1.0 pps and 5.2 pps year on year respectively, indicating consistently improving business quality. Going forward, Ping An Life will boost persistency ratios and the efficiency of service-based renewal premium collection by consistently enhancing smart, digital ex ante services and precise collection regarding policies to be renewed.

(%)	2025	2024	2023
Ping An Life			
13-month persistency ratio	97.4	96.4	92.8
25-month persistency ratio	94.9	89.7	85.8

KEY INDICATORS

(in RMB million)	2025/ December 31, 2025	2024/ December 31, 2024	Change (%)
NBV	36,897	28,534	29.3
NBV margin (based on ANP, %)	28.5	22.7	5.8 pps
First-year premium ("FYP") used to calculate NBV	157,923	154,026	2.5
EV	928,630	835,093	11.2
Operating ROEV (%)	11.2	11.0	0.2 pps
Contribution from new business ("new business CSM")	36,688	35,405	3.6
New business CSM margin (%)	8.3	9.0	-0.6 pps
Present value of expected premiums from new business sold	440,940	395,481	11.5
Operating profit	103,265	96,022	7.5
Operating ROE (%)	21.3	25.7	-4.4 pps
Net profit	112,329	92,097	22.0

Note: Figures may not match the calculation due to rounding.

ANALYSIS OF OPERATING PROFIT AND PROFIT SOURCES

Operating profit is a meaningful business performance evaluation and comparison metric given the long-term nature of the Company's major life and health insurance business. Ping An defines operating profit after tax as reported net profit excluding items which are of a short-term, volatile or one-off nature and others:

- Short-term investment variance applies to Life & Health business excluding the part subject to the VFA⁽¹⁾. This short-term investment variance is the variance between the actual investment return on the aforesaid business and the embedded value long-run investment return assumption. Net of the short-term investment variance, the investment return on the aforesaid Life & Health business is locked at 4.0%. Debt investments at fair value through other comprehensive income backing such business are measured at cost; and
- The impact of one-off material non-operating items and others is the impact of material items that management considered to be non-operating incomes and expenses.

Note: (1) The financial changes in insurance contract liabilities subject to the VFA match the fair value changes of the underlying assets backing this type of business. Therefore, no adjustment is made when operating metrics are measured.

(in RMB million)	2025	2024	Change (%)
Insurance service result and others	84,035	86,031	(2.3)
Release of CSM	68,187	71,140	(4.2)
CSM release base	793,306	802,452	(1.1)
CSM release rate (%)	8.6	8.9	-0.3 pps
Change in risk adjustment for non-financial risk	6,486	6,859	(5.4)
Opening risk adjustment	158,568	157,162	0.9
Risk adjustment release rate (%)	4.1	4.4	-0.3 pps
Operating variances and others	9,362	8,032	16.6
Investment service result⁽¹⁾	27,301	17,552	55.5
Operating profit before tax	111,336	103,583	7.5
Income tax	(8,071)	(7,561)	6.7
Operating profit	103,265	96,022	7.5
Short-term investment variance	9,064	(3,925)	N/A
Impact of one-off material non-operating items and others	-	-	N/A
Net profit	112,329	92,097	22.0

Notes: (1) Investment service result is the operating investment income less the required return on reserves.
(2) Figures may not match the calculation due to rounding.

(in RMB million)	2025	2024	Change (%)
Opening CSM	731,312	768,440	(4.8)
New business CSM	36,688	35,405	3.6
Present value of expected premiums from new business sold	440,940	395,481	11.5
New business CSM margin (%)	8.3	9.0	-0.6 pps
Expected interest growth	22,801	24,051	(5.2)
Changes in estimates that adjust CSM ⁽¹⁾	2,505	(25,444)	N/A
CSM release base	793,306	802,452	(1.1)
Release of CSM	(68,187)	(71,140)	(4.2)
Closing CSM	725,119	731,312	(0.8)

Notes: (1) Including changes in financial risks of insurance contracts subject to the VFA.
(2) Figures may not match the calculation due to rounding.

Performance Overview

Life and Health Insurance Business

INSURANCE PRODUCT INFORMATION

Information of Ping An Life's top five insurance products by premium income in 2025 is presented in the table below.

(in RMB million)	Sales channel	Premium income	Surrender
Ping An Sheng Shi Jin Yue (Exclusive Version) Whole Life Insurance	Individual agents, direct selling	29,798	40
Ping An Yu Xiang Jin Yue Whole Life Insurance	Individual agents, professional agencies	23,731	16
Ping An Sheng Shi Jin Yue (Exclusive Version 2023) Whole Life Insurance	Individual agents, professional agencies	16,907	17
Ping An Yu Xiang Jin Yue (2025) Whole Life Insurance	Individual agents	14,074	5
Ping An Sheng Shi Jin Yue (Supreme Version 2024) Annuity Insurance	Individual agents, direct selling	12,742	60

SOLVENCY MARGIN

Solvency margin ratios of Ping An Life, Ping An Annuity, and Ping An Health Insurance were all significantly above the regulatory requirements as of December 31, 2025.

(in RMB million)	Ping An Life		Ping An Annuity		Ping An Health Insurance	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Core capital	716,540	490,983	15,847	12,742	11,732	10,005
Actual capital	1,021,252	797,818	22,019	19,206	13,677	11,764
Minimum capital	581,306	421,693	6,413	5,263	4,382	3,468
Core solvency margin ratio (%)	123.3	116.4	247.1	242.1	267.7	288.5
Comprehensive solvency margin ratio (%)	175.7	189.2	343.3	364.9	312.1	339.2

Notes: (1) Core solvency margin ratio = core capital / minimum capital. Comprehensive solvency margin ratio = actual capital / minimum capital.

(2) The minimum regulatory requirements for the core solvency margin ratio and comprehensive solvency margin ratio are 50% and 100% respectively.

(3) For details of subsidiaries' solvency margin, please visit the Company's website (www.pingan.cn).

(4) Figures may not match the calculation due to rounding.

INSURANCE REVENUE AND INSURANCE SERVICE EXPENSES

Insurance revenue will be recognized over the coverage period based on the provision of services, exclusive of the investment component (an amount that an insurance contract requires the insurer to repay to a policyholder in all circumstances, regardless of whether an insured event occurs).

(in RMB million)	2025	2024
Insurance revenue	220,391	223,302
Premium allocation approach ("PAA")	29,743	29,314
Non-PAA	190,648	193,988

Note: PAA insurance products mainly include short-term insurance contracts with coverage periods of one year or less; non-PAA insurance products mainly include contracts of long-term traditional, participating, universal, and investment-linked insurance.

Insurance service expenses comprise incurred claims and other insurance service costs, exclusive of the investment component.

(in RMB million)	2025	2024
Insurance service expenses	132,639	134,628
PAA	26,172	26,249
Non-PAA	106,466	108,379

Note: Figures may not match the calculation due to rounding.

INSURANCE CONTRACT LIABILITIES

(in RMB million)

	December 31, 2025	December 31, 2024
Insurance contract liabilities	5,053,125	4,703,643
PAA	18,949	22,383
Non-PAA	5,034,176	4,681,260

WRITTEN PREMIUM

Written premium refers to all premiums received from insurance policies issued. Life & Health's written premium amounted to RMB661,438 million in 2025.

Life & Health's written premium is analyzed below by policyholder type and channel:

(in RMB million)	2025	2024
Retail business	646,028	610,311
New business	196,084	189,081
Agency channel	132,345	146,440
Including: Regular premium	81,900	96,473
Bancassurance channel	41,898	21,794
Including: Regular premium	32,005	12,174
Community finance, tele and others	21,841	20,847
Including: Regular premium	6,858	5,773
Renewed business	449,944	421,230
Agency channel	397,377	373,263
Bancassurance channel	29,622	25,795
Community finance, tele and others	22,945	22,172
Group business	15,410	19,384
New business	15,137	19,117
Renewed business	273	267
Total	661,438	629,695

Life & Health's written premium is analyzed below by product type:

(in RMB million)	2025	2024
Participating insurance	91,887	65,040
Universal insurance	89,870	104,299
Traditional life insurance	231,109	209,859
Long-term health insurance	105,157	107,051
Accident & short-term health insurance	35,057	39,510
Annuity	108,155	103,676
Investment-linked insurance	203	260
Total	661,438	629,695

Life & Health's written premium is analyzed below by major region:

(in RMB million)	2025	2024
Guangdong	115,625	108,344
Beijing	45,657	42,430
Zhejiang	44,832	39,267
Jiangsu	42,411	39,707
Shandong	41,854	39,822
Subtotal	290,379	269,570
Total	661,438	629,695

LAPSE RATE

(%)	2025	2024
Lapse rate	1.52	1.91

Note: Lapse rate is calculated in accordance with the *Accounting Standards for Business Enterprises No. 25 - Insurance Contracts* issued by the Ministry of Finance in 2006. Lapse rate = surrender / (opening balance of life insurance reserve + opening balance of long-term health insurance reserve + long-term insurance premium income).

Performance Overview

Property and Casualty Insurance Business

BUSINESS OVERVIEW



96.8%
Overall COR

● Supporting high-quality development with steady growth

Ping An P&C maintained steady business growth in 2025, with premium income up 6.6% year on year to RMB343,168 million and insurance revenue up 3.3% year on year to RMB338,912 million. Ping An P&C's overall COR improved by 1.5 pps year on year to 96.8% in 2025 mainly because Ping An P&C optimized costs in auto insurance business and turned losses into profits in guarantee insurance business.

Auto insurance COR improved by 2.3 pps year on year to 95.8%.

Net cash inflows from operating activities increased 48.3% year on year, with liquidity significantly improved. Driven by premium cash flows, investment scale excl. financial assets sold under agreements to repurchase grew 12.1% from the beginning of 2025.



Ping An 24

**Comprehensive
overseas travel
protection system**

● Creating new service brand identity

In 2025, under a people-centered approach, Ping An P&C upgraded its “worry-free, time-saving, and money-saving” auto insurance services by launching two service initiatives, namely exemptions from onsite waiting, proof submission and loss assessment, and good, quick and cost-effective services. This enabled Ping An P&C to build a full-scenario, end-to-end service system for auto owners.

Focusing on diverse customer needs, Ping An P&C rolled out six unique, innovative “insurance + service” products, including “Ping An Yi Wu You (Worry-Free Medical Care),” “Ping An Chong Wu You (Worry-Free Pet),” and “Ping An Xing – Travel Protection Plan.”

Moreover, Ping An P&C established the “Ping An 24” comprehensive overseas travel protection system by integrating traditional insurance coverage with professional services including medical rescue and safety rescue. The system enables worldwide, round-the-clock, seconds-level response via a 24/7 global hotline and a rescue network of over 600,000 health care partner institutions across the world.

ADVANCING THE “INSURANCE + TECHNOLOGY + SERVICE” MODEL

Bolstering Five Key Financial Sectors

Committed to serving the real economy, Ping An P&C advances the “insurance + technology + service” model to improve the quality and efficiency of services and bolster five key financial sectors, namely technology finance, green finance, inclusive finance, pension finance and digital finance. Ping An P&C cumulatively developed nearly 8,800 products, and provided RMB373.04 trillion worth of insurance coverage for 2.93 million small and micro-enterprises in 2025. Green insurance premium income increased 30.5% year on year to RMB76,474 million in 2025. Ping An P&C issued 3.26 million science and technology insurance policies, providing RMB9.29 trillion worth of insurance coverage in 2025. Ping An P&C helped advance 136 city-customized medical insurance programs, providing over RMB48.78 trillion worth of insurance coverage for over 36.83 million citizens in 2025. Ping An P&C undertook long-term care insurance programs covering over 57.09 million participants, and cumulatively paid over RMB378 million of long-term care benefits in 2025.

Promoting Sci-tech Self-reliance and Self-strengthening

Ping An P&C has fully implemented the “AI in ALL” strategy, reshaping the insurance business value chain with AI. AI has been applied to 100% of cases in the five core scenarios, namely marketing, services, operations, management, and business development. Ping An P&C has won the First Prize of the “Fintech Development Award” for three consecutive years, and garnered the Second Prize of the national “Data Element X” competition in 2025, the first national science and technology prize in the insurance industry. Ping An P&C has made the Ping An Auto Owner app smarter by upgrading it with technologies including AI to provide precise and efficient services, with a customer satisfaction rating of over 97.5%. The Ping An Auto Owner app had over 260 million registered users, with monthly active users peaking at over 50 million as of December 31, 2025.

Improving Service Quality and Efficiency via Risk Reduction

Ping An P&C has created sustainable business value by consistently advancing risk reduction practices. Ping An P&C upgraded its “EagleX Risk Mitigation Service Platform” in 2025. Moreover, Ping An P&C released EagleX (Global Version), the first global risk mitigation service platform independently developed by an insurance company, to provide full-lifecycle risk management services for overseas customers. The systems gave alerts on about 420 thousand natural disasters to about 130 million customers in 2025, enabling Ping An P&C to reduce losses by over RMB707 million. Ping An P&C’s closed-loop management of 17 risk scenarios, including elevator safety, flooding and waterlogging, benefited 18 thousand corporate customers and helped avoid 32 major accidents in 2025. Moreover, under the guidance of the NFRA and traffic police, Ping An P&C launched the “Traffic Lights” road safety public welfare program. Under the program, Ping An P&C drew heat maps based on claims big data, renovated 1,789 road sections, donated 10,052 facilities including traffic lights and speed bumps, and conducted 1,124 rural education events benefiting about 200 thousand participants. By doing so, Ping An P&C not only significantly reduced traffic accidents along the roads, but also developed a scalable, replicable new approach to rural road governance. Ping An P&C’s risk management solution targeting small scattered projects in Dongguan was honored by China Central Television as the “Digital Finance” case of the year 2025 for building China into a financial powerhouse. EagleX won a World IoT Award in 2025, the first-ever in the financial industry. The “Traffic Lights” public welfare program was honored as a case of “People-centered Heartwarming Services” from the financial industry, the only case from China’s property and casualty insurance industry.

Performance Overview

Property and Casualty Insurance Business

OPERATING DATA BY PRODUCT TYPE



Auto insurance

Premium income rose 3.2% year on year to RMB230,362 million. COR improved by 2.3 pps year on year to 95.8% mainly thanks to the auto insurance business line's reform aimed at consistency between regulatory filings and actual operations, consistently refined expense management and improved expense input.

- Ping An P&C advanced customer development and built a full-scenario, end-to-end customer service system by upgrading "worry-free, time-saving, and money-saving" auto insurance services, launching "three claims services" and upgrading "six auto use services." Ping An P&C reduced its auto insurance operating cost ratio by 1.0 pps over the past three years by enabling core processes including auto insurance underwriting, claims and marketing with AI agents and digital applications.
- Ping An P&C further implemented risk reduction by working with automakers to optimize vehicle design based on incident scenario analysis and sending safe driving tips via the Ping An Auto Owner app. Moreover, Ping An P&C consistently optimized claim costs by integrating high-quality auto repair service providers and strengthening the claim and repair network. Ping An P&C provided RMB52.34 trillion worth of insurance coverage for new energy vehicle ("NEV") owners by underwriting 12.84 million NEVs, up 44.8% year on year in 2025. Premium income of NEV insurance grew 39.0% year on year to RMB52,480 million in 2025, representing a 27.7% market share. Moreover, Ping An P&C delivered an underwriting profit in NEV insurance business in 2025, showing steadily improved profitability.



Accidental injury and health insurance

Premium income grew 25.2% year on year to RMB38,239 million. COR rose by 3.6 pps year on year to 99.4%.

- To safeguard people's livelihoods under the "Healthy China" initiative, Ping An P&C leveraged the Group's health care resources to pioneer a model of "One Insurance Policy Covering the Whole Family" which addresses pain points in family enrollment and claim settlement. Additionally, Ping An P&C explored insurance solutions for individuals with pre-existing conditions, tackling protection-related challenges faced by people with specific and chronic diseases under the philosophy of inclusive insurance.
- To precisely fulfill the requirements of the 14th Five-Year Plan for "family-oriented insurance services," Ping An P&C promoted risk reduction in household settings via value-added services including formaldehyde testing and electrical safety inspections under the "Jia Wu You (Worry-Free Home)" program, exploring new ways of household risk governance.
- To enable China's industrial upgrade into a "tourism powerhouse," Ping An P&C comprehensively upgraded its 24/7 integrated air, land and sea rescue system underlying the "Ping An Xing - Travel Protection Plan," ensuring greater safety for travelers throughout their journeys.



Liability insurance

Premium income rose 0.1% year on year to RMB24,262 million. COR rose by 4.1 pps year on year to 106.8%.

- Ping An P&C bolstered five key financial sectors, namely technology finance, green finance, inclusive finance, pension finance, and digital finance, to support the real economy and enhance people's livelihoods, contributing to the successful conclusion of the 14th Five-Year Plan. Ping An P&C advanced forward-looking strategic initiatives in line with the 15th Five-Year Plan to promote high-quality economic and social development.
- In risk reduction, Ping An P&C further localized its pricing models to consistently improve the accuracy of pricing. In addition, Ping An P&C applied AI to underwriting pricing and business quality inspection, comprehensively enhancing business compliance. In product innovation, Ping An P&C pioneered standardized insurance products including "Overseas Travel Insurance" and "Battery Insurance" for the auto ecosystem to safeguard industrial transformation and upgrade.



Agricultural insurance

Premium income grew 16.3% year on year to RMB12,470 million. COR improved by 1.1 pps year on year to 98.7%.

- Ping An P&C upgraded its online “worry-free, time-saving, and money-saving” services for farmers. Through the Ai Nong Bao app, Ping An P&C provided farmers with convenient services including self-service insurance application and premium payment, small claim settlement via Smart Quick Claim, and proactive disaster early-warning. The number of farmers using online services exceeded 2.18 million.
- Ping An P&C adopted a 9-in-1 approach to industrial vitalization covering entire industry chains. By integrating “financial + technological + platform” resources, Ping An P&C supported regional industrial vitalization via 974 projects cumulatively, helping 2.64 million farmers boost income by RMB23 billion.



Cargo insurance

Premium income amounted to RMB10,658 million. COR improved by 5.8 pps year on year to 98.0%.

- Thoroughly implementing the spirit of the Third Plenary Session of the 20th CPC Central Committee, Ping An P&C strives to build China into a strong maritime country. Ping An P&C proactively enhanced its marine insurance underwriting capability to provide cargo insurance across entire supply chains. By doing so, Ping An P&C supported the development of three new industries, namely photovoltaics, lithium-ion batteries and NEVs, safeguarding the global expansion of Chinese manufacturers.
- Ping An P&C advanced the comprehensive digitalization and intelligentization of its offerings. By building a risk warning system on the “Ping An Hao Yun” platform, Ping An P&C provided customers with services including disaster warning and shipment positioning. In this way, Ping An P&C enabled customers to track shipments in real time and safeguarded cargo shipping.

Performance Overview

Property and Casualty Insurance Business

(in RMB million)	Insured amount	Premium income	Insurance revenue	Insurance service expenses	Underwriting profit	COR	Net insurance contract liabilities
Auto insurance	350,337,225	230,362	228,495	215,912	9,496	95.8%	212,372
Accidental injury and health insurance	2,488,467,638	38,239	32,769	32,258	189	99.4%	27,133
Liability insurance	2,052,651,454	24,262	24,052	24,720	(1,642)	106.8%	30,999
Agricultural insurance	491,540	12,470	11,491	11,112	152	98.7%	1,445
Cargo insurance	20,192,042	10,658	10,454	10,450	207	98.0%	3,155

Note: Net insurance contract liabilities = insurance contract liabilities - insurance contract assets.

KEY INDICATORS

(in RMB million)	2025	2024	Change (%)
Operating profit ⁽¹⁾	17,000	15,021	13.2
Operating ROE (%)	12.0	11.5	0.5 pps
COR ⁽²⁾ (%)	96.8	98.3	-1.5 pps
Including:			
Combined expense ratio ⁽³⁾ (%)	26.4	27.3	-0.9 pps
Combined loss ratio ⁽⁴⁾ (%)	70.4	71.0	-0.6 pps
Insurance revenue	338,912	328,146	3.3
Including: Auto insurance	228,495	220,026	3.8
Non-auto insurance	110,417	108,120	2.1

Notes: (1) Ping An P&C's net profit reached RMB14,597 million in 2025, down 2.8% year on year primarily due to the one-off impact of the sale of Autohome. The Company realized profit throughout the entire cycle of investing in Autohome from the initial investment to the exit.

(2) COR = (insurance service expenses + (allocation of reinsurance premiums paid - amount recovered from reinsurer) + (net insurance finance expenses for insurance contracts issued - net reinsurance finance income for reinsurance contracts held) + changes in insurance premium reserves)/insurance revenue.

(3) Combined expense ratio = (acquisition cost amortization + maintenance expenses)/ insurance revenue.

(4) Combined loss ratio = (settled loss + outstanding loss + profit or loss of loss contracts + (allocation of reinsurance premiums paid - amount recovered from reinsurer) + (net insurance finance expenses for insurance contracts issued - net reinsurance finance income for reinsurance contracts held) + changes in insurance premium reserves)/ insurance revenue.

(5) Figures may not match the calculation due to rounding.

(%)	2025	2023-2025 average
COR	96.8	98.6
Combined loss ratio	70.4	71.0

ANALYSIS OF PROFIT SOURCES

(in RMB million)	2025	2024	Change (%)
Insurance revenue	338,912	328,146	3.3
Insurance service expenses	(320,380)	(314,356)	1.9
Net expense from reinsurance contracts held ⁽¹⁾	(4,014)	(2,531)	58.6
Net insurance financial result and others ⁽²⁾	(3,801)	(5,796)	(34.4)
Underwriting profit	10,717	5,463	96.2
COR (%)	96.8	98.3	-1.5 pps
Total investment income ⁽³⁾	11,927	16,125	(26.0)
Other net revenue and expenses	(3,847)	(3,107)	23.8
Profit before tax	18,797	18,481	1.7
Income tax	(4,200)	(3,460)	21.4
Net profit	14,597	15,021	(2.8)
Operating profit	17,000	15,021	13.2

Notes: (1) Net expense from reinsurance contracts held = allocation of reinsurance premiums paid – amount recovered from reinsurer.
(2) Net insurance financial result and others = net insurance finance expenses for insurance contracts issued – net reinsurance finance income for reinsurance contracts held + changes in insurance premium reserves.
(3) Total investment income includes interest income, investment income, operating lease income from investment properties, fair value gains or losses, impairment losses on investment assets, and interest expenses on assets sold under agreements to repurchase and placements from banks and other financial institutions.
(4) Figures may not match the calculation due to rounding.

SOLVENCY MARGIN

Ping An P&C's core and comprehensive solvency margin ratios were above the regulatory requirements as of December 31, 2025.

(in RMB million)	December 31, 2025	December 31, 2024
Core capital	126,310	115,692
Actual capital	158,098	138,649
Minimum capital	72,810	67,536
Core solvency margin ratio (%)	173.5	171.3
Comprehensive solvency margin ratio (%)	217.1	205.3

Notes: (1) Core solvency margin ratio = core capital / minimum capital. Comprehensive solvency margin ratio = actual capital / minimum capital.
(2) The minimum regulatory requirements for the core solvency margin ratio and comprehensive solvency margin ratio are 50% and 100% respectively.
(3) For details of Ping An P&C's solvency margin, please refer to the Company's website (www.pingan.cn).

Performance Overview

Property and Casualty Insurance Business

PREMIUM INCOME

Ping An P&C's premium income is analyzed below by channel:

(in RMB million)	2025		2024	
	Amount	Percentage (%)	Amount	Percentage (%)
Agencies	244,821	71.3	237,353	73.8
Brokers	56,626	16.5	52,886	16.4
Direct selling	41,721	12.2	31,582	9.8
Total	343,168	100.0	321,821	100.0

Note: Figures may not match the calculation due to rounding.

Ping An P&C's premium income is analyzed below by product type:

(in RMB million)	2025		2024	
	Amount	Percentage (%)	Amount	Percentage (%)
Auto insurance	230,362	67.1	223,301	69.4
Accidental injury and health insurance	38,239	11.1	30,541	9.5
Liability insurance	24,262	7.1	24,232	7.5
Agricultural insurance	12,470	3.6	10,720	3.3
Cargo insurance	10,658	3.1	6,736	2.1
Other product types	27,177	8.0	26,291	8.2
Total	343,168	100.0	321,821	100.0

Note: Figures may not match the calculation due to rounding.

Ping An P&C's premium income is analyzed below by major region:

(in RMB million)	2025	2024
Guangdong	58,941	55,858
Zhejiang	26,507	23,492
Jiangsu	24,980	23,398
Shanghai	19,481	18,918
Sichuan	18,961	17,759
Subtotal	148,870	139,425
Total	343,168	321,821

Note: Premium income refers to premiums computed based on written premium after the significant insurance risk testing and separation of hybrid contracts in accordance with the *Circular on the Insurance Industry's Implementation of the No.2 Interpretation of Accounting Standards for Business Enterprises* (Bao Jian Fa [2009] No.1) and the *Circular on Issuing the Regulations regarding the Accounting Treatment of Insurance Contracts* (Cai Kuai [2009] No.15).

REINSURANCE ARRANGEMENTS

Ping An P&C adheres to a prudent approach to its reinsurance business to scale up underwriting capabilities, diversify business risks, and ensure healthy business growth and stable operating results. Ping An P&C maintains close long-standing relationships with the world's major reinsurance brokers and reinsurers, actively sharing business experience and enabling reinsurance with technologies. Currently, Ping An P&C conducts reinsurance business with reinsurers and reinsurance brokers worldwide, including China Property & Casualty Re, Swiss Re, SCOR, and Munich Re.

(in RMB million)	2025	2024
Premiums ceded to reinsurers	20,613	18,536
Auto insurance	6,964	6,082
Non-auto insurance	13,649	12,454
Inward reinsurance premium	431	196
Auto insurance	-	8
Non-auto insurance	431	188

Note: Premiums ceded to reinsurers and inward reinsurance premium are premium data from the measurement of reinsurance arrangements in accordance with the *Circular on the Insurance Industry's Implementation of the No.2 Interpretation of Accounting Standards for Business Enterprises* (Bao Jian Fa [2009] No.1) and the *Circular on Issuing the Regulations regarding the Accounting Treatment of Insurance Contracts* (Cai Kuai [2009] No.15).

INSURANCE CONTRACT LIABILITIES

(in RMB million)	December 31, 2025	December 31, 2024
Insurance contract liabilities	307,761	282,048
PAA	295,375	268,496
Non-PAA	12,387	13,553

Note: Figures may not match the calculation due to rounding.

Performance Overview

Insurance Funds Investment Portfolio

INVESTMENT PORTFOLIO OVERVIEW

The Company's insurance funds investment portfolio is comprised of investable funds from Life & Health and Ping An P&C.



RMB6.49 trn
Insurance funds
investment portfolio

- The Company's insurance funds investment portfolio grew 13.2% from the beginning of 2025 to RMB6.49 trillion as of December 31, 2025.



6.3%
Comprehensive
investment yield

- The Company adheres to the philosophies of long-term investing and liability matching for its insurance funds investment. The Company's insurance funds investment portfolio achieved a comprehensive investment yield of 6.3% in 2025, up 0.5 pps year on year. The portfolio achieved a 4.8% average net investment yield and a 4.9% average comprehensive investment yield over the past decade, both higher than the EV long-run investment return assumption.

INVESTMENT STRATEGY



Fixed income investment

The Company proactively manages the risk of falling interest rates and actively allocates to interest rate bonds when rates are high, keeping a good match between costs, incomes and durations.



Equity investment

The Company pursues balanced allocation to value stocks and growth tech stocks under the philosophy of long-term investing in order to outperform the market with robust long-term investment returns.



Alternative investment

The Company actively increases high-quality alternative assets, boosts investment in the real economy, and pilots investment in gold and private funds to diversify the sources of assets and incomes.

Performance Overview

Insurance Funds Investment Portfolio

INVESTMENT PORTFOLIO (BY CATEGORY)

(in RMB million)	December 31, 2025		December 31, 2024	
	Carrying value	Percentage (%)	Carrying value	Percentage (%)
Cash and cash equivalents	280,268	4.3	166,001	2.9
Term deposits	326,614	5.0	244,573	4.3
Debt financial assets				
Bond investments	3,572,513	55.0	3,534,584	61.7
Bond funds	78,080	1.2	103,917	1.8
Preferred stocks	79,520	1.2	114,968	2.0
Perpetual bonds	50,378	0.8	107,157	1.9
Debt schemes	155,207	2.4	184,118	3.2
Wealth management products ⁽¹⁾	168,245	2.6	182,511	3.2
Equity financial assets				
Stocks	958,089	14.8	437,379	7.6
Equity funds	283,540	4.4	133,410	2.3
Wealth management products ⁽¹⁾	36,003	0.6	49,948	0.9
Unlisted equities	124,609	1.9	120,363	2.1
Long-term equity stakes	173,631	2.7	198,229	3.5
Investment properties	143,992	2.2	134,015	2.3
Other investments ⁽²⁾	59,273	0.9	20,236	0.3
Total investments	6,489,962	100.0	5,731,409	100.0

Notes: (1) Wealth management products include trust plans from trust companies, products from insurance asset management companies, and wealth management products from commercial banks.
(2) Other investments mainly include statutory deposits for insurance operations, three-month or longer-term financial assets purchased under reverse repurchase agreements, and derivative financial assets.
(3) Total investments exclude assets of investment-linked insurance.
(4) Figures may not match the calculation due to rounding.

INVESTMENT PORTFOLIO (BY ACCOUNTING MEASUREMENT)

(in RMB million)	December 31, 2025		December 31, 2024	
	Carrying value	Percentage (%)	Carrying value	Percentage (%)
Financial assets at fair value through profit or loss	1,625,879	25.1	1,445,335	25.2
Fixed income	766,100	11.8	967,686	16.9
Stocks	416,761	6.4	174,221	3.0
Equity funds	283,540	4.4	133,410	2.3
Other equity financial assets	159,478	2.5	170,018	3.0
Financial assets at fair value through other comprehensive income	3,588,360	55.3	3,258,062	56.8
Fixed income	3,045,641	46.9	2,993,899	52.2
Stocks	541,328	8.3	263,158	4.6
Other equity financial assets	1,391	0.1	1,005	-
Financial assets measured at amortized cost	941,722	14.5	695,666	12.1
Others ⁽¹⁾	334,001	5.1	332,346	5.9
Total investments	6,489,962	100.0	5,731,409	100.0

Notes: (1) Others include long-term equity stakes, investment properties, and derivative financial assets.
(2) Total investments exclude assets of investment-linked insurance.
(3) Figures may not match the calculation due to rounding.

INVESTMENT INCOME

The Company's insurance funds investment portfolio achieved a comprehensive investment yield of 6.3% in 2025, up 0.5 pps year on year, mainly due to a balanced asset allocation strategy and a forward-looking increase in the percentage of allocation to equity assets. Net investment yield declined by 0.1 pps year on year to 3.7% mainly because existing assets matured partially and yields to maturity on newly added fixed income assets were lower.

(in RMB million)	2025	2024	Change (%)
Net investment income ⁽¹⁾	188,209	175,420	7.3
Net realized and unrealized gains ⁽²⁾	51,801	41,150	25.9
Impairment losses on investment assets	(5,759)	(10,145)	(43.2)
Total investment income	234,251	206,425	13.5
Comprehensive investment income	324,507	266,570	21.7
Net investment yield ⁽³⁾ (%)	3.7	3.8	-0.1 pps
Comprehensive investment yield ⁽³⁾ (%)	6.3	5.8	0.5 pps

Average investment yields on the Company's insurance funds investment portfolio are as below:

(%)	2023 - 2025	2016 - 2025
Average net investment yield	3.9	4.8
Average comprehensive investment yield	5.2	4.9

Life & Health's and Ping An P&C's investment yields in 2025 are as below:

	2025	2024	Change
Life & Health			
Net investment yield ⁽³⁾ (%)	3.8	3.9	-0.1 pps
Comprehensive investment yield ⁽³⁾ (%)	6.6	6.0	0.6 pps
Ping An P&C			
Net investment yield ⁽³⁾ (%)	2.9	3.2	-0.3 pps
Comprehensive investment yield ⁽³⁾ (%)	3.4	4.5	-1.1 pps

Notes: (1) Net investment income includes interest income from deposits and debt financial assets, dividend income from equity financial assets, operating lease income from investment properties, and the share of profits and losses of associates and joint ventures.

(2) Net realized and unrealized gains include capital gains on securities investments and fair value gains or losses.

(3) Average investment assets used as the denominator are computed in line with principles of the Modified Dietz method. The computation of investment yields excludes the fair value changes of debt investments at fair value through other comprehensive income backing Life & Health business.

Performance Overview

Insurance Funds Investment Portfolio

CORPORATE BONDS

The Company held RMB83,981 million worth of corporate bonds in its insurance funds investment portfolio as of December 31, 2025, which accounted for 1.3% of the total investment assets, down 0.8 pps from the beginning of 2025. The corporate bond portfolio enjoys high credit ratings with about 99.9% rated AA or higher externally and about 53.7% having AAA or higher external ratings. In terms of credit loss risk, corporate bonds in the portfolio are secure as their risks are low and under control.

DEBT SCHEMES AND DEBT WEALTH MANAGEMENT PRODUCTS

Debt schemes and debt wealth management products include debt investment schemes undertaken by insurance asset management companies, debt trust plans issued by trust companies, and debt wealth management products issued by commercial banks. Debt schemes and debt wealth management products in the Company's insurance funds investment portfolio totaled RMB323,452 million as of December 31, 2025, accounting for 5.0% of the portfolio, down by 1.4 pps from the beginning of 2025.

Structure and Yield Distribution of Debt Schemes and Debt Wealth Management Products

The Company pays close attention to credit risk in the market, ensuring the overall risks of debt schemes and debt wealth management products held by Ping An in its insurance funds investment portfolio are under control. Debt schemes and debt wealth management products in the Company's insurance funds investment portfolio have good credit ratings. Over 99.2% of the debt schemes and trust plans held by Ping An have AAA external credit ratings. Apart from some high-credit rating entities which do not need credit enhancement for financing, the vast majority of the assets held by the Company have guarantees or collateral. In terms of industry and geographic distribution, Ping An proactively avoids high-risk industries and regions. Ping An's target assets are diversified in the non-banking financial services industry, the expressway industry and so on, and are mainly concentrated in economically developed and coastal areas including Beijing, Shanghai and Guangdong.

Industry	Investment proportion (%)	Nominal yield (%)	Remaining maturity (year)
Infrastructure	63.3	4.14	3.16
Expressway	9.3	4.20	2.65
Electric power	9.0	4.40	3.40
Infrastructure and development zones	26.6	4.06	3.91
Others (water supply, environmental protection, railway, and so on)	18.4	4.12	2.20
Non-banking financial services⁽²⁾	14.5	3.56	3.11
Real estate industry⁽³⁾	6.7	4.16	2.57
Others⁽⁴⁾	15.5	4.24	2.30
Total	100.0	4.08	2.98

Notes: (1) Debt schemes and debt wealth management products are classified by industry in line with Shenying Wanguo's industry classification.

(2) Non-banking financial services refer to financial institutions other than banks, including insurers, asset management companies, and financial leasing companies.

(3) The real estate industry is broadly defined as comprising: real estate financial products with funds directly invested in real estate projects; and trust plans, infrastructure investment schemes, project-related asset-backed securities ("ABSs"), and so on with funds used indirectly in connection with real estate enterprises.

(4) Some industries have been grouped into "others" as they account for small proportions.

(5) Figures may not match the calculation due to rounding.

EQUITY WEALTH MANAGEMENT PRODUCTS

Equity wealth management products in the Company's insurance funds investment portfolio totaled RMB36,003 million as of December 31, 2025, accounting for 0.6% of the portfolio. The vast majority of equity wealth management products held by Ping An are from insurance asset managers. These products' underlying assets are mainly tradable shares of high-quality domestic and foreign companies in the secondary market, indicating no significant liquidity risk. Private equity funds account for a small proportion, and their underlying assets are mainly equities in central or local governments' partnerships, with risks under control.

REAL ESTATE INVESTMENTS

The balance of real estate investments in the Company's insurance funds investment portfolio was RMB202,187 million as of December 31, 2025, accounting for 3.1% of the portfolio. The real estate investments are mainly in real properties (including developer-owned real properties invested in directly or in the form of equity stakes in project companies) measured at cost, which represent 86.8% of real estate investments. Such investments were made primarily in rent-yielding properties including commercial and office properties, logistics real estate, industrial parks, and long-term rental apartments, to match the duration of liabilities. Such investments generate relatively stable incomes including rents and dividends as well as capital appreciation. Besides, debt investments and other equity investments account for 6.7% and 6.5% of real estate investments respectively.

INVESTMENT RISK MANAGEMENT

The Company attaches great importance to risk management in matching assets and liabilities, and consistently improves a risk appetite framework in which solvency margin ratios serve as key quantitative indicators. The Company consistently conducts stress tests and follow-up reviews, embedding ex ante risk management in asset allocation processes. In the event of increased market volatility, the Company will increase the frequency of stress tests in response to emergencies to safeguard the insurance funds investment portfolio against market impacts.

The Company has further strengthened investment rules and processes. To consistently improve the independence and effectiveness of risk management, the Company standardized its business processes, improved its investment risk management framework, and enhanced key processes including risk admittance strategies, credit rating, counterparty and issuer credit facility management, concentration management, risk monitoring, and emergency management. Moreover, the Company employs technologies to enable the management of key post-investment matters and constantly optimizes its risk warning platform. Based on consolidated statements of investment portfolios, the Company monitors comprehensive risk signals covering market fluctuations, negative public sentiment, financial changes and so on. By using smart analytical models, Ping An's systems automatically generate leading indicators and give early warnings, enabling the Company to conduct rapid risk identification, reporting, mitigation and disposal.

The Company further strengthens substantive risk management in addition to meeting regulatory requirements concerning investment concentration. The Company improves policies and procedures for the management of investment concentration and optimizes the Group's and its member companies' investment concentration limits in a prudent, comprehensive, dynamic, and independent manner. Moreover, the Company enhances the using, warning, and adjustment mechanisms of concentration limits for major clients, and strengthens the monitoring and management of key sectors and risk areas. In this way, the Company prevents the risk of investment overconcentration in certain counterparty(ies), sector(s), region(s), and asset class(es) to avoid potential indirect threats to the Company's solvency, liquidity, profitability or reputation.

The Company consistently enhances forecasts about market trends and macroeconomic policies. The Company constantly improves its risk monitoring framework, risk management information system, and risk management databases to enable end-to-end online management of investment risks.

Performance Overview

Banking Business

BUSINESS OVERVIEW

Ping An Bank adheres to its strategic objective of being “China’s most outstanding, world-leading smart retail bank” under the strategic policy of “strong retail banking, selective corporate banking, and specialized interbank business.” Ping An Bank constantly upgrades its retail, corporate and interbank business strategies. While doing its best to bolster five key financial sectors (namely technology finance, green finance, inclusive finance, pension finance, and digital finance), Ping An Bank constantly strengthens risk management and advances digital transformation for high-quality development.



RMB42,633 mn
Net profit

● **Ping An Bank maintains steady overall business performance.** Net profit amounted to RMB42,633 million in 2025. As Ping An Bank consistently supported the real economy, the corporate loan balance grew 3.5% from the beginning of 2025 as of December 31, 2025.



1.05%
NPL ratio

● **Ping An Bank keeps overall asset quality stable by constantly strengthening risk management.** Non-performing loan ratio dropped by 0.01 pps from the beginning of 2025 to 1.05%, and provision coverage ratio was 220.88% as of December 31, 2025, indicating adequate risk provisions.



RMB4,238,409 mn
Retail AUM

● **Ping An Bank promotes the high-quality, sustainable development of retail business.** Retail assets under management (“AUM”) rose 1.1% from the beginning of 2025 to RMB4,238,409 million as of December 31, 2025. Average interest rate of retail deposits decreased by 36 bps year on year to 1.82% for 2025.

RETAIL BUSINESS

Ping An Bank adheres to its retail business strategy to advance the strategic transformation and build distinctive customer-centric retail banking. Around the business goal of “Efficiency First, Scale Considered,” Ping An Bank promotes the high-quality, sustainable development of retail business.

In lending business, Ping An Bank consistently optimized its loan portfolio by increasing home mortgage loans and NEV loans. Moreover, Ping An Bank upgraded risk management strategies and optimized risk models to improve the quality of new loans, striking a balance between “volumes, prices and risks.” Retail loan balance decreased 2.3% from the beginning of 2025 to RMB1,727,294 million as of December 31, 2025, of which secured loans accounted for 62.9%. Newly-granted retail NEV loans grew 13.9% year on year in 2025.

RMB1,727,294 mn

Retail loan balance, 62.9% secured

In pan wealth management business, Ping An Bank consistently optimized its deposit portfolio and costs by enhancing demand deposit retention via scenario-based operations and unlocking integrated operations momentum via strengthened integration of retail banking and corporate banking. Retail deposit balance amounted to RMB1,287,500 million as of December 31, 2025. Customer deposit balance brought by payroll and batch payment business increased 10.8% from the beginning of 2025 to RMB393,871 million as of December 31, 2025. Average interest rate of retail deposits decreased by 36 bps year on year to 1.82% for 2025. Moreover, Ping An Bank improved its wealth management teams' comprehensive asset allocation capability, developing the bancassurance business into a key growth driver of the pan wealth management business. Revenue from bancassurance business reached RMB1,292 million in 2025, up 53.3% year on year.

1.82%

Average retail deposit rate, down 36 bps YoY

RMB 1,292 mn

Bancassurance revenue, up 53.3% YoY

(in RMB million)	2025	2024	Change (%)
Retail business operating results			
Revenue from retail business	61,626	71,255	(13.5)
Proportion of revenue from retail business (%)	46.9	48.6	-1.7 pps
Operating profit from retail business before impairment losses on assets	40,834	49,219	(17.0)
Proportion of operating profit from retail business before impairment losses on assets (%)	44.4	47.0	-2.6 pps
Net profit from retail business	2,683	289	828.4
Proportion of net profit from retail business (%)	6.3	0.6	5.7 pps

Note: Revenue from retail business declined year on year due to falling loan interest rates and business portfolio adjustments. Retail asset quality gradually improved, impairment losses on retail assets decreased year on year, and net profit from retail business grew year on year as the asset portfolio and customer mix consistently improved.

Performance Overview

Banking Business

	December 31, 2025	December 31, 2024	Change (%)
Retail customers ⁽¹⁾ (in thousand)	127,896.3	125,537.9	1.9
Including: Wealth management customers (in thousand)	1,491.5	1,456.2	2.4
Including: Private banking customers ⁽²⁾ (in thousand)	105.6	96.8	9.1
Retail AUM (in RMB million)	4,238,409	4,194,074	1.1
Including: Private banking AUM (in RMB million)	1,991,313	1,975,471	0.8

Notes: (1) Retail customers include debit and credit cardholders, with duplicates removed.

(2) A qualified private banking customer refers to a customer who has over RMB6 million in average daily assets for any one of the past three months.

CORPORATE BUSINESS

In corporate business, Ping An Bank consistently serves the real economy, focusing on industrial finance, technology finance, supply chain finance, cross-border finance and inclusive finance. Moreover, Ping An Bank upgrades mechanisms for integrating retail banking and corporate banking to promote balanced business development.

Selected sectors

Ping An Bank consistently advances its sector-specific operations, focusing on optimizing and upgrading traditional industries and fostering emerging industries. Targeting key selected sectors, Ping An Bank optimizes marketing, product and risk management strategies, and offers customized industry-specific service solutions to build differentiation advantages. The balance of loans to such key selected sectors grew by RMB50,146 million from the beginning of 2025 as of December 31, 2025.

RMB50,146 mn

YTD rise in key sector loan balance

Selected customers

Ping An Bank builds a tiered development framework for strategic customers, medium-sized customers, and small customers, with enhanced services for tech companies. Ping An Bank's corporate customers increased 13.2% from the beginning of 2025 to 966 thousand as of December 31, 2025, including 31.9 thousand tech companies, up 21.1% from the beginning of 2025.

966K

Corporate customers

Selected products

Focusing on core customer groups, Ping An Bank enhances its sector-specific, differentiated and comprehensive product portfolio, and improves comprehensive customer service capabilities. Ping An Bank's supply chain financing amounted to RMB1,967,879 million in 2025, up 23.1% year on year.

RMB1,967,879 mn

Supply chain financing

INTERBANK BUSINESS

In interbank business, Ping An Bank consistently improves its investment, trading and sales capabilities to boost the high-quality development of financial markets through an “investment trading + customer business” dual-pronged strategy.



Ping An Bank keeps a close eye on developments in domestic and overseas markets, with a strong focus on market trend analysis. While ensuring asset liquidity and security, Ping An Bank adopts a diversified asset allocation strategy to balance risks and returns.



Ping An Bank proactively engages in trading services, corporate hedging, institutional sales, and asset custody by leveraging its strengths in comprehensive customer services. RMB6.77 trillion worth of cash bonds were sold by domestic and overseas institutions of Ping An Bank in 2025, up 49.1% year on year. The number of customers that conducted spot and derivative foreign exchange hedging at Ping An Bank increased 11.7% year on year to 16,735 in 2025. The AUM balance of asset management products distributed under the “ET-Bank” amounted to RMB267,142 million as of December 31, 2025. Assets under custody of asset management products grew 1.6% from the beginning of 2025 to RMB5.07 trillion as of December 31, 2025.

KEY INDICATORS

(in RMB million)	2025	2024	Change (%)
Operating results			
Revenue	131,442	146,695	(10.4)
Net profit	42,633	44,508	(4.2)
Cost-to-income ratio (%)	29.06	27.66	1.40 pps
Average return on total assets (%)	0.73	0.78	-0.05 pps
Weighted average ROE (%)	9.15	10.08	-0.93 pps
Net interest margin (%)	1.78	1.87	-0.09 pps

(in RMB million)	December 31, 2025	December 31, 2024	Change
Deposits and loans⁽¹⁾			
Deposits	3,582,755	3,533,678	1.4%
Including: Retail deposits	1,287,500	1,287,180	0.0%
Corporate deposits	2,295,255	2,246,498	2.2%
Total loans and advances	3,390,840	3,374,103	0.5%
Including: Retail loans	1,727,294	1,767,168	(2.3%)
Corporate loans	1,663,546	1,606,935	3.5%
Asset quality			
Non-performing loan ratio (%)	1.05	1.06	-0.01 pps
Provision coverage ratio (%)	220.88	250.71	-29.83 pps
Deviation of loans more than 60 days overdue ⁽²⁾	0.67	0.80	-0.13
Capital adequacy			
Core tier 1 CAR ⁽³⁾ (%)	9.36	9.12	0.24 pps

Notes: (1) Deposits, total loans and advances, and their components are exclusive of interest payable and receivable.

(2) Deviation of loans more than 60 days overdue = balance of loans more than 60 days overdue / balance of non-performing loans.

(3) The minimum regulatory requirement for the core tier 1 CAR is 7.75%.

Performance Overview

Banking Business

Analysis of Profit Sources

Ping An Bank achieved RMB42,633 million in net profit in 2025, down 4.2% year on year.

Ping An Bank's revenue totaled RMB131,442 million, down 10.4% year on year. Net interest margin narrowed year on year mainly due to factors such as falling lending interest rates and business portfolio adjustments. Moreover, net non-interest revenue from businesses including bond investments declined mainly due to market fluctuations.

Ping An Bank improved cost-effectiveness via digital transformation, cutting general and administrative expenses by 5.9% year on year to RMB38,196 million. Moreover, Ping An Bank strengthened asset quality control and management, and enhanced non-performing asset recovery and disposal, reducing impairment losses on credit and other assets by 17.9% year on year to RMB40,567 million.

(in RMB million)	2025	2024	Change (%)
Net interest revenue	88,021	93,427	(5.8)
Average balance of interest-earning assets	4,948,396	4,994,494	(0.9)
Net interest margin ⁽¹⁾ (%)	1.78	1.87	-0.09 pps
Net non-interest revenue	43,421	53,268	(18.5)
Including: Net fee and commission revenue	23,894	24,112	(0.9)
Other net non-interest revenue ⁽²⁾	19,527	29,156	(33.0)
Revenue	131,442	146,695	(10.4)
General and administrative expenses	(38,196)	(40,582)	(5.9)
Cost-to-income ratio ⁽³⁾ (%)	29.06	27.66	1.40 pps
Tax and surcharges	(1,271)	(1,479)	(14.1)
Operating profit before impairment losses on assets	91,975	104,634	(12.1)
Impairment losses on credit and other assets	(40,567)	(49,428)	(17.9)
Including: Loan impairment losses	(46,411)	(52,924)	(12.3)
Average balance of loans and advances	3,369,941	3,397,523	(0.8)
Credit cost ⁽⁴⁾ (%)	1.38	1.56	-0.18 pps
Other expenses	(249)	(468)	(46.8)
Profit before tax	51,159	54,738	(6.5)
Income tax	(8,526)	(10,230)	(16.7)
Net profit	42,633	44,508	(4.2)

Notes: (1) Net interest margin = net interest revenue / average balance of interest-earning assets.

(2) Other net non-interest revenue includes investment income, foreign exchange gains or losses, other revenues and other gains or losses less non-operating gains.

(3) Cost-to-income ratio = general and administrative expenses / revenue.

(4) Credit cost = loan impairment losses / average balance of loans and advances.

ASSET QUALITY

China's macroeconomy achieved steady progress amid stability in 2025, but there were still uncertainties in the external environment. In line with national strategies, Ping An Bank actively served the real economy, enhanced non-performing asset disposal, and kept overall asset quality stable.

(in RMB million)	December 31, 2025	December 31, 2024	Change (%)
Loan quality			
Pass	3,295,809	3,273,405	0.7
Special mention	59,328	64,960	(8.7)
Non-performing	35,703	35,738	(0.1)
Total loans and advances	3,390,840	3,374,103	0.5
Non-performing loan ratio (%)	1.05	1.06	-0.01 pps
Percentage of special mention loans (%)	1.75	1.93	-0.18 pps
Provision coverage ratio (%)	220.88	250.71	-29.83 pps
Provision to loan ratio (%)	2.33	2.66	-0.33 pps
Percentage of loans more than 60 days overdue (%)	0.70	0.84	-0.14 pps

(%)	December 31, 2025	December 31, 2024	Change
Non-performing loan ratios			
Retail loans	1.23	1.39	-0.16 pps
Corporate loans	0.87	0.70	0.17 pps

In respect of retail asset quality, Ping An Bank consistently upgraded risk models to enable more precise customer segmentation. Moreover, Ping An Bank consistently optimized its customer mix and asset portfolio, implemented customer segmentation and stratification for differential management, increased high-quality assets, and enhanced non-performing loan disposal. As a result, retail asset quality improved gradually, with the retail non-performing loan ratio down 0.16 pps from the beginning of 2025.

In respect of corporate asset quality, Ping An Bank constantly upgraded its risk policies and consistently optimized its risk monitoring system, with a focus on strengthening risk management in the real estate sector and enhancing non-performing asset recovery and disposal. As a result, corporate credit risk metrics remained good.

CAPITAL ADEQUACY

Ping An Bank constantly enhanced internal capital accumulation and refined capital management. Core tier 1 CAR rose by 0.24 pps from the beginning of 2025 to 9.36% as of December 31, 2025.

(%)	December 31, 2025	December 31, 2024	Change
Capital adequacy			
Core tier 1 CAR	9.36	9.12	0.24 pps
Tier 1 CAR	11.49	10.69	0.80 pps
CAR	13.77	13.11	0.66 pps

Notes: (1) CARs are calculated in accordance with the *Administrative Measures for Capital of Commercial Banks* promulgated by the NFRA, inclusive of Ping An Bank and its wholly-owned subsidiary Ping An Wealth Management Co., Ltd. ("Ping An Wealth Management").
(2) According to the *Additional Regulations for Systemically Important Banks (Trial)* and the List of Systemically Important Banks in China, Ping An Bank is in the first group on the list, and shall meet conditions including a 0.25% supplementary capital ratio, which means the minimum regulatory requirements for its core tier 1 CAR, tier 1 CAR and CAR are 7.75%, 8.75% and 10.75% respectively.

OVERVIEW OF PING AN WEALTH MANAGEMENT

Ping An Wealth Management, a wholly-owned subsidiary of Ping An Bank, maintains strict risk and compliance management, adheres to prudent investment strategies, diversifies its product portfolio, and fulfills its social responsibilities. The balance of wealth management products managed by Ping An Wealth Management was RMB1,092,211 million as of December 31, 2025.

Performance Overview

Asset Management Business

ASSET MANAGEMENT BUSINESS OVERVIEW

The Company conducts asset management business primarily through companies including Ping An Securities, Ping An Trust, Ping An Financial Leasing, and Ping An Asset Management.

The Company constantly enhances its capabilities of making asset allocation, achieving stable long-term returns, and managing multi-asset portfolios to deliver robust and sustainable returns to customers. Moreover, staying customer-centric, the Company will constantly strengthen risk management, optimize asset and liability management, pursue high-quality development, proactively help improve the real economy's quality and efficiency, and constantly increase support for major national strategies and projects in key areas.



RMB8.8 trn+
AUM

● Ping An's AUM⁽¹⁾ increased steadily to over RMB8.8 trillion as of December 31, 2025.

Note: (1) The AUM is the sum of AUMs of Ping An Securities, Ping An Trust, Ping An Overseas Holdings, Ping An Asset Management and so on.

SECURITIES BUSINESS

The Company provides services such as securities brokerage, futures brokerage, investment banking, asset management, and financial advisory services through Ping An Securities and its subsidiaries.

Comprehensively implementing the spirit of the 20th National Congress of the CPC and the Central Financial Work Conference, Ping An Securities bolstered the five key financial sectors (namely technology finance, green finance, inclusive finance, pension finance, and digital finance) to enhance the effectiveness of financial services in supporting the real economy in 2025. Ping An Securities closely followed the Group's integrated finance strategy, and actively responded to market and regulatory changes. Focusing on core customer needs, Ping An Securities consistently advanced five strategic initiatives, namely customer insight, resource integration, process reengineering, organizational guarantee, and data-driven operations. In this way, Ping An Securities developed closed-loop services more rapidly and achieved high-quality profit growth.

Furthering wealth management transformation in brokerage business

Ping An Securities advanced the online-merge-offline strategy around the entire customer journey, developing core foundational capabilities for insights, strategies, and account management. By doing so, Ping An Securities implemented all-around, closed-loop and systematic strategies in all aspects more rapidly, joining forces to shape the service brand. Ping An Securities had nearly 25.71 million retail customers as of December 31, 2025, ranking No.2 in the industry by number of A-share cash accounts⁽¹⁾. Ping An Securities maintained industry-leading app user engagement, ranking among top three brokers firmly by number of monthly active users. Margin trading business scale of Ping An Securities was RMB92.8 billion as of December 31, 2025, representing a market share of 3.65%, up 13 bps from the end of 2024.

~**25.71** mn

Retail customers

3.65%

Margin trading market share

Adhering to the business strategy of selective investment banking

Aiming to be a boutique investment bank, Ping An Securities offers professional, effective solutions and distinctive integrated financial services to meet customer needs, fulfilling its duty to provide customer-centric financial services.

Equity business

Ping An Securities advanced its strategy of “growing private equity business and pursuing breakthroughs in key sectors and regions.” Around IPO customers’ different development stages and needs, Ping An Securities consistently enhanced its capabilities of efficient professional services, industrial collaboration, financing services, and sales services, expanding its project pipeline and raising conversion efficiency.

Debt business

Focusing on key regions and products, Ping An Securities enhanced regional integrated operations and optimized the “1 + N” service system to increase total customer value. Ping An Securities remained among top players in the industry by issuance volume, ranking No.2 in ABS⁽²⁾ underwriting and No.6 in bond⁽²⁾ underwriting respectively in 2025.

Enhancing professional capabilities in trading and asset management

Trading business

Ping An Securities consistently advanced its “trading + service” strategy, strengthening trading capabilities through a multi-instrument, multi-strategy trading system and its overseas business presence. Moreover, Ping An Securities enhanced the customer business product line, strengthened hedging capabilities, optimized the risk management system, and expanded the value of proprietary trading through services by leveraging its advantages in trading business. Trading returns exceeded market benchmarks in 2025.

Asset management business

Adhering to the value propositions of absolute returns and asset allocation, Ping An Securities focused on distinctive strategies and key customer segments, consistently utilized its “fixed income +” core capability, and accelerated the rollout of innovative products, aiming to build core differentiation advantages and a distinctive asset management brand. Ping An Securities ranked No.8 in the asset management industry by AUM⁽³⁾.

Notes: (1) The ranking by number of A-share cash accounts is from the Securities Association of China, based on data as of September 2025.

(2) ABSs refer to ABSs regulated by the CSRC (including public REITs), and bonds refer to corporate bonds and bonds issued by state-owned enterprises. The rankings are from Wind Information.

(3) The ranking in the asset management industry is from the Securities Association of China, based on data as of September 2025.

TRUST BUSINESS

Ping An Trust stays committed to reform and innovation, guided by the new regulation specifying three trust business categories as well as the “1 + N” regulatory framework and long-term mechanisms. Positioned as a capital-light, service-focused trust expert, Ping An Trust proactively shifts its service focus to life insurance and banking sectors in line with the Group’s “integrated finance + health and senior care” strategy. Ping An Trust maintains its market leadership by both the outstanding and newly-added assets of wealth service trusts. Total assets held in trust amounted to RMB1,068,861 million as of December 31, 2025.

Ping An Trust consistently consolidated risk and compliance management as the foundation of steady high-quality business development in 2025. Around the “Compliance Management Enhancement Year” initiative, Ping An Trust improved its compliance management system to ensure prudent operations. Moreover, Ping An Trust reinforced the accountability of three lines of defense for comprehensive risk management and strengthened the disposal of risk assets. Furthermore, Ping An Trust consistently promoted the intelligent upgrade of risk management, leveraging digital technology as the core driver to fully enable its business, enhance management efficiency, and boost competitiveness.

Ping An Trust had RMB17,333 million in net capital as of December 31, 2025. The ratio of net capital to total risk capital was 290.5% and the ratio of net capital to net assets was 79.4% as of December 31, 2025, both meeting regulatory requirements (i.e. not less than 100% and 40% respectively).

Performance Overview

Asset Management Business

PING AN FINANCIAL LEASING

Ping An Financial Leasing engages in financial leasing via a nationwide business network as an industry leader by comprehensive strength, with over RMB300 billion in assets. Since its establishment in 2013, Ping An Financial Leasing has remained true to the original aspirations of serving the real economy, promoting industry development, and supporting industrial upgrade, and cumulatively invested over RMB1 trillion to support the real economy. As an industry-leading innovator, Ping An Financial Leasing consistently expands into new industries and industry fields, and provides diverse financial leasing products tailored to customer needs, giving full play to the business characteristics of “financing and leasing.” By developing distinctive “industrial leasing, digital leasing, platform-based leasing, and ecosystem-based leasing,” Ping An Financial Leasing strives to be a world-leading innovative leasing expert focusing on industries, serving the real economy, and adopting unique models.

Ping An Financial Leasing steadily improves operating quality and efficiency by consistently strengthening risk management and refining end-to-end business process management. Non-performing asset ratio dropped slightly from the beginning of 2025 to 1.01% as of December 31, 2025, indicating further improved asset quality. Sufficient provisions have been set aside, indicating an ample risk buffer. Moreover, Ping An Financial Leasing keeps overall risks under control by consistently upgrading risk policies, optimizing risk monitoring systems, and strengthening high-risk asset recovery and disposal.

PING AN ASSET MANAGEMENT

Ping An Asset Management, entrusted with the Company’s insurance funds, is responsible for the domestic investment management business of the Company. Moreover, Ping An Asset Management provides comprehensive third-party asset management services, offering diverse one-stop investment management solutions to various domestic and overseas customers.

Adhering to the philosophies of value investing and long-term investing, Ping An Asset Management is widely recognized in the market for its customer-centric approach and commitment to doing the right things in the long term. As one of the largest and most influential institutional investors in China, Ping An Asset Management has profound experience in asset management.

Ping An Asset Management’s AUM amounted to RMB6.17 trillion as of December 31, 2025.

Performance Overview

Finance Enablement Business

FINANCE ENABLEMENT BUSINESS OVERVIEW

The Company develops a finance enablement ecosystem through subsidiaries including Ping An Health and Lufax Holding, providing customers with diverse financial products and health care services.

PING AN HEALTH

Ping An Health (SEHK: 01833.HK; stock short name: PA GOODDOCTOR) is part of Ping An Group's "integrated finance + health and senior care" strategy. As the core flagship of Ping An Group's health and senior care ecosystem, Ping An Health collaborates with Ping An Group's integrated finance business, especially insurance operations, to build synergistic closed loops. The goal is to develop differentiation advantages by building a managed care model with Chinese characteristics. Ping An Health achieved RMB5,468 million in revenue and RMB380 million in net profit in 2025. Adjusted net profit⁽¹⁾ was RMB414 million.

Note: (1) Adjusted net profit is based on Ping An Health's net profit less share-based compensation and foreign exchange gains or losses.

- In building synergistic closed loops, Ping An Health, as a key part of the "integrated finance + health and senior care" strategy, helps the Group develop a competitive moat via service differentiation to grow core integrated finance business. Furthermore, Ping An Health enables overall high-quality development via closed loops integrating diverse health care data with core business growth. In fostering commercial insurance enablement, Ping An Health, as a health and senior care service provider, serves the Group's retail financial customers and enables payers including Ping An Life, Ping An P&C, Ping An Health Insurance, and Ping An Bank. Ping An Health promotes its services' penetration of the Group's retail financial customer base and consistently enhances user experience via product and service model innovation, service upgrade, proactive operations and so on. In promoting corporate health management business, Ping An Health collaborates with the Group to offer integrated solutions of "commercial insurance + health care funds + health care services" combining health care services with corporate supplementary insurance, health care funds and other products from companies including Ping An P&C, Ping An Annuity and Ping An Health Insurance. By doing so, Ping An Health provides corporate clients with proactive health management covering specialized diagnosis and treatment, distinctive medicines, and unique health management services, to safeguard employee health and welfare. Ping An Health served over 6,700 paying corporate clients in 2025.
- Ping An Health has gained extensive experience from years of exploration in health care management. Moreover, Ping An Health has built robust doctor teams and large health care databases in collaboration with the Group's subsidiaries in the health and senior care ecosystem. In particular, Ping An Health has established a unique, comprehensive "online, in-hospital, in-home and in-company" service system offering full-scenario, full-cycle, closed-loop health management.

In respect of online services, Ping An Health has over 3,500 contracted expert doctors. All of the Group's retail customers are covered by "AI + human doctor" services, including 24/7 online consultations, professional second medical opinions, and MDT consultations for difficult and complicated diseases.

In respect of in-hospital services, Ping An Health has established a hospital and doctor network covering China's top 100 hospitals and leading local general hospitals. Moreover, Ping An Health has partnered with over 5,100 hospitals and over 240 thousand pharmacies. Ping An Health's system can offer appropriate medical recommendations to customers precisely according to their locations, medical conditions, habits and preferences, enabling more convenient and effective medical services.

Performance Overview

Finance Enablement Business

In respect of in-home services, Ping An Health meets an aging population's demand for home-based senior care and in-home medical services by delivering high-quality health care and home-based senior care services to numerous households under an innovative "standardization – central procurement – supervision" model. To ensure all-around customer experience, Ping An Health has implemented end-to-end controls including "ex-ante service standard definition, in-the-process remote supervision and management, and ex-post closed-loop evaluation and supervision." In addition, Ping An Health has developed Global Emergency Rescue Service in collaboration with the Group to provide Ping An's customers with all-around emergency medical services featuring seconds-level response, full coverage, and end-to-end assistance.

In respect of in-company services, Ping An Health is committed to safeguarding the health of corporate clients' employees through proactive health management, Workplace Clinics, in-company services and so on. Moreover, Ping An Health helps corporate clients improve productivity and efficiency as well as promote employee satisfaction, happiness and loyalty via corporate health management programs.

- In line with the general trend of "integrated finance + health and senior care," Ping An Health will leverage the Group's massive customer base and corporate service strength to consistently build basic competitive moats in terms of service networks, service expertise, and cost efficiency. Going forward, Ping An Health will diversify growth drivers by gradually expanding service capabilities to provide more enterprises and users with high-quality health management services.

(in RMB million)	2025	2024	Change (%)
Revenue	5,468	4,808	13.7
Gross profit	1,772	1,523	16.3
Net profit ⁽¹⁾	380	81	366.1

Notes: (1) Net profit refers to net profit attributable to Ping An Health's shareholders of the parent company.

(2) Figures may not match the calculation due to rounding.

LUFAX HOLDING

Lufax Holding (NYSE: LU; SEHK: 06623.HK) is a leading financial services enabler for small business owners ("SBOs") in China. Lufax Holding is committed to providing SBOs with comprehensive, convenient financial products and services as well as enabling financial institution partners to reach and serve SBOs efficiently. In addition, Lufax Holding provides consumer finance products and services for retail customers.

With rich data and AI-driven dynamic risk modeling, Lufax Holding provides SBOs and retail customers with offline-to-online credit enablement services from offline consultation to online application. Moreover, Lufax Holding consistently advances technological applications and enhances borrower risk identification capabilities via increased AI applications in borrower acquisition, customer risk identification, and loan management.

Analysis of Embedded Value

- EV of L&H rose 11.2% from the beginning of 2025 to RMB928,630 million as of December 31, 2025, with an operating ROEV of 11.2%.
- NBV of L&H amounted to RMB36,897 million in 2025, up 29.3% year on year.

INDEPENDENT ACTUARIES REVIEW OPINION REPORT ON THE ANALYSIS OF EMBEDDED VALUE AND OPERATING PROFIT DISCLOSURES

To the directors of
Ping An Insurance (Group) Company of China, Ltd.

We have reviewed the Analysis of Embedded Value and Operating Profit of Ping An Insurance (Group) Company of China, Ltd. (the “Company”) as of December 31, 2025. The EV and Operating Profit results include embedded value, new business value after cost of capital (“NBV”), valuation methodology and assumptions, FYP of new business, profit margin of new business, embedded value movement, sensitivity analysis, operating profit, sources of earnings and contractual service margin related data as at December 31, 2025.

The Company prepared the embedded value and NBV results in accordance with the *Standards for Actuarial Practice: Valuation Standard for Embedded Value of Life Insurance* (the “Standards”) which was promulgated by the China Association of Actuaries in November 2016. Our responsibility, as independent actuaries, is to perform certain review procedures set out in our letter of engagement and, based on these procedures, conclude whether the embedded value methodology and assumptions are consistent with the Standards and available market information.

We have reviewed the methodology and assumptions used in preparing the EV and Operating Profit results, including:

- Review the embedded value and NBV of the Company as of December 31, 2025;
- Review the embedded value movement analysis;
- Review the sensitivity analysis of the embedded value and NBV; and
- Review the operating profit of the Company, source of earnings and contractual service margin related data of L&H.

Our review procedures included, but were not limited to, considering whether the methodology and assumptions of the EV results are consistent with the Standards and available market information, considering whether the methodology of the operating profit results is consistent with the disclosed methodology in the Annual Report 2025, validating actuarial models on the basis of sample testing, and inspecting related documentation. In forming our conclusion, we have relied on the accuracy and completeness of the audited and unaudited data and information provided by the Company.

The preparation of the EV results requires assumptions and projections about future economic and financial situations, many of which are outside the control of the Company. Therefore, actual experience may differ from these assumptions and projections.

Analysis of Embedded Value

OPINION:

Based on our review procedures, we have concluded that:

- The methodology and assumptions used in preparing the EV results are in compliance with the Standards and consistent with available market information;
- The EV and Operating Profit results, in all material aspects, are consistent with the methodology and assumptions stated in the Analysis of Embedded Value chapter in the Annual Report 2025.

We also confirm that the EV and Operating Profit results disclosed in the Analysis of Embedded Value chapter in the Annual Report 2025 are consistent with the results we reviewed.

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

Ernst & Young (China) Advisory Limited

Liang Yong Hua, Actuary

March 26, 2026

KEY INDICATORS

(in RMB million)	2025/ December 31, 2025	2024/ December 31, 2024	Change (%)
L&H EV	928,630	835,093	11.2
L&H value of one year's new business after cost of capital (NBV)	36,897	28,534	29.3
L&H operating ROEV (%)	11.2	11.0	0.2 pps
Long-run investment return assumption (%)	4.0	4.0	-
Risk discount rate (%)	8.5/7.5	8.5/7.5	-

ANALYSIS OF EMBEDDED VALUE

The Company has disclosed information regarding EV in this section in order to provide investors with an additional tool to understand our economic value and business results. The embedded value represents the shareholders' adjusted net asset value ("ANA") plus the value of the Company's in-force life and health insurance business adjusted for the cost of holding the required capital. The embedded value excludes the value of future new business.

The *Standards for Actuarial Practice: Valuation Standard for Embedded Value of Life Insurance* (the "Standards") issued by the China Association of Actuaries became effective in November 2016. The Company has disclosed the embedded value for 2025 in accordance with the Standards and China Risk Oriented Solvency System ("C-ROSS"), and engaged Ernst & Young (China) Advisory Limited to review the reasonableness of the methodology, assumptions and calculation results of the Company's analysis of embedded value as of December 31, 2025.

The calculation of the analysis of embedded value relies on a number of assumptions with respect to future experience. Future experience may vary from that assumed in the calculation, and these variations may be material. The market value of the Company is measured by the value of the Company's shares on any particular date. In valuing the Company's shares, investors take into account a variety of information available to them and their own investment criteria. Therefore, these calculated values should not be construed as a direct reflection of the actual market value.

Components of Economic Value

(in RMB million)	December 31, 2025	December 31, 2024
L&H adjusted net asset value (ANA)	544,502	435,493
Value of in-force insurance business before cost of capital	540,091	522,100
Cost of capital	(155,963)	(122,500)
L&H EV	928,630	835,093
Other business ANA	575,657	587,509
Group EV	1,504,288	1,422,602

Note: Figures may not match the calculation due to rounding.

(in RMB million)	2025	2024
Value of one year's new business	41,073	34,993
Cost of capital	(4,177)	(6,459)
Value of one year's new business after cost of capital	36,897	28,534

Note: Figures may not match the calculation due to rounding.

The adjusted net asset value of the life and health insurance business is based on the shareholders' net asset value of the relevant life and health insurance business of the Company as measured in compliance with the Standards. This shareholders' net asset value is calculated based on the shareholders' net asset value as measured in accordance with China Accounting Standards (CAS) and adjusted for relevant differences including reserves. The adjusted net asset value of other business is based on the shareholders' net asset value of the relevant business of the Company in accordance with CAS. The relevant life and health insurance business includes business conducted through Ping An Life, Ping An Annuity and Ping An Health Insurance. The values placed on certain assets have been adjusted to the market values.

Analysis of Embedded Value

Key Assumptions

The assumptions used in the embedded value calculation as at December 31, 2025 have been made on a “going concern” basis, assuming continuation of the economic and legal environment currently prevailing in China. The calculation is in line with the Standards and capital requirement under C-ROSS. Certain portfolio assumptions are based on the Company’s own recent experience as well as considering the more general China market and other life insurance markets’ experience. The principal bases and assumptions used in the calculation are described below:

1. Risk discount rate

The discount rate for calculating L&H’s value of in-force and NBV is set by product type at 8.5% for traditional insurance and 7.5% for non-traditional insurance such as participating and universal insurance.

2. Investment return

For non-investment-linked insurance funds, the future annual investment return is assumed to be 4.0%. For investment-linked funds, future investment returns have been assumed to be slightly higher than the above non-investment-linked fund investment returns assumption. These returns have been derived by consideration of the current capital market conditions, the Company’s current and expected future asset allocations and associated investment returns for a range of major asset classes.

3. Taxation

A 25% average income tax rate has been assumed. The percentage of investment returns that can be exempted from income tax has been assumed to be 20%.

4. Mortality

The experience mortality rates have been based on the *China Life Insurance Mortality Table (2010-2013)* and the Company’s most recent experience studies. They are tailored to be product specific, and future mortality improvement has been taken into consideration for annuity products.

5. Other incident rates

Morbidity rate and accident rate assumptions have been based on the industry table or the Company’s own pricing table. The trend of long-term morbidity deterioration has been taken into consideration. The loss ratios have been assumed to be within the range of 15% to 100% for short-term accident and health insurance businesses.

6. Discontinuance

Policy discontinuance rates have been based on the Company’s recent experience studies. The discontinuance rates are pricing interest rate and product type specific.

7. Expense

Expense assumptions have been based on the Company’s most recent expense investigation. Expense assumptions mainly consist of acquisition expense and maintenance expense assumptions. The unit maintenance expense was assumed to increase by 2% per annum.

8. Policyholder dividend

Policyholder dividends have been based on 75% of the interest and mortality surplus for individual participating business. For group participating business, dividends have been based on 80% of interest surplus only.

New Business Value

The new business volumes measured at FYP and NBV by segment for 2025 are as follows:

(in RMB million)	FYP used to calculate NBV			NBV		
	2025	2024	Change (%)	2025	2024	Change (%)
Retail business	136,213	125,001	9.0	36,672	28,196	30.1
Agency	77,389	88,421	(12.5)	23,823	21,580	10.4
Bancassurance	38,330	19,643	95.1	9,408	3,954	138.0
Community finance, tele and others	20,494	16,937	21.0	3,441	2,662	29.2
Group business	21,710	29,026	(25.2)	225	338	(33.6)
Total	157,923	154,026	2.5	36,897	28,534	29.3

Notes: (1) Community finance, tele and others include the community finance channel, telemarketing and Ping An Health Insurance's retail business.
(2) Differences between FYP used to calculate NBV and FYP disclosed in "Management Discussion and Analysis" ("MD&A") are explained in the appendix to this section.
(3) Figures may not match the calculation due to rounding.

The NBV margin by segment is as follows:

(%)	By FYP		By ANP	
	2025	2024	2025	2024
Retail business	26.9	22.6	31.9	26.9
Agency	30.8	24.4	38.0	28.5
Bancassurance	24.5	20.1	28.8	30.7
Community finance, tele and others	16.8	15.7	17.5	15.9
Group business	1.0	1.2	1.5	1.6
Total	23.4	18.5	28.5	22.7

Notes: (1) ANP is calculated as the sum of 100 percent of annualized FYP and 10 percent of single premiums.
(2) Figures may not match the calculation due to rounding.

Analysis of Embedded Value

Embedded Value Movement

The table below shows how the Company's embedded value changed from the opening balance of RMB1,422,602 million as of December 31, 2024 to the closing balance of RMB1,504,288 million as of December 31, 2025.

(in RMB million)		2025	Note
L&H Opening EV	[1]	835,093	
Expected return on opening EV	[2]	50,759	
Including: Unwinding of in-force value		36,823	In-force and NBV unwound at the risk discount rate set by product type at 8.5% for traditional insurance and 7.5% for non-traditional insurance such as participating and universal insurance
ANA return		13,936	
NBV post-risk diversification benefits	[3]	42,452	
Including: NBV pre-risk diversified		36,897	Reported NBV based on a cost of capital calculated at policy level
Diversification effects		5,555	Diversification within new business and diversification between new business and in-force lower cost of capital
Operating assumptions and model changes	[4]	(13,749)	Mainly due to adjustments of disease incidence and lapse rates based on experience
Operating variances and others	[5]	14,484	Favorable operating experience, mostly from variance in mortality spread gain
L&H EV operating profit	[6]=[2]+...+[5]	93,946	
Economic assumptions changes	[7]	-	
Market value adjustment	[8]	(10,417)	Change in market value adjustment of free surplus during the Reporting Period
Investment return variance	[9]	29,818	Investment return higher than the assumption
Non-operating one-off item and others	[10]	-	
L&H EV profit	[11]=[6]+...+[10]	113,346	
Shareholder dividends		(39,331)	Dividends upstreamed from Ping An Life and Ping An Health Insurance to the Company
Employee stock ownership plan		(510)	L&H's Long-term Service Plan and Key Employee Share Purchase Plan, as well as the offset effect for the amortization during the Reporting Period
Capital injection		20,032	Capital injection from the Company into Ping An Life
L&H Closing EV		928,630	

(in RMB million)

2025 Note

Other business opening ANA	587,509	
Operating profit of other business	34,674	
Non-operating profit of other business	(8,619)	One-off gains or losses resulting from the consolidation of Ping An Health, Ping An HealthKonnnect, and OneConnect to the Group and the sale of Autohome, revaluation gains or losses on the conversion values of USD and HKD convertible bonds issued by the Company, and so on
Market value adjustment and other variance	(7,979)	
Other business closing ANA before capital changes	605,585	
Dividends received	39,331	Dividends upstreamed from Ping An Life and Ping An Health Insurance to the Company
Dividends paid	(46,537)	Dividends paid by the Company to shareholders
Employee stock ownership plan	(2,690)	Long-term Service Plan and Key Employee Share Purchase Plan, as well as the offset effect for the amortization during the Reporting Period
Capital injection	(20,032)	Capital injection from the Company into Ping An Life
Other business closing ANA	575,657	
Closing group EV	1,504,288	
Closing group EV per share (in RMB)	83.07	

Note: Figures may not match the calculation due to rounding.

Analysis of Embedded Value

EV operating profit of L&H in 2025 was RMB93,946 million, mainly comprised of the NBV and expected return on opening EV.

(in RMB million)		2025	2024
L&H EV operating profit	[6]	93,946	91,581
L&H operating ROEV (%)	[12] = [6]/[1]	11.2	11.0

Note: Figures may not match the calculation due to rounding.

SENSITIVITY ANALYSIS

The Company has investigated the effect, on the embedded value of the Group, embedded value of the life and health insurance business and the value of one year's new business, of certain independently varying assumptions regarding future experience. Specifically, the following changes in assumptions have been considered:

- A 50 bps increase or decrease in investment return
- A 50 bps increase or decrease in risk discount rate
- A 10% increase in mortality, morbidity and accident rates
- A 10% increase in policy discontinuance rates
- A 10% increase in maintenance expenses
- A 5% increase in the policyholders' dividend payout ratio
- A 10% decrease in the fair value of equity assets

Sensitivity to Key Assumptions

(in RMB million)	Group EV	L&H EV	NBV
Base case	1,504,288	928,630	36,897
Investment return increased by 50 bps per annum	1,650,263	1,074,606	44,196
Risk discount rate increased by 50 bps per annum	1,478,351	902,693	35,267
Investment return decreased by 50 bps per annum	1,358,439	782,781	29,578
Risk discount rate decreased by 50 bps per annum	1,532,815	957,158	38,655
10% increase in mortality, morbidity and accident rates	1,475,432	899,775	34,185
10% increase in policy discontinuance rates	1,509,305	933,647	36,636
10% increase in maintenance expenses	1,499,845	924,188	36,395
5% increase in the policyholders' dividend payout ratio	1,495,811	920,154	36,196
10% decrease in the fair value of equity assets	1,434,958	869,531	N/A

ANALYSIS OF OPERATING PROFIT

This section contains the Group Operating Profit and Operating ROE, and Source of Earnings and Contractual Service Margin Analysis of L&H. The Company has engaged Ernst & Young (China) Advisory Limited to review the reasonableness of the methodology and the calculation results of the Analysis of Operating Profit for 2025.

The discount rate used for the measurement of insurance contract liabilities in life and health insurance business is determined based on observable current market interest rates that reflect the characteristics of insurance contracts. In order to optimize the match between assets and liabilities, the Company chooses to classify some debt investments backing the business as debt investments measured at fair value through other comprehensive income. When measuring operating metrics, we exclude the fair value changes of debt investments backing life and health insurance business measured at fair value through other comprehensive income, as well as the financial changes of insurance contract liabilities recognized in other comprehensive income that may be reclassified subsequently into profit or loss, to reflect the essence of the Company's asset liability management, except for the relevant part of the business subject to the VFA. The financial changes in insurance contract liabilities subject to the VFA match the fair value changes of the underlying assets backing this type of business. Therefore, no adjustment is made when operating metrics are measured.

Operating Profit of the Group

Operating profit is a meaningful business performance evaluation and comparison metric given the long-term nature of the Company's major life and health insurance business. Ping An defines operating profit after tax as reported net profit excluding items which are of a short-term, volatile or one-off nature and others:

- Short-term investment variance applies to Life & Health business excluding the part subject to the VFA⁽¹⁾. This short-term investment variance is the variance between the actual investment return on the aforesaid business and the embedded value long-run investment return assumption. Net of the short-term investment variance, the investment return on the aforesaid Life & Health business is locked at 4.0%. Debt investments at fair value through other comprehensive income backing such business are measured at cost;
- The impact of one-off material non-operating items and others is the impact of material items that management considered to be non-operating incomes and expenses. Such impact in 2025 amounted to RMB-8,619 million, comprising one-off gains or losses resulting from the consolidation of Ping An Health, Ping An HealthKonnnect, and OneConnect to the Group and the sale of Autohome, revaluation gains or losses on the conversion values of USD and HKD convertible bonds issued by the Company, and so on. Such impact in 2024 amounted to RMB8,694 million, comprising a one-off gain or loss resulting from the consolidation of Lufax Holding to the Group, a revaluation gain or loss on the convertible bonds issued by Lufax Holding to the Company, a revaluation gain or loss on the conversion value of the USD convertible bonds issued by the Company, and so on.

Note: (1) The financial changes in insurance contract liabilities subject to the VFA match the fair value changes of the underlying assets backing this type of business. Therefore, no adjustment is made when operating metrics are measured.

The Group's operating profit after tax attributable to shareholders of the parent company in 2025 was RMB134,415 million, up 10.3% year on year, with an operating ROE of 12.7%. L&H operating profit after tax attributable to shareholders of the parent company was RMB99,752 million, up 2.9% year on year, with an operating ROE of 21.3%.

Analysis of Embedded Value

Operating Profit after Tax Attributable to Shareholders of the Parent Company

The reconciliation between operating profit and reported net profit is as follows:

(in RMB million)		The Group		L&H	
		2025	2024	2025	2024
Operating profit attributable to shareholders of the parent company		134,415	121,862	99,752	96,975
Operating profit attributable to non-controlling interests ⁽¹⁾		23,441	20,101	3,513	(953)
Operating profit	[1]	157,857	141,964	103,265	96,022
Plus:					
Short-term investment variance of L&H ⁽²⁾	[2]	9,064	(3,925)	9,064	(3,925)
Impact of one-off material non-operating items and others ⁽²⁾	[3]	(8,619)	8,694	-	-
Net profit	[4]=[1]+[2]+[3]	158,301	146,733	112,329	92,097
Net profit attributable to shareholders of the parent company		134,778	126,607	108,723	93,025
Net profit attributable to non-controlling interests		23,523	20,126	3,606	(928)

Notes: (1) Operating profit attributable to non-controlling interests = net profit attributable to non-controlling interests in the consolidated financial statements - (1 - proportion of shares held by the Company) * the above adjusted items.

(2) The short-term investment variance and impact of one-off material non-operating items and others set out above are net of tax.

(3) Figures may not match the calculation due to rounding.

(in RMB million)	2025	2024	Change (%)
Life and health insurance business	99,752	96,975	2.9
Property and casualty insurance business	16,923	14,952	13.2
Banking business	24,711	25,796	(4.2)
Asset management business	(3,785)	(11,899)	Loss down by 68.2%
Finance enablement business	249	(29)	N/A
Other businesses and elimination	(3,435)	(3,932)	N/A
The Group	134,415	121,862	10.3

Note: Figures may not match the calculation due to rounding.

Operating ROE

(%)	2025	2024	Change (pps)
Life and health insurance business	21.3	25.7	(4.4)
Property and casualty insurance business	12.0	11.5	0.5
Banking business	9.2	10.1	(0.9)
Asset management business	(5.1)	(13.8)	8.7
Finance enablement business	0.3	-	0.3
Other businesses and elimination	N/A	N/A	N/A
The Group	12.7	12.7	-

Operating Equity Attributable to Shareholders of the Parent Company

(in RMB million)	December 31, 2025	December 31, 2024	Change (%)
Life and health insurance business ⁽¹⁾	527,524	408,757	29.1
Property and casualty insurance business	145,543	135,854	7.1
Banking business	273,093	257,826	5.9
Asset management business	69,969	79,452	(11.9)
Finance enablement business	66,006	86,841	(24.0)
Other businesses and elimination	24,681	34,159	N/A
The Group⁽¹⁾	1,106,816	1,002,889	10.4

Note: (1) Excluding changes in fair value of debt investments measured at fair value through other comprehensive income backing life and health insurance business, as well as accumulated insurance finance expenses for insurance contract liabilities recognized through other comprehensive income that can be reclassified into profit or loss, except for the part subject to the VFA.

Source of Earnings and Contractual Service Margin Analysis of L&H

The breakdown of L&H operating profit by source of earnings is presented below:

(in RMB million)		2025	2024
Insurance service result and others	[1]=[2]+[5]+[8]	84,035	86,031
Release of CSM	[2]	68,187	71,140
CSM release base	[3]	793,306	802,452
CSM release rate (%)	[4]=[2]/[3]	8.6	8.9
Change in risk adjustment for non-financial risk	[5]	6,486	6,859
Opening risk adjustment	[6]	158,568	157,162
Risk adjustment release rate (%)	[7]=[5]/[6]	4.1	4.4
Operating variances and others	[8]	9,362	8,032
Investment service result⁽¹⁾	[9]	27,301	17,552
Operating profit before tax	[10]=[1]+[9]	111,336	103,583
Income tax	[11]	(8,071)	(7,561)
Operating profit	[12]=[10]+[11]	103,265	96,022

Notes: (1) Investment service result is the part of operating investment income that exceeds the required return on reserves.

(2) Figures may not match the calculation due to rounding.

Analysis of Embedded Value

The contractual service margin of life and health insurance business was RMB725,119 million as of December 31, 2025. The movement of L&H contractual service margin in 2025 is presented below:

(in RMB million)		2025	2024	Note
Opening CSM	[1]	731,312	768,440	
New business CSM	[2]	36,688	35,405	
Present value of expected premiums from new business sold	[3]	440,940	395,481	
New business CSM margin (%)	[4]= [2]/[3]	8.3	9.0	Mainly affected by changes in business mix and market interest rates
Expected interest growth	[5]	22,801	24,051	
Changes in estimates that adjust CSM ⁽¹⁾	[6]	2,505	(25,444)	Mainly affected by changes in market interest rates
CSM release base	[7]=[1]+[2]+[5]+[6]	793,306	802,452	
Release of CSM	[8]=X%*[7]	(68,187)	(71,140)	
Closing CSM	[9]=[7]+[8]	725,119	731,312	

Notes: (1) Including changes in the financial risks under the insurance contracts subject to the VFA.

(2) Figures may not match the calculation due to rounding.

APPENDIX

The differences between FYP used to calculate NBV and FYP disclosed in MD&A are explained below.

For the twelve months ended December 31, 2025 (in RMB million)	FYP used to calculate NBV	FYP disclosed in MD&A	Difference	Reasons
Retail business	136,213	196,084	(59,871)	The FYP disclosed in MD&A includes survival benefits and dividends transferred into universal insurance accounts as premiums of products sold in previous periods, while the FYP used to calculate NBV excludes them
Group business	21,710	15,137	6,573	In compliance with current accounting standards, group investment contracts are not included in FYP disclosed in MD&A, but included in FYP used to calculate NBV due to their contribution to NBV
Total of L&H	157,923	211,221	(53,298)	

Note: Figures may not match the calculation due to rounding.

Liquidity and Capital Resources

- Ping An's comprehensive solvency margin ratio and core solvency margin ratio under the *Regulatory Rules on Solvency of Insurance Companies (II)* (the "C-ROSS Phase II") were 193.3% and 160.7% respectively as of December 31, 2025, both well above regulatory requirements.
- Ping An plans to pay a final dividend of RMB1.75 per share in cash for 2025. The full-year cash dividend will be RMB2.70 per share, up 5.9% year on year. Total cash dividends paid will be RMB48,891 million. The cash dividend payout ratio based on operating profit attributable to shareholders of the parent company will be 36.4%.

OVERVIEW

The aim of the Group's liquidity management is to maximize shareholder returns by strictly enforcing liquidity risk limits, improving the efficiency of fund utilization, reducing funding costs, and optimizing the allocation of financial resources and the capital structure on the premise of security.

The Company manages its liquidity and capital resources at the Group level in a centralized manner. The Budget Plan Management Committee and the Risk Management Executive Committee under the Group's Executive Committee oversee these essentials at the Group level. The Treasury Department of the Group is the execution unit for liquidity and capital resources management.

The Group has put in place robust capital management and decision-making mechanisms. The Group's subsidiaries put forward their capital demands based on their own business development needs. The parent company then submits its recommendations on the overall capital plan for the Group, based on the overall situation of the subsidiaries' business development. The Board of Directors of the Group then determines a final capital plan based on the strategic plan of the Group before allocating capital accordingly.

(in RMB million)	December 31, 2025	December 31, 2024	Change (%)
Total assets	13,898,471	12,957,827	7.3
Total liabilities	12,482,483	11,653,115	7.1
Total liabilities to total assets ratio (%)	89.8	89.9	-0.1 pps

Note: Total liabilities to total assets ratio = total liabilities / total assets.

CAPITAL STRUCTURE

In accordance with its capital plan, the Group ensures capital adequacy by issuing capital market instruments including equity securities, capital supplementary bonds, tier 2 capital bonds, undated capital bonds, perpetual subordinated bonds, and subordinated corporate bonds to raise capital. Adjustments are made to surplus capital through dividend distribution and otherwise.

Liquidity and Capital Resources

The following table shows the balances of capital bonds issued by the Group and its main subsidiaries as of December 31, 2025:

Issuer	Type	Par value (in RMB million)	Coupon rate	Issuance year	Maturity
Ping An Group	Convertible bonds (Offshore)	3,500(USD)	0.875%	2024	5 years
Ping An Group	Convertible bonds (Offshore)	11,765(HKD)	0.00%	2025	5 years
Ping An Life	Undated capital bonds	15,000	First 5 years: 2.24% Adjusted every 5 years	2024	Undated
Ping An Life	Undated capital bonds	13,000	First 5 years: 2.35% Adjusted every 5 years	2025	Undated
Ping An Life	Capital supplementary bonds	20,000	First 5 years: 2.39% Next 5 years: 3.39% (If not redeemed)	2025	10 years
Ping An P&C	Capital supplementary bonds	10,000	First 5 years: 2.27% Next 5 years: 3.27% (If not redeemed)	2024	10 years
Ping An P&C	Capital supplementary bonds	6,000	First 5 years: 2.15% Next 5 years: 3.15% (If not redeemed)	2025	10 years
Ping An Bank	Tier 2 capital bonds	30,000	Fixed rate of 3.69%	2021	10 years
Ping An Bank	Tier 2 capital bonds	3,000	Fixed rate of 2.50%	2024	15 years
Ping An Bank	Tier 2 capital bonds	27,000	Fixed rate of 2.32%	2024	10 years
Ping An Bank	Undated capital bonds	20,000	First 5 years: 2.45% Adjusted every 5 years	2024	Undated
Ping An Bank	Undated capital bonds	30,000	First 5 years: 2.27% Adjusted every 5 years	2025	Undated
Ping An Bank	Undated capital bonds	30,000	First 5 years: 2.32% Adjusted every 5 years	2025	Undated
Ping An Securities	Perpetual subordinated bonds	5,000	First 5 years: 3.86% Adjusted every 5 years	2021	Undated
Ping An Securities	Subordinated corporate bonds	1,100	3.56%	2022	5 years
Founder Securities	Subordinated corporate bonds	1,200	4.10%	2023	3 years
Founder Securities	Subordinated corporate bonds	500	3.80%	2023	3 years

FREE CASH OF THE PARENT COMPANY

Free cash of the parent company includes bonds, bank deposits and cash equivalents that the parent company holds. Free cash of the parent company is mainly invested in subsidiaries or used for daily operations or dividend distribution. Free cash of the parent company remained reasonable at RMB68,159 million as of December 31, 2025.

(in RMB million)

	2025
Opening balance of free cash	74,565
Dividends from subsidiaries	53,022
Dividends paid out to shareholders	(46,537)
Investments in subsidiaries	(19,983)
Net proceeds from the issue of convertible bonds	10,686
Others	(3,594)
Closing balance of free cash	68,159

The major free cash outflows were the dividends of RMB46,537 million to shareholders.

The major free cash inflows were the dividends of RMB53,022 million from subsidiaries as detailed below:

(in RMB million)

	2025
Ping An Life	38,798
Ping An Bank	5,752
Ping An P&C	4,181
Ping An Asset Management	1,480
Ping An Trust	995
Ping An Financial Leasing	764
Ping An Securities	532
Ping An Health Insurance	520
Total	53,022

Liquidity and Capital Resources

DIVIDEND DISTRIBUTION

According to the *Articles of Association*, the Company shall attach importance to reasonable investment returns for investors in terms of profit distribution. The profit distribution policy of the Company shall maintain its continuity and stability. The accumulated profit to be distributed in cash for the past three years shall not be less than 30% of the average yearly distributable profit realized in the past three years, provided that the annual distributable profit of the Company (namely the profit after tax of the Company after covering losses and making contributions to the revenue reserve) is positive in value and such distributions are in compliance with the prevailing laws and regulations and the requirements of regulatory authorities for solvency margin ratios. In determining the specific cash dividend payout ratio, the Company shall consider its profitability, cash flows, solvency position, and operational and business development needs. The Board of Directors of the Company is responsible for formulating and implementing a profit distribution proposal in accordance with the *Articles of Association*. The Board of Directors will ensure the continuity and stability of the profit distribution policy so that the Group can seize opportunities for future growth while maintaining financial flexibility. The Board of Directors proposed to pay a final dividend of RMB1.75 per share (tax inclusive) in cash for 2025. As the Company already paid an interim cash dividend of RMB0.95 per share (tax inclusive), the full-year cash dividend for 2025 will be RMB2.70 per share (tax inclusive), up 5.9% year on year.

Dividend payouts of the parent company are decided by taking account of the Group's operating profit attributable to shareholders of the parent company. The Company's cash dividends and cash dividend payout ratios based on operating profit attributable to shareholders of the parent company for the past five years are shown in the table below. Ping An has grown its full-year cash dividend amount at a 4.1% compound annual growth rate over the past five years.

	Cash dividend per share (in RMB)	Growth of cash dividend per share	Cash dividend amount (in RMB million)	Cash dividend payout ratio based on operating profit attributable to shareholders of the parent company	Share repurchase amount (in RMB million)	Cash dividend payout ratio based on net profit attributable to shareholders of the parent company (inclusive of share repurchases)
2025	2.70	5.9%	48,891	36.4%	–	36.3%
2024	2.55	5%	46,174	37.9%	–	36.5%
2023	2.43	0.4%	44,002	37.3%	–	51.4%
2022	2.42	1.7%	43,820	29.5%	1,101	53.6%
2021	2.38	8.2%	43,136	29.2%	3,900	46.3%

- Notes: (1) For 2022, the cash dividend payout ratio based on restated operating profit attributable to shareholders of the parent company was 29.8%, and the cash dividend payout ratio based on restated net profit attributable to shareholders of the parent company (inclusive of share repurchases) was 40.5%.
(2) Cash dividend per share includes the interim dividend and final dividend for the current year.
(3) Except for the 2025 final dividend pending approval at the 2025 Annual General Meeting, profit distributions for other years were completed in relevant years.
(4) Figures may not match the calculation due to rounding.

CAPITAL ALLOCATION

When investing in subsidiaries, the Company strictly abides by laws, regulations, regulatory requirements and its internal decision-making procedures. In respect of capital allocation, the Company prioritizes supporting strategic development, ensuring steady growth in core financial businesses, and boosting capital efficiency. The Company invests its capital prudentially, encourages capital-light operations, and constantly optimizes returns on invested capital and asset-liability structures.

GROUP SOLVENCY MARGIN

Ping An Group's solvency margin ratios were significantly above the regulatory requirements as of December 31, 2025. Stable solvency margin ratios ensure that the Company meets capital requirements specified by external institutions including regulators and rating agencies, and support the Company in developing business and consistently creating value for shareholders.

(in RMB million)	December 31, 2025	December 31, 2024
Core capital	1,704,959	1,457,074
Actual capital	2,050,444	1,799,586
Minimum capital	1,060,731	881,890
Core solvency margin ratio (%)	160.7	165.2
Comprehensive solvency margin ratio (%)	193.3	204.1

Notes: (1) Core solvency margin ratio = core capital / minimum capital. Comprehensive solvency margin ratio = actual capital / minimum capital.

(2) The minimum regulatory requirements for the core solvency margin ratio and comprehensive solvency margin ratio in the table above are 50% and 100% respectively.

Test results showing the impacts of declines in interest rates and equity assets on solvency margin ratios of Ping An Group, Ping An Life, and Ping An P&C as at December 31, 2025 are disclosed below:

December 31, 2025	Core solvency margin ratio			Comprehensive solvency margin ratio		
	Ping An Group	Ping An Life	Ping An P&C	Ping An Group	Ping An Life	Ping An P&C
50 bps decline in current interest rates	-1.2 pps	-8.1 pps	3.3 pps	-2.5 pps	-10.9 pps	3.2 pps
10% decrease in fair value of equity assets	-4.4 pps	-10.3 pps	-5.4 pps	-3.7 pps	-7.4 pps	-4.7 pps

Liquidity and Capital Resources

LIQUIDITY RISK MANAGEMENT

Liquidity risk refers to the risk of the Company being unable to obtain sufficient cash in time, or being unable to obtain sufficient cash in time at a reasonable cost, to repay debts due or fulfill other payment obligations.

In accordance with international and domestic regulatory requirements, the Group has established a liquidity risk management system and guiding principles covering risk appetites and tolerance, risk limits, risk monitoring, stress testing, and emergency management. Member companies have developed their own management procedures and liquidity risk appetites, risk tolerance, and risk limits in line with the applicable regulations, industry practices, and features of their business activities. The Group organizes its member companies to regularly evaluate liquid assets and maturing debts, and use tools including stress testing of cash flows to identify risks in advance. The Group and its member companies hold sufficient liquid assets and maintain stable, convenient and diverse sources of financing to ensure that we have adequate liquidity resources to tackle possible impacts from adverse situations. Moreover, the Group and its member companies have developed comprehensive emergency liquidity plans for effectively handling any significant liquidity risk events. In addition, the Group effectively prevents the intra-group contagion of liquidity risk with internal firewalls.

CASH FLOW ANALYSIS

(in RMB million)	2025	2024	Change (%)
Net cash flows from operating activities	658,632	382,474	72.2
Net cash flows from investing activities	(559,953)	(416,251)	34.5
Net cash flows from financing activities	75,388	30,951	143.6

Net cash inflows from operating activities increased year on year mainly due to an increase in net cash inflows from Ping An Bank's borrowings from the central bank.

Net cash outflows from investing activities increased year on year mainly due to a year-on-year increase in cash outflows from Ping An Life's investing activities.

Net cash inflows from financing activities increased year on year mainly due to a year-on-year increase in cash inflows from Ping An Life's repo business.

CASH AND CASH EQUIVALENTS

(in RMB million)	December 31, 2025	December 31, 2024	Change (%)
Cash	446,717	381,829	17.0
Bonds of original maturities within 3 months	25,896	8,660	199.0
Financial assets purchased under reverse repurchase agreements of original maturities within 3 months	177,611	88,556	100.6
Total	650,224	479,045	35.7

The Company believes that the liquid assets currently held, together with net cash generated from future operations and the short-term borrowings available, will be sufficient to meet the foreseeable liquidity requirements of the Group.

Risk Management

Ping An strives to be a world-leading “integrated finance, health and senior care” services group. To achieve this goal, the Group constantly optimizes the risk management system and strengthens the risk management platform. By identifying, evaluating, and mitigating risks, Ping An strikes a balance between risks and returns, which ultimately contributes to healthy business growth.

RISK MANAGEMENT OBJECTIVES

For over 30 years since its establishment, Ping An has regarded risk management as an integral part of its operations and business activities. Ping An takes steady steps to build a comprehensive risk management system aligned with its strategies and the nature of its business. Ping An constantly optimizes the risk management organizational structure, standardizes risk management procedures, and adopts qualitative and quantitative risk management methodologies to identify, measure, evaluate, monitor, report, control and mitigate risks. Keeping risks under control, Ping An promotes sustainable, healthy business growth in order to be a world-leading “integrated finance, health and senior care” services group.

The Group constantly improves its compliance and internal control management mechanisms in response to changing domestic and global economic conditions, evolving laws, regulations and regulatory policies, and diversifying businesses of the Group. The Group builds a rational, robust comprehensive risk management system in line with international standards centering on capital management, based on risk governance, oriented by risk appetites, and capitalizing on risk quantification tools and risk performance appraisals. The Group strikes a balance between risk management and business development by constantly enhancing its risk management and techniques as well as dynamically managing its single and cumulative risks to support sustainable, healthy business development.

RISK MANAGEMENT ORGANIZATIONAL STRUCTURE

The Group proactively complies with risk governance requirements under the *Company Law of the People's Republic of China* and other applicable laws and regulations as well as the *Articles of Association* and other applicable company policies and procedures. Ping An has put in place a risk management organizational system which holds the Board of Directors ultimately accountable and is directly led by the management. Supported closely by relevant committees and various functions, the system covers risk management across all of the Group's member companies and business lines.

The Board of Directors is the highest decision-making authority for the Company's risk management and takes responsibility for the effectiveness of comprehensive risk management.

Risk Management

The Audit and Risk Management Committee under the Board of Directors is responsible for thoroughly understanding the Company's major risk exposures and relevant management situations, monitoring the effectiveness of the risk management system, deliberating the following matters, and giving opinions and suggestions to the Board of Directors on the following matters:

- Overall objectives of risk management, risk appetites and tolerance, and risk management policies and procedures;
- Risk management organs and their responsibilities;
- Risk assessments for major decisions and solutions to significant risks; and
- Annual risk assessment reports.

The Company has set up the Related Party Transaction Control and Consumer Rights Protection Committee under the Board of Directors. The Related Party Transaction Control and Consumer Rights Protection Committee coordinates related party transactions management of the Company, ensures the compliance and fairness of the Company's related party transactions, and prevents risks from related party transactions. The Committee performs its duties as follows:

- To determine the overall targets, basic policies, and management rules for related party transactions;
- To review material related party transactions, including but not limited to providing opinions on related party transactions and matters deliberated by the Company's Board of Directors according to regulatory requirements, submitting them to the Company's Board of Directors for review and approval, and giving opinions in writing on the compliance, fairness, and necessity of material related party transactions as well as whether the interests of the Company and insurance consumers would be affected;
- To review annual reports on related party transactions;
- To regularly review the related party list under the *Administrative Measures for Related Party Transactions of Banking and Insurance Institutions*; and
- Other duties prescribed by regulations and other tasks stipulated by the *Charter of the Related Party Transaction Control and Consumer Rights Protection Committee* and authorized by the Board of Directors.

The Group Executive Committee leads all the aspects of the Group's risk management. The Risk Management Executive Committee (the "RMEC") under the Group Executive Committee directly reports and is responsible to the Group Executive Committee as the supreme risk management organ under the Group Executive Committee. The RMEC is responsible for strategic planning, rule-making and policy formulation for comprehensive risk management, overall management of various risks, research and determination of directions, supervision of implementation, and result evaluation. The RMEC is also responsible for dealing with major risks, adhering to the bottom line of "no systemic risk." In addition, the RMEC promotes an integrated risk prevention and management framework among the Group and its member companies to ensure full coverage of risk management. A senior vice president at the Group level in charge of risk management acts as the RMEC's chairman. Members of the RMEC are the relevant executives at the Group level in charge of different risk categories, who have clearly-defined responsibilities for risk management and comprehensively cover the Group's various risks.

In 2025, the Group constantly improved its comprehensive risk management system, and further consolidated the basis for comprehensive risk management in line with the latest regulatory requirements and internal management needs. In respect of risk management coverage, the Company's comprehensive risk management system covers all kinds of general risks and insurance group-specific risks. In respect of risk management responsibilities, the Company clarified the management responsibilities and implemented a risk management structure of "dual management" by the Group and its member companies. In respect of risk limit management, the Group defined limits for various risks at the Group level by setting risk appetites, established a comprehensive risk indicator system, and constantly monitors its implementation. In respect of risk management standards, the Group reviews and standardizes the risk management procedures and requirements, and incorporates them into management rules. The Group prompts member companies to implement the management requirements at the Group level. In this way, the Group adheres to the risk limits through effective risk management. Moreover, the Group further improved its risk appetite system, optimized the comprehensive risk indicator system, and enhanced the risk monitoring, alerting and reporting mechanisms. The Group also applied digital risk management to ensure that all risks are effectively identified and managed on a timely basis. In addition, the Group continued to conduct risk reviews of business development and optimized capital utilization to maintain a balance between business development and risk management. The Group fully implemented regulatory requirements to support the Company's sustainable, healthy strategic and business development. The Group established and constantly enhanced risk appraisal and evaluation mechanisms to strengthen risk control and raise risk awareness.

The Group fulfills domestic and international regulatory requirements related to systemic risk management in accordance with high standards, and constantly conducts assessment and analysis of systemic risk. According to a comprehensive review and assessment, Ping An's systemic impact on financial markets is limited and under control. Moreover, the Group constantly improves the recovery and resolution management mechanism in response to external market situations and the Group's business development, develops a multi-level crisis control mechanism that covers the Group and its member companies, and organizes emergency drills regularly, supporting steady, healthy business development of the Group.

Risk Management

RISK MANAGEMENT CULTURE

Based on a constantly upgraded and improved risk governance framework, a risk culture has permeated the Group's ranks, from the Board of Directors to senior management and from specialized committees to employees. This culture has facilitated the establishment of an effective and efficient approach that combines top-down management and bottom-up communication, which lays a solid foundation for the effective integration of risk management into the Group's daily operations. This in turn helps to protect shareholder equity, improves capital efficiency, supports management decisions, and ultimately creates value for the Group.

RISK APPETITE SYSTEM

A risk appetite system is central to Ping An's overall strategy and comprehensive risk management. Considering the Group's overall strategy and its member companies' development needs, the Group consistently improves the risk appetite system that matches its business strategies, and links risk appetites with management decisions and business development to promote healthy growth of the Group and its member companies.

The Group's risk appetite system consists of three parts, namely the risk appetite statement, risk tolerance, and risk limits. The risk appetite statement describes the amount of risk that the Group is willing to take to achieve its business objectives. The risk tolerance defines each risk category in the risk appetite statement in detail, covering all the major risk categories in the Group's comprehensive risk management. Risk limits further quantify the risk tolerance. On the basis of the risk tolerance, the Group sets corresponding risk limits for risk categories that can be monitored with quantitative indicators, and applies the risk limits to routine risk monitoring and alerting, so as to support business decision-making and strike a balance between risk management and business development.

The Company's business development and risk management came under pressure due to internal and external environments in 2025. The Group consistently implemented a prudent risk appetite, operated in strict compliance with laws and regulations, took reasonable and appropriate risks, effectively controlled credit, market and other risks, prevented operational, compliance, IT and brand reputation risk events, strengthened strategic risk management, and appropriately managed ESG-related risks. Moreover, the Group ensured that its solvency position was always in line with regulatory requirements, and kept overall risk under control.

RISK MANAGEMENT METHODOLOGY

The Group constantly strengthens its comprehensive risk management system, improves its risk management organizational structure, formulates risk management policies and guidelines, standardizes risk management procedures, and fulfills risk management responsibilities. The Group adopts qualitative and quantitative risk management approaches to identify, measure, evaluate, monitor, report, control and mitigate risks, so as to effectively prevent systemic risks associated with integrated finance and enhance risk management under an integrated development model of various businesses.

- The Group improves its risk governance framework and risk management reporting mechanism, includes risk indicators in its performance appraisal system, and integrates its risk management culture into its corporate culture. In this way, the Group has laid the foundation for healthy, sustainable and stable business development;
- The Group improves the risk appetite framework in line with its business development strategy. The Group also optimizes risk management rules and standardizes risk management requirements for its member companies;
- The Group strengthens consolidated risk monitoring, conducts holistic management of its member companies' risks, carries out comprehensive risk review and assessment, and improves the system of risk monitoring indicators;
- The Group constantly improves the management framework for general risks including credit risk and group-level risks including concentration risk. The Group has strengthened its ability to manage various risks via rule formulation, risk limit management, system development, and risk reporting, so as to comprehensively improve the Group's risk management for its integrated finance business;
- The Group utilizes tools and methods including scenario analysis, stress tests and risk limits to constantly develop and optimize quantitative techniques and models of risk management, analyze risk exposures and evaluate their quantitative and qualitative impacts on the risk limits. Such measures enable the Group to plan ahead and take necessary precautions in a timely manner to prevent and mitigate risks;
- The Group has improved its risk warning mechanism, providing timely and effective alerts on industry developments, regulatory information and risk events, and effectively guarding against potential risks. The Group has also enhanced its risk emergency management mechanism; and
- Member companies are encouraged to employ smart system platforms in risk management and effectively apply IT capabilities to the entire risk management cycle to enhance risk management capabilities and execute the Company's strategies.

Risk Management

RISK ANALYSIS

The Group has categorized all risks to ensure they are well identified and systematically managed. Below are major risks faced by the Group and their definitions as per the C-ROSS Phase II and other regulatory requirements:



1. General Risks

Proactively complying with the requirements of internal management and external regulation, the Group has strengthened the management of insurance risk, market risk, credit risk, operational risk, strategic risk, reputation risk, and liquidity risk at the Group level. The Group instructs and coordinates risk management at member companies, and actively promotes the implementation of the Group’s management requirements by major member companies.

1.1 Insurance Risk

Insurance risk refers to the risk of adverse deviation of the actual mortality rate, morbidity rate, loss ratio, expense, and lapse rate from expectations, which may cause losses to the Group.

The Group assesses and monitors insurance risks involved in insurance business through sensitivity analysis, stress testing and so on. The Group mainly evaluates the pre-tax impacts of actuarial assumptions, including the mortality rate, morbidity rate, lapse rate and expense, on its profit, equity and so on in different scenarios.

Sensitivity analysis of assumptions for the Group's long-term life insurance contracts

December 31, 2025 (in RMB million)	Change in a single variable	Increase/(decrease) in profit before tax		Increase/(decrease) in equity before tax	
		Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance
Mortality, morbidity, accident rates, etc. ⁽¹⁾	+10%	(9,133)	(8,724)	(20,538)	(19,214)
Policy lapse rates	+/-10%	(3,092)	(3,069)	(5,036)	(5,011)
Maintenance expense rates	+5%	(597)	(597)	(994)	(994)

Note: (1) Change in mortality, morbidity, and accident rates refers to a 10% increase in the mortality rate, morbidity rate, accident rate, and other rates for life insurance policies (and a 10% increase before the payment period and a 10% decrease after the payment period in the mortality rate for annuity policies).

Sensitivity analysis of assumptions for the Group's property and casualty insurance and short-term life insurance contracts

December 31, 2025 (in RMB million)	Change in average claim costs	Increase/(decrease) in profit before tax		Increase/(decrease) in equity before tax	
		Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance
Property and casualty insurance	+5%	(8,200)	(7,262)	(8,200)	(7,262)
Short-term life insurance	+5%	(602)	(465)	(602)	(465)

Risk Management

The mechanisms and procedures adopted by the Group to manage insurance risks are as follows:

- Develop insurance risk management rules and a science-based, consistent insurance risk management system within the Group;
- Develop a set of key insurance risk indicators, monitor them on a regular basis, analyze abnormal changes, and take management measures;
- Establish model management rules, standardize actuarial models of the Group, and strictly control model risks;
- Implement effective product development policies to develop products with proper insurance coverage and fair pricing, and control product pricing risks;
- Implement prudent underwriting policies, establish guidelines for policy contracting and underwriting, and effectively prevent and reduce adverse selection risks;
- Maintain strict claim investigation and settlement procedures, identify and prevent questionable or fraudulent claims;
- Maintain effective product management procedures, analyze the experience and trends based on the latest, accurate and reliable data, and carefully manage the product portfolio to control insurance risks;
- Evaluate the liability for remaining coverage and the liability for incurred claims using effective insurance contract liability assessment procedures and methods, and assess the insurance contract liability adequacy on a regular basis; and
- Maintain effective reinsurance management procedures, properly set retained risk limits, and use reinsurance as an effective risk transfer tool to transfer the excess risks to reinsurers with a high level of security to control insurance risks.

1.2 Market Risk

Market risk refers to the risk that causes losses to the Group due to unfavorable changes in interest rates, equity prices, foreign exchange rates, and real estate prices.

The Group constantly improves its market risk management system, and enhances the abilities to identify, measure, evaluate, monitor, report, control and mitigate market risks. The Group constantly improves its risk appetite and risk limit management system in a dynamic manner to monitor risks across the Group, member companies, and business lines, ensuring the consistency and effectiveness of its market risk management. The Group enhances risk warning mechanisms to upgrade targeted, forward-looking and thorough risk management. The Group optimizes stress testing to unlock its value for decision-making in adherence to risk limits. The Group improves risk management information reporting mechanisms to upgrade the consolidated monitoring and management of market risks. The main market risks to which the Group is exposed are interest rate risk, equity risk, foreign exchange risk, and real estate price risk.

Market Risk – Interest Rate Risk

Fixed maturity investments held by the Group are exposed to the interest rate risk. These investments are substantially represented by debt investments booked at fair value on the balance sheet. The Group uses various methods including sensitivity analysis and stress tests to evaluate the interest rate risk faced by such investments.

The sensitivity to interest rate risk is assessed by assuming a 10 basis-point parallel shift of the government bond yield curve, the impacts of which are illustrated in the table below:

December 31, 2025 (in RMB million)	Change in interest rate	Increase/(decrease) in profit before tax	Increase/(decrease) in equity before tax
Debt investments classified as financial assets measured at fair value through profit or loss and measured at fair value through other comprehensive income	+10 bps	(2,571)	(47,569)

Note: The overall impact of interest rate risk on the Group's financial instruments and insurance contract liabilities is detailed in Note 49.(2).(c) to the financial statements.

Market Risk – Equity Risk

Listed equity investments held by the Group are exposed to market price risks. These investments are primarily listed equities and securities investment funds. The Group uses various methods including sensitivity analysis and stress tests to evaluate the equity risk faced by such investments.

The sensitivity to equity risk is assessed by assuming a 10% decrease in the prices of equity investments, the impact of which is illustrated in the table below:

December 31, 2025 (in RMB million)	Increase/(decrease) in equity before tax
Listed equities and securities investment funds classified as financial assets measured at fair value through profit or loss and measured at fair value through other comprehensive income	(125,383)

Note: The overall impact of equity risk on the Group's financial instruments and insurance contract liabilities is detailed in Note 49.(2).(b) to the financial statements.

Risk Management

Market Risk - Foreign Exchange Risk

Foreign currency-denominated assets held by the Group are exposed to foreign exchange risks. These assets include monetary assets such as deposits and bonds held in foreign currencies and non-monetary assets measured at fair value including stocks and funds held in foreign currencies. The Group's foreign currency-denominated liabilities are also exposed to risks as a result of fluctuations in exchange rates. These liabilities include monetary liabilities such as borrowings, customers' deposits and liabilities for incurred claims denominated in foreign currencies, as well as non-monetary liabilities measured at fair value.

The Group formulates its allocation strategies for assets including foreign exchange assets based on the Company's risk appetite, risk profiles of the asset class, and stress test results. Through measures including limits management and hedging, the Group keeps foreign exchange risk under control by consistently optimizing the aggregate foreign currency assets and liabilities as well as the structures, enhances overseas asset management, and regularly analyzes the sensitivity to foreign exchange risk.

The sensitivity to foreign exchange risk is calculated by assuming a simultaneous and uniform depreciation of 5% against the Renminbi of all foreign currency-denominated monetary assets and liabilities, as well as non-monetary assets and liabilities measured at fair value as illustrated in the table below:

December 31, 2025 (in RMB million)	Increase/(decrease) in equity before tax
Net exposure to fluctuations in exchange rates assuming a simultaneous and uniform depreciation of 5% of all foreign currency-denominated monetary assets and liabilities and non-monetary assets and liabilities measured at fair value against the Renminbi	(7,078)

If the above currencies appreciate by the same proportion, the appreciation will have an inverse effect of the same amount on equity before tax in the table.

Market Risk - Real Estate Price Risk

The Group is exposed to real estate price risk associated with its holding of investment properties. The Group tracks its exposure to property investment, monitors the movement of real estate prices in relevant regions, analyzes the impact of macro policies and regional economic development on real estate prices, has engaged independent valuers for the fair value assessment, and conducts stress tests on a regular basis.

The fair value of the Group's holding of buildings under investment properties stood at RMB171,987 million as of December 31, 2025.

1.3 Credit Risk

Credit risk refers to the risk of losses caused by the default of any debtors or counterparties or by the adverse changes in their credit conditions. The Group is exposed to credit risks primarily associated with its deposit arrangements with commercial banks, loans and advances to customers, bond investments, investments in debt schemes and debt financial products, reinsurance arrangements with reinsurers, policy loans, margin financing, financial guarantees, loan commitments, and so on.

The Group manages credit risk through various control measures, including:

- Constantly improving the credit risk management mechanism with risk rating as its core methodology;
- Optimizing standardized policies, rules and procedures for credit risk management;
- Setting and constantly monitoring credit risk limits in multiple dimensions including customers and portfolios to effectively prevent and control large risk exposures;
- Constantly strengthening the risk management system to standardize the Group's consolidated credit risk management; and
- Strengthening the risk warning and monitoring, and enhancing post-investment management.

The Group is in strict compliance with the credit risk management guidelines issued by regulators. Under the guidance of the Board of Directors and the senior management, the Group carries out consolidated analysis, monitoring and management of the credit risk exposures of lending and investment businesses at the Group level. On this basis, the Group establishes and refines credit risk limits for different companies and business lines to manage credit risk of large risk exposures in the Group's consolidated financial statements. The Group also provides forward-looking insights into and analysis of potential credit risks and their impacts on the Group.

Risk Management

The Group carries out targeted measures to control credit risk in light of the different characteristics and risk profiles of businesses including insurance, banking and investment. For reinsurance credit risk associated with insurance business, namely credit risk which occurs when a reinsurance company is unable to fulfill its obligations, the Group evaluates the credit of the reinsurers before entering into a reinsurance contract, and cooperates with selected reinsurance companies that have a high credit standing for mitigating credit risks. For credit risk associated with the banking business, the Group constantly improved the whole-process management of credit risks and effectively enhanced the management of bank credit risks in line with changes in the financial and economic situation and macro-control policies as well as the requirements of regulatory authorities. The Group strengthened early warning management by establishing and constantly improving the automatic early warning system based on big data, strictly implemented post-lending management policies, and regularly reviewed customer risk profiles and overall asset quality. Risk management was strengthened in key areas to prevent the accumulation of credit risk from large exposures. The disposal of non-performing assets was enhanced by leveraging the Group’s specialized strengths. For credit risk associated with the investment business of insurance funds and so on, the Group assesses the credit status of potential investment assets and counterparties in line with internal risk policies and procedures, strictly reviews the quality of counterparties through means including credit rating, name lists and admittance management, chooses counterparties that have a relatively high credit standing, and adopts a multi-dimensional approach for setting risk limits on investment portfolios to manage credit risks. Moreover, the Company established investment and financing risk alerting and tracking/disposal mechanisms, conducted in-depth risk monitoring and alerting, comprehensively screened various alert signals, and enhanced post-alert tracking and disposal management to minimize potential losses from risk events.

In addition, the Group constantly enhances credit risk management for key sectors including real estate in light of macroeconomic situations and sectoral risk trends. While meeting financing needs of enterprises in various sectors in line with national macroeconomic policies, the Group strengthens new business admittance and asset portfolio management for key areas. By doing so, the Group constantly optimizes its asset portfolio and reduces overall portfolio risks.

December 31, 2025	As a percentage of carrying value
Low-risk financial assets measured at amortized cost held by the Group	92.8%

1.4 Operational Risk

Operational risk refers to the risk of losses resulting from flawed internal procedures, employees and information technology systems as well as external events, including legal risk but excluding strategic risk and reputation risk.

The Group consistently implements applicable new regulations and its operational risk management strategies on the basis of the existing compliance management and internal control framework. The Group integrates domestic and foreign regulators' advanced standards, methods, and tools for operational risk management. The Group optimizes the structure, amends policies, and improves three lines of defense for operational risk management. The Group defines the principal responsibilities of each department, and strengthens collaboration and cooperation between departments. The Group has established daily monitoring and reporting mechanisms to provide regular reports to the management on the overall operational risk situation. Moreover, the Group clarifies rules and standards for operational risk management, and strengthens operational risk management system development to effectively prevent operational risk and reduce losses. The Group constantly improves its capability of handling the impacts of internal and external events to ensure resilient business operations.

The Group manages operational risks primarily through the following mechanisms and measures:

- Establishing and improving a full-process management approach covering the whole Group to identify, evaluate, monitor, control/mitigate and report operational risks;
- Constantly optimizing the operational risk policies, frameworks, workflows, systems, and tools to enhance overall operational risk management;
- Stepping up the implementation of operational risk management tools among member companies, including the Operational Risk Self-Assessment, Key Risk Indicator (KRI), and Loss Data Collection (LDC);
- Pushing forward the operational risk capital measurement according to regulatory requirements and management requirements; and
- Promoting a culture of operational risk management through targeted training.

Risk Management

1.5 Strategic Risk

Strategic risk refers to the risk of a mismatch between strategies and the market environment as well as the Company's capabilities due to ineffective processes of developing or implementing strategies or changes in the business environment.

With a robust strategic risk management system and relevant procedures, the Group studies macroeconomic conditions in China and abroad, impacts of the regulatory landscape, and market competition dynamics to conduct thorough evaluation and research of the Group's general strategies and development plans. The Group coordinates and regularly formulates its general strategies and annual business plans, sets out strategic priorities for the Group and its member companies, and ensures not only the consistency between member companies' and the Group's strategic goals, but also the coordination between member companies' strategic goals. Furthermore, the Group oversees and evaluates member companies' implementation of strategic plans and annual plans to ensure effective implementation of the Group's general strategic plans. The Group strengthened the management of its product strategy, investment strategy, brand strategy and consumer rights protection, and effectively advanced relevant work in accordance with various strategic risk management requirements in 2025.

1.6 Reputation Risk

Reputation risk is the risk of the Company's brand being tarnished or operations of the Group and its member companies being affected due to negative comments of stakeholders, the public and media on the Company arising from behaviors of the Group and its member companies, behaviors of employees and agents, and external events.

The Group has set up a group-level reputation risk management system to identify and prevent the reputation risk across the Group, and cope with negative impacts of reputation events in accordance with applicable laws, regulations and regulatory requirements. Measures include establishing and improving an ex ante evaluation mechanism for reputation risk, nipping reputation risk triggers in the bud, developing emergency plans on the basis of evaluation results, improving the in-the-process procedures for reputation risk management, carrying out hierarchical response and whole-process disposal, conducting ex post reviews and summarization, and carrying out appraisal and supervision on the basis of results. The Group adheres to a reputation risk management philosophy centering on prevention, and conducts multi-level and differentiated reputation risk management, taking risk prevention and control, effective risk disposal, and image repair as the ultimate standards for reputation risk management. The Group has put in place rational, reasonable, timely and efficient risk prevention, response and disposal mechanisms to rapidly respond to and efficiently handle reputation risk events in a coordinated manner so that its reputation and social image, if damaged, can be repaired in time.

1.7 Liquidity Risk

For details of the Company's liquidity risk management, please refer to the section headed "Liquidity and Capital Resources" of this Report.

2. Group-level Risks

The Group proactively strengthens risk management of its member companies, implements applicable regulatory requirements, and constantly enhances management of group-level risks including risk contagion, organizational structure non-transparency risk, concentration risk, and non-insurance risk.

2.1 Risk Contagion

Risk contagion refers to a situation where the risk created by a member company of the Group spreads to another member company of the Group by means of related party transactions or other activities, causing unexpected losses to such other member company or the Group.

While unlocking synergies in integrated finance, the Group has comprehensively strengthened the management of risk contagion within the Group by building firewalls, managing related party transactions, outsourcing and integrated finance, and centralizing branding, communication and information disclosure to prevent risk contagion among member companies.

The Group has built strict firewalls, including legal-entity firewalls, finance firewalls, treasury firewalls, information firewalls, and personnel management firewalls, between the Group and its member companies and among its member companies to prevent material risk contagion and transmission.

Firstly, legal-entity firewalls. The Group and its member companies have robust governance structures. The Group itself engages in no specific business activity. The Group manages its member companies through shareholding, but neither participates nor intervenes in the member companies' routine business. The member companies carry out business activities independently, and are supervised by their corresponding regulators.

Secondly, finance firewalls. The Company has built robust finance firewalls and incorporated the requirements of finance firewalls in financial frameworks and management rules, including personnel independence, policy independence, accounting independence, and system independence. The Group and its member companies have respective independent finance functions, financial management rules and processes, perform independent financial accounting, and prepare independent financial statements. They are separately audited by external auditors who issue independent auditor's reports to ensure the authenticity of financial data. Moreover, the Group and its member companies implement strict data segregation and access control in financial systems to prevent information tampering and leakage.

Thirdly, treasury firewalls. The Company has built robust treasury firewalls, implementing relevant requirements for treasury frameworks and management rules. The Group and its member companies have respectively established independent departments, rules and processes for treasury management. The Group and its member companies have strictly followed the requirements of creating accounts based on legal entities, and built hierarchical authorization and approval processes for transactions. Ping An exercises strict control over arbitrary capital movements and fund transfers devoid of business backgrounds to ensure the security of funds and prohibit unauthorized fund borrowings and transfers.

Risk Management

Fourthly, information firewalls. The Group and its member companies constantly improve the network and data security governance structure, and have established an accountability system for cybersecurity, data security, and personal information protection. The Group and its member companies have specified responsible departments and personnel, reviewed and updated management rules and supporting documents for network and data security, built a multi-level defense-in-depth framework, implemented network access control and information/data segregation, and strengthened multi-factor authentication for public system platforms. Attaching great importance to customer information security, the security of their products, and the cybersecurity of their businesses, the Group and its member companies conduct special inspections of cybersecurity and data security in strict accordance with laws, regulations and regulatory requirements including the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China* and the *Personal Information Protection Law of the People's Republic of China*, and the *Administrative Measures for Data Security of Banking and Insurance Institutions* issued by the NFRA. The Group and its member companies have set up an all-around mechanism for ex ante control, in-the-process monitoring and ex post audits, excelling in cybersecurity attack and defense drills organized by the Ministry of Public Security, the Ministry of Industry and Information Technology, and the securities industry. Moreover, the Group and its member companies have put in place security controls over all the stages of the data lifecycle, including data collection, transmission, storage, use, exchange and destruction, to protect the security, integrity and usability of customer information and data.

Fifthly, personnel management firewalls. The Company has established appropriate, effective personnel management firewalls. The Group and its member companies have established mutually independent organizational structures, personnel management rules and processes. Moreover, the Company ensures effective personnel segregation through an employee conflict of interest management framework by taking measures including: strictly restricting the double-jobbing of senior management among the Group and its member companies in accordance with applicable laws and regulations; ensuring that no employee performs incompatible roles with any potential conflict of interest at the same post and time through appropriate duty segregation; and establishing anti-nepotism policies and strengthening relevant day-to-day management.

The Group has constantly improved the management of related party transactions. The Group and its member companies constantly enhance the management of related party transactions in strict accordance with applicable laws, regulations and regulatory requirements and the management principles of good faith, fairness and equity, penetration verification and clear structures. Adhering to risk prevention and control, the Group and its member companies constantly consolidate related party transaction management systems, optimize management structures and mechanisms, improve management procedures, and enhance related party transaction identification, review and fair value-based pricing to ensure the compliance and fairness of related party transactions. The Group and its member companies constantly increase transparency by disclosing and reporting related party transactions in strict accordance with industries' regulatory rules. Furthermore, the Group and its member companies constantly strengthen all employees' compliance awareness about related party transactions by developing a culture of related party transaction management compliance through constant training and education. The Group enhances system-based management and related party transaction governance by constantly promoting the informatization and intelligentization of related party management and related party transaction management.

The Group has improved its approach to outsourcing management. The Group complies with applicable laws, regulations and regulatory documents to carry out outsourcing management, and outsources its business in accordance with its own operation and management requirements. It is not allowed to outsource the core business of insurance companies. Furthermore, it is not allowed to outsource IT management responsibilities, network security responsibilities or functions related to IT core competitiveness including IT strategy management, IT risk management, and IT internal auditing. Member companies follow the principles of independent transactions and fair pricing for outsourcing, and perform corresponding approval procedures and sign agreements in accordance with applicable regulations and management rules for related party transactions. The transactions are reported and disclosed in accordance with applicable regulatory requirements. Moreover, the Group constantly strengthens outsourcing risk management, improves IT outsourcing risk management rules, and monitors and inspects IT outsourcing risks in all aspects. In addition, the Group constantly strengthens the monitoring and evaluation of outsourced activities by optimizing monitoring indicators and the supervision of outsourced personnel, implementing emergency management and drills, and improving evaluation and appraisal mechanisms for outsourced services. Service providers solicit feedback on satisfaction from beneficiaries on a regular basis, and conduct internal appraisals on the basis of such feedback to ensure robust quality and levels of outsourced services.

The Group has enhanced the management of integrated finance. Being customer needs-oriented and focusing on the business model of “one customer, multiple accounts, multiple products, and one-stop services,” the Group is committed to building a heartwarming financial services brand and meeting customer demands for diverse integrated financial offerings. On the one hand, the Group conducts product sales by virtue of concurrent insurance agency and bancassurance licenses, consistently manages sales agents’ qualifications, and has established a risk management system to ensure compliant and orderly sales in strict accordance with laws and regulations. On the other hand, business collaboration among member companies is conducted in strict accordance with market rules, with all deals assessed and reviewed by each member company’s risk management function independently in strict accordance with firewall policies.

The Group constantly strengthens the centralized management or coordination of branding, communication, and information disclosure of its member companies to effectively prevent the spread and amplification of relevant risks within the Group. The Group has developed science-based, robust policies, rules and procedures for brand asset management and information disclosure, and strictly implemented them to ensure centralized and consistent brand management. In terms of brand asset management, the Group constantly improves its reputation risk management system and carries out whole-process management in accordance with applicable laws, regulations and regulatory requirements. The Group adheres to a prevention-oriented reputation risk management philosophy, and conducts multi-level differential reputation risk management. The Group takes risk prevention and control, effective disposal, and image restoration as the ultimate standards for reputation risk management. In this way, the Group ensures rapid, coordinated response to and efficient handling of reputation risk events, and promptly repairs its reputation and image. In terms of information disclosure, the Group subjects itself to public oversight, and has established centrally managed interview and information release mechanisms to ensure timely and accurate information disclosure and prevent reputation risk arising from misreading or misunderstanding.

Risk Management

2.2 Organizational Structure Non-transparency Risk

Organizational structure non-transparency risk refers to the risk of losses caused to the Group by the overcomplexity or opaqueness of the Group's shareholding structure, management structure, operational processes, and business types.

The Group has established a robust corporate governance structure in accordance with applicable laws, regulations and regulatory documents including the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*, taking account of international corporate governance norms and the Group's realities. The General Meetings of Shareholders, the Board of Directors, the Supervisory Committee, and the senior management exercise their respective rights and perform their respective obligations in accordance with the *Articles of Association*. The Group itself engages in no specific business activity, while its member companies engage in various businesses including insurance, banking, asset management and technology. The Group manages its member companies through shareholding, but neither participates nor intervenes in the member companies' routine business. The Group and its member companies have clearly defined the roles and responsibilities of their respective functions; each function performs its own duties and responsibilities, without any overlap, lack, or overconcentration of powers and responsibilities. The Group has a robust governance structure and a transparent management structure. The Group bans cross-shareholding and illegal subscription for capital instruments.

2.3 Concentration Risk

The Group's concentration risk refers to the risk that consolidated member companies' single or combined risks, when aggregated at the Group level, may have a material direct or indirect impact on the Group's normal operations. The Group manages concentration risks from the perspectives of counterparties, investment assets, industries, regions, customers, and businesses.

To manage the concentration risk in counterparties, the Group follows the principle of reasonably controlling the concentration risk of counterparties. The Group has specified a set of risk limits for counterparties after considering the risk profiles of counterparties and the appetite and tolerance of the Group. The Group's set of risk limits cover counterparties in its investment and financing businesses. For a group of corporations and public institutions or interbank customers with control relationships among them, the Group includes them in the same group, and implements unified and combined concentration limit management. Moreover, by adopting advanced technology, the Group constantly broadens and deepens concentration risk management, effectively increases monitoring frequencies, and gives timely warnings against counterparties with higher concentration risks.

To manage the concentration risk in investment assets, the Group follows the principle of reasonably controlling the concentration risk in investment assets. The Group has set concentration risk limits for different asset classes and formed a concentration risk limit system for investment assets based on reasonable classification of investment assets. Moreover, the Group regularly reviews the concentration risk posed by investment assets at the member company level to prevent any solvency risk arising from overconcentration of investments in certain asset classes after financial consolidation.

To manage the concentration risk in industries, the Group has established industry-specific concentration risk limits under the principle of reasonably controlling the concentration risk in industries. Moreover, the Group develops high-risk industry management plans based on macroeconomic and industry analysis on a yearly basis to exercise total amount controls over high-risk industries and optimize the portfolio.

To manage the concentration risk in regions, the Group has set upper limits for the insurance member companies' overseas investment proportions and emerging market investments with insurance funds under the principle of reasonably controlling the concentration risk in regions in accordance with applicable regulatory requirements for the management of regional concentration risk.

To manage the concentration risk in customers, the Group has established customer concentration risk limits under the principle of reasonably controlling the concentration risk in customers, and evaluates, analyzes, monitors and reports the Group's overall customer concentration. In this way, the Group prevents risks caused by the overconcentration of the Group's revenue in a single customer or the same group of customers, to avoid impact on the stability and quality of the Group's business.

To manage the concentration risk in businesses, the Group evaluates, analyzes, monitors and reports the overall concentration of its businesses under the principle of reasonably controlling the concentration risk in businesses. Regarding the concentration of insurance business, the Group has enhanced the concentration management of the insurance business, the framework of concentration risk limits for reinsurance counterparties, and the framework for risk monitoring, analysis, reporting and warning. Regarding the concentration of non-insurance businesses, the Group has analyzed the structures and risk profiles of non-insurance businesses, specified the concentration risk monitoring indicators, and incorporated such indicators in routine risk management systems. The Group effectively prevents the concentration risk through regular evaluation, monitoring, and warning of the concentration risk in insurance and non-insurance businesses.

2.4 Non-insurance Risk

Non-insurance risk refers to the impact of the business activities of non-insurance member companies on the solvency of the Company and its insurance member companies.

The Group is an integrated financial group authorized by the State Council to engage in separate operations under a listed holding group subject to separate regulation. While focusing on core insurance businesses, the Group is committed to satisfying customers' diverse financial service needs and realizing the objective of "one customer, multiple accounts, multiple products, and one-stop services." Moreover, the Group improves its overall specialized capabilities and market competitiveness to effectively promote its core insurance businesses. The Group strictly manages its non-insurance member companies' strategic planning processes, and regularly evaluates and adjusts diversification strategies.

For equity investments in non-insurance sectors, the Group conducts overall management and has developed uniform investment rules, criteria and limits, established investment decision-making and risk management processes as well as investment review, evaluation and reporting processes, and set up mechanisms for management before, during and after investment deals. Moreover, the Group tracks and analyzes its investments to evaluate investment targets and the risk-return profiles of various businesses on a regular basis.

All the non-insurance member companies of the Group engage in specialized operations independently, and are supervised by their corresponding regulators. Through corporate governance and internal mechanisms, the Group ensures that all the non-insurance member companies are effectively segregated from the insurance member companies in terms of assets and liquidity.

Risk Management

SOLVENCY MANAGEMENT

The CBIRC released the C-ROSS Phase II at the end of December 2021, aiming to prompt insurers to focus on insurance protection and core businesses, better serve the real economy, prevent and mitigate risks in the insurance industry, and accelerate opening-up of the financial sector. The C-ROSS Phase II will make solvency regulation more science-based, effective, and comprehensive. Insurers have implemented the C-ROSS Phase II since 2022. Insurers more exposed to the C-ROSS Phase II are allowed to implement some of the regulatory rules in stages and implement all of them by 2026.

Being risk-oriented, the C-ROSS Phase II is intended to strengthen insurers' asset quality, optimize insurers' asset-liability management, and comprehensively calibrate risk factors to reflect insurers' risk dynamics in time. The Group's and its insurance subsidiaries' core and comprehensive solvency margin ratios have declined to some extent due to implementation of the C-ROSS Phase II, but are still above regulatory requirements.

Solvency risk measurement is more prudential and science-based under the C-ROSS Phase II, with a positive impact on the Group's overall solvency margin assessment and management. Moreover, the C-ROSS Phase II has tightened management requirements for insurance group-specific risks, which means higher requirements for the Group's solvency risk management.

In accordance with qualitative regulatory requirements, namely the second pillar of C-ROSS, the CBIRC conducts a Solvency Aligned Risk Management Requirements and Assessment ("SARMRA") of an insurer's solvency risk management capability, and links the SARMRA result with the insurer's minimum capital for control risks to adjust the minimum capital requirement based on the first pillar.

The CBIRC conducted the first onsite SARMRA of Ping An Group in 2022 and released the SARMRA score in April 2023. The Group's SARMRA score was 81.53, allowing its minimum capital requirement to decrease by RMB16,645 million as of December 31, 2025.

The CBIRC conducted an onsite SARMRA of Ping An Life in 2022. Ping An Life's SARMRA score was 84.03, allowing its minimum capital requirement to decrease by RMB6,674 million as of December 31, 2025.

The NFRA conducted an onsite SARMRA of Ping An P&C in 2024. Ping An P&C's SARMRA score was 86.78, allowing its minimum capital requirement to decrease by RMB2,020 million as of December 31, 2025.

The Group manages its solvency through the following mechanisms and processes:

- The impacts on solvency must be evaluated when the Group develops key initiatives including strategies, business plans, investment decisions, and dividend distribution plans;
- The solvency target is a key indicator for the Company's risk management, and an emergency reporting and response mechanism is in place for significant changes in the solvency level to ensure the solvency is maintained at an appropriate level;
- The Group enhances risk appraisal and evaluation mechanisms by including solvency indicators in performance appraisal to strengthen risk control;
- The Group adopts a prudent asset and liability management policy, constantly enhances asset quality and business operations, strengthens capital management, and focuses on capital requirements arising from rapid business growth;
- The Group conducts solvency assessments and dynamic solvency tests on a regular basis, and closely monitors changes in solvency; and
- The Group conducts sensitivity and scenario stress testing to issue warnings about potential changes in solvency.

The Group's solvency margin ratios met the regulatory requirements as of December 31, 2025. Below are the details:

(in RMB million)	December 31, 2025	December 31, 2024
Core capital	1,704,959	1,457,074
Actual capital	2,050,444	1,799,586
Minimum capital	1,060,731	881,890
Core solvency margin ratio (%)	160.7	165.2
Comprehensive solvency margin ratio (%)	193.3	204.1

Notes: (1) Core solvency margin ratio = core capital / minimum capital. Comprehensive solvency margin ratio = actual capital / minimum capital.

(2) The minimum regulatory requirements for the core solvency margin ratio and comprehensive solvency margin ratio are 50% and 100% respectively.

Test results showing the impacts of declines in interest rates and equity assets on solvency margin ratios of Ping An Group, Ping An Life, and Ping An P&C as at December 31, 2025 are disclosed below:

December 31, 2025	Core solvency margin ratio			Comprehensive solvency margin ratio		
	Ping An Group	Ping An Life	Ping An P&C	Ping An Group	Ping An Life	Ping An P&C
50 bps decline in current interest rates	-1.2 pps	-8.1 pps	3.3 pps	-2.5 pps	-10.9 pps	3.2 pps
10% decrease in fair value of equity assets	-4.4 pps	-10.3 pps	-5.4 pps	-3.7 pps	-7.4 pps	-4.7 pps

Sustainability

- Ping An consistently serves the real economy by fully leveraging its integrated finance advantages. Ping An cumulatively invested over RMB10.88 trillion as of December 31, 2025 to bolster the real economy.
- Ping An contributes to China's carbon peak and neutrality goals by consistently upgrading its green finance initiative. Ping An's green investment of insurance funds totaled RMB530,087 million, and green loan balance reached RMB266,433 million as of December 31, 2025. Green insurance premium income totaled RMB76,474 million in 2025.
- Ping An actively promotes rural vitalization by supporting industries, health care and education. Ping An provided RMB57,148 million for rural industrial vitalization through "Ping An Rural Communities Support" in 2025.

SUSTAINABLE STRATEGIC MANAGEMENT

Sustainable development is Ping An's development strategy as well as the basis for maximizing the Company's long-term value. Based on sustainability-related planning, Ping An carried out related work around 13 key initiatives, namely sustainable insurance, responsible banking, responsible investment, responsible products, consumer protection and experience, development and welfare of employees and agents, rural vitalization and community impact, technology-powered sustainable development, sustainable supply chains, climate change and carbon neutrality, corporate governance, business code of conduct, and information security and AI governance, in an orderly manner, and completed the work review for 2025.

Having integrated sustainability into its development strategy, Ping An builds and practices a science-based, professional sustainability management framework and a clear, transparent environmental, social and governance ("ESG") governance structure. In this way, Ping An consistently guides all the functional centers and member companies of the Group to systematically enhance corporate governance and business sustainability. Ping An's sustainability management framework comprises the following four levels:

- Strategy: The Board of Directors and its Strategy and Investment Committee oversee all ESG issues, in charge of the Company's sustainability-related strategic planning, risk management, policy making, performance review and so on.
- Management: The Group ESG and Sustainable Development Office under the Group Executive Committee guides the practice management of green finance, rural vitalization and other key ESG initiatives, external communications for the Company's sustainability issues and so on.
- Execution: As the coordinator of the Group's ESG-related work, the Group ESG Secretariat leads the implementation of the management's work plans, implements ESG strategic plans and the Group ESG and Sustainable Development Office's instructions, and coordinates and organizes sustainability-related work.
- Practice: A matrix consisting of the Company's various functions and member companies is responsible for ESG practices.

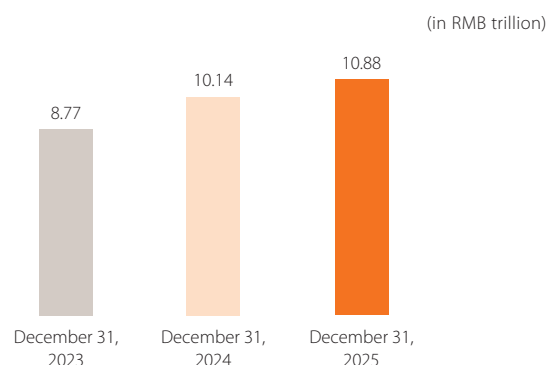
Ping An has established performance appraisal mechanisms with science-based, comprehensive indicators and clear, standardized processes in accordance with the *Corporate Governance Guidelines for Banking and Insurance Institutions*. In this way, Ping An incorporates compliant operation indicators, risk management indicators, economic benefit indicators and social responsibility indicators into the performance appraisal mechanisms. Key performance indicators relating to sustainability initiatives such as rural vitalization and green finance have been incorporated into appraisal programs for the Group's senior management, subject to regular review.

In respect of ESG risk management, Ping An deeply integrates the core philosophies and standards of ESG into the Group's risk management, and integrates ESG risk management requirements into comprehensive risk management, to ensure sustainable long-term business development.

SUPPORT FOR REAL ECONOMY

Ping An consistently serves the real economy by leveraging its integrated finance advantages. Ping An cumulatively invested over RMB10.88 trillion as of December 31, 2025 to bolster the real economy. Ping An P&C provided nearly RMB5.0 trillion worth of insurance coverage for over 2,100 key engineering projects nationwide as of December 31, 2025. Moreover, Ping An provided over RMB1.8 trillion worth of insurance coverage for public facilities in 132 countries and regions under the Belt and Road Initiative as of December 31, 2025. Ping An Asset Management cumulatively invested over RMB1.6 trillion directly in the real economy as of December 31, 2025 to serve national strategies through debt investment plans, asset funding plans, insurance private equity funds and so on, including over RMB60 billion invested in 2025.

Cumulative investment supporting real economy



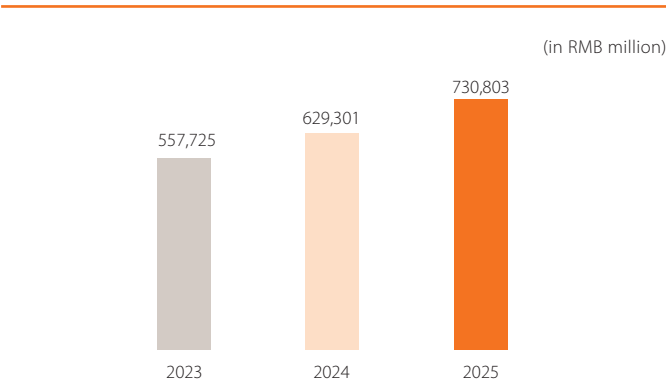
In respect of inclusive finance, Ping An provides financial services for key customer segments such as small and micro-enterprises, new citizens and low-income individuals via member companies including Ping An P&C, Ping An Bank and Lufax Holding. Ping An P&C provided RMB373.04 trillion worth of insurance coverage for 2.93 million small and micro-enterprises in 2025. Moreover, via "Agricultural Gig Insurance" products developed for agricultural flexible employment, Ping An P&C provided over RMB740 billion worth of insurance coverage for over 3.8 million workers at over 8,400 enterprises nationwide in sectors including main grain planting, fruit picking and fish farming. Ping An Bank had 909.4 thousand small and micro-enterprise customers with inclusive loan balances, which totaled RMB484,522 million, including RMB116,053 million in agriculture-related loans as of December 31, 2025. Lufax Holding provides small business owners and retail customers with offline-to-online credit enablement services from offline consultation to online application.

Sustainability

SUSTAINABLE INSURANCE

Ping An consistently advanced the R&D and promotion of sustainable insurance products in 2025. In respect of green insurance, Ping An focused on developing products and services in areas including green industries and green living to facilitate comprehensive green transformation of the economy and society. These products and services include supplementary liability insurance for energy storage system losses and extended warranty insurance for charging piles. Moreover, Ping An developed a pricing model for battery attenuation insurance. In respect of social insurance, Ping An increased support for people's livelihoods and met diverse needs of social development. For instance, Ping An launched products including safety insurance for existing buildings, special group accidental injury insurance for social emergency response forces, and patent commercialization expense loss insurance. In respect of inclusive insurance, committed to safeguarding people's livelihoods and serving society, Ping An improved service capabilities focused on small and micro-enterprises, agriculture, rural areas and farmers, new citizens, and groups with special needs. Ping An developed products including comprehensive insurance for micro-merchants on the Meituan platform, "Hu Ye Bao" (insurance for small and micro-enterprises and individually owned businesses in Shanghai), "Hu Jia Bao" (insurance for households in Shanghai), "Zhi Ying Jin Sheng" (an exclusive commercial pension), "e Sheng Bao • Yi Bao" and "e Sheng An Xin • Yi Bao" (two online medical insurance products), providing risk protection for business development, operations, employment and life. Ping An had a total of 24,769 sustainable insurance products as of December 31, 2025. Premium income of sustainable insurance increased 16.1% year on year to RMB730,803 million as the scale of sustainable insurance business grew consistently in 2025.

Premium income of sustainable insurance



(in RMB million)	2025	2024	2023
Premium income of sustainable insurance	730,803	629,301	557,725
Including: Green insurance ⁽¹⁾	76,474	58,608	37,296
Social insurance ⁽²⁾	474,606	554,996	506,336
Inclusive insurance ⁽³⁾	179,723	15,697	14,093

Notes: (1) According to the *Statistical Rules on Green Insurance Business* issued by the NFRA (formerly known as the CBIRC), green insurance comprises insurance services that address ESG risks, that protect green industries, and that safeguard green living.

(2) Social insurance mainly includes health insurance, critical illness insurance, as well as property and casualty insurance and liability insurance related to society and people's livelihoods, such as work safety, food, major engineering projects, construction, trade, and employers' liability.

(3) According to the *Notice on Optimizing and Improving the Statistics of Key Areas of Inclusive Insurance* issued by the NFRA (formerly known as the CBIRC), inclusive insurance mainly includes agricultural insurance, insurance for rural areas, insurance for farmers, insurance for vulnerable groups, and insurance for small and micro-enterprise operations.

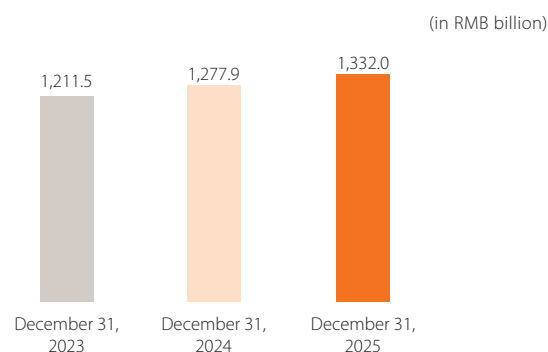
(4) Figures may not match the calculation due to rounding.

RESPONSIBLE BANKING

Ping An promotes economic development, social progress, and environment improvement via responsible banking by integrating the sustainability philosophy and the ESG risk management philosophy into all aspects of banking business development and management, actively supporting various economic activities that have both environmental and social benefits. Ping An Bank has formulated and released the *Environmental (Climate), Social and Governance Risk Management Procedure for Corporate Credit Customers*, developed and operated the “ESG (Including Climate) Risk Assessment and Classification System,” and incorporated ESG risks of credit customers into the comprehensive risk management system. By doing so, Ping An Bank has realized bank-wide ESG (including climate) risk management throughout credit processes before, during and after lending for corporate credit customers.

The scale of Ping An’s responsible banking business exceeded RMB1.33 trillion as of December 31, 2025, including RMB301,662 million in green banking business⁽¹⁾ (including a green loan balance of RMB266,433 million), RMB618,575 million in inclusive banking business⁽²⁾ and RMB411,717 million in social banking business⁽³⁾.

Scale of responsible banking business



- Notes: (1) Green banking business includes the issuance and underwriting of green loans, green bonds, green trust loans, green leasing, and green asset securitization. The statistics are based on the *Green Finance Endorsed Project Catalogue (2025 Edition)*, the *Green and Low-Carbon Transition Industry Guidance Catalogue (2024 Edition)*, the *Special Statistical Rules on Green Loans*, the *Green Bond Endorsed Project Catalogue (2021 Edition)* and so on. Data for the same period last year has been retrospectively adjusted due to changes in regulations.
- (2) Inclusive banking business includes banking services for small and micro-enterprises, agriculture, rural areas, and farmers. According to the *Notice on Promoting High-Quality Development of the Banking Industry's Financial Services for Small and Micro-Enterprises in 2018* issued by the General Office of the former China Banking Regulatory Commission, loans to small and micro-enterprises refer to loans to small and micro-enterprises that are each subject to an overall credit limit of RMB10 million or less. Agriculture-related loans are defined in accordance with the *Special Statistical Rules on Agriculture-related Loans*. This indicator includes related businesses of Ping An Bank and Ping An Financial Leasing.
- (3) Social banking business includes Ping An Bank's loans for infrastructure construction, pharmaceutical and health care sectors, education and culture, and rural vitalization as well as related businesses of Ping An Trust and Ping An Financial Leasing.

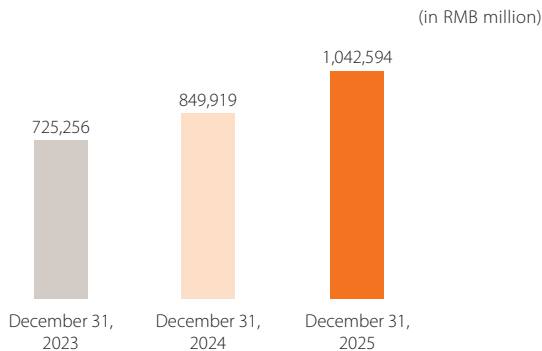
Sustainability

RESPONSIBLE INVESTMENT

Leveraging the long-term advantage of insurance funds, Ping An has incorporated ESG requirements into its investment decision-making processes to promote economic development, social progress and environmental improvement. Ping An has established a robust organizational structure and policies for responsible investment. In respect of investment process management, Ping An has incorporated ESG factors into investment due diligence, compliance review, investment approval management, contract drafting, investment fund disbursement management, and post-investment management.

Ping An’s responsible investment of insurance funds⁽¹⁾ amounted to RMB1,042,594 million as of December 31, 2025, including RMB530,087 million in green investment⁽²⁾, RMB101,530 million in inclusive investment⁽³⁾ and RMB410,976 million in social investment⁽⁴⁾.

Responsible investment of insurance funds



- Notes: (1) Responsible investment of insurance funds refers to investments with insurance funds of Ping An Life, Ping An P&C, Ping An Annuity, and Ping An Health Insurance. For 2025, the statistical standards were adjusted by reference to the *Circular on Trial Data Reporting on Insurance Funds Bolstering Five Key Financial Sectors*. Under the statistical classification of the five key financial sectors, some investments are double counted in terms of sector classification. With duplicates removed, responsible investment of insurance funds totaled RMB851,816 million as of December 31, 2025.
- (2) Green investment includes specific industries and green themes such as environmental protection, clean energy, and pollution control.
- (3) Inclusive investment includes specific industries and inclusive finance themes such as supporting agriculture, rural areas and farmers, promoting rural vitalization, and improving conditions in housing and shantytowns.
- (4) Social investment includes specific industries and social responsibility themes such as infrastructure construction, senior and health care, and education and culture, with ESG ratings as selection criteria.
- (5) Figures may not match the calculation due to rounding.

RESPONSIBLE PRODUCTS

Ping An consistently develops diverse products to meet new customer needs for health and senior care. Ping An participates in the construction of senior-friendly communities at multiple levels, serving consumers by innovating health and senior care and developing pension finance. In respect of health care management, Ping An consistently develops the “insurance + health care” synergistic model to enable financial businesses via differentiated “product + service” offerings. The Group’s 251 million retail customers as of December 31, 2025 are the core “moat” for its health and senior care strategy. Our health and senior care services were used by 18,298 thousand or 38.5% of Ping An Life’s customers, including 71% of its newly-enrolled customers in 2025. Ping An Health launched its annual health care service upgrade featuring “Proactive Family Doctor Care, Zero-Distance Access to Renowned Doctors, and Full-Journey Medical Management” in June 2025. Ping An Health has established an end-to-end service system of “one-on-one contracting, medical record analysis, and proactive follow-ups” to effectively meet diverse medical and health management needs across the sub-health stage, the chronic disease stage, and the illness stage. In respect of home-based senior care, Ping An further upgraded its home-based senior care service system in December 2025 by introducing brand-new “3 + N” services featuring “access to health care when needed, emergency rescue in times of distress, and ongoing care throughout the aging journey.” The “one doctor concierge + N specialist experts + case management team” approach integrates online and offline medical resources to provide comprehensive health care services covering longevity, chronic disease management, and disease management. Ping An provides the elderly with a home safety protection plan comprising four steps (i.e. assessment, prevention, monitoring and response), and monitors three major categories of risks to minimize risks and alleviate the concerns of the elderly’s children. Ping An’s professional service teams have built three care scenarios and integrated care plans that cover the full care cycle, making the elderly comfortable and their children worry-free.

Rural Vitalization and Community Impact

Ping An proactively supports China's rural vitalization strategy, leveraging its advantages in "integrated finance + health and senior care" to consistently advance "Ping An Rural Communities Support." Focusing on "Village Industry, Village Health Care, and Village Education" programs, Ping An supports rural vitalization in three key areas, namely industries, health care and education. Ping An provided RMB57,148 million for rural industrial vitalization through financial services including "revitalization insurance" and "agricultural loans" in 2025. Ping An has cumulatively purchased over RMB1,100 million worth of poverty alleviation products since 2016. Under the "Village Health Care Program," Ping An conducted 854 medical mission events to serve people in rural areas. Committed to education public welfare, Ping An launched the "Together with Hope" initiative to provide one-on-one support and grants to financially-challenged hardworking rural students. Under the "Science and Technology Literacy Improvement Program for Teenagers" program, Ping An provided Ping An Hope Elementary Schools and other rural schools with a series of scenario-based master courses, which were taken by learners 35.52 million times.

Ping An P&C launched the "Traffic Lights" public welfare program in 2025 to improve road safety in remote counties and rural areas. Focusing on high-risk rural road sections, the initiative expanded services from "ex-post claims" to "ex-ante prevention" via intersection renovation, donation of traffic safety facilities, and spread of traffic safety knowledge. The program covered 303 counties across 31 provinces, municipalities, and autonomous regions nationwide in 2025, renovating 1,789 road sections, donating 10,052 facilities, and spreading traffic safety knowledge to over 200,000 rural residents in 1,124 villages. These practical actions fastened the "safety belt" for rural areas.

In respect of educational public welfare, Ping An upgraded the "Science and Technology Literacy Improvement Program for Teenagers" program, and launched a "4-in-1" shared resources platform in collaboration with supply chain partners. The platform comprehensively boosts the youth's science and technology literacy via popular science lecturers, popular science courses in real-world scenarios, online popular science videos, and offline popular science events. Moreover, "Ping An Inspiration Program," a public welfare initiative co-sponsored by Ping An and the China Youth Development Foundation for college students, was incorporated into the national "Challenge Cup" competition for the first time to encourage students to support disaster prevention and mitigation with expertise in AI, cloud computing and other fields.

VOLUNTEER SERVICES

Ping An consistently conducts volunteer activities including community care, first aid as well as disaster prevention and reduction. On the "San Cun Hui" public welfare platform, Ping An Volunteers Association launched 2,500 public welfare initiatives in 2025, in which Ping An's employees and agents participated as volunteers over 263,300 times. Over 17,000 employees and agents of Ping An were active users on the "San Cun Hui" public welfare platform in 2025.

CONSUMER PROTECTION AND EXPERIENCE

Adhering to a people-centered philosophy, Ping An actively develops a comprehensive consumer rights protection framework. Ping An integrates consumer rights protection into corporate governance, corporate culture and business development strategies, consistently improves consumer rights protection mechanisms, and strengthens supervision to ensure the implementation of various measures. Ping An consistently advanced the "integrated finance + health and senior care" strategy and the "worry-free, time-saving, and money-saving" value

Sustainability

proposition in 2025. By doing so, Ping An delivered “worry-free, time-saving, and money-saving” service experience to customers. Ping An provides 24/7 customer services via channels including its national service hotline 95511, official websites, and WeChat accounts. There were 666 million inbound calls via the national service hotline in 2025, with an average of about 1.82 million inquiries per day and a connection rate of 98.5%. The Group’s consumer rights protection section on WeChat served customers over 30,000 times. Ping An’s online customer service representatives handled around 9,000 inquiries.

In response to the state’s call to bolster “digital finance,” Ping An explores digital measures to protect financial consumer rights, and builds a group-wide consumer rights protection system platform. In collaboration with local official financial dispute mediation centers, Ping An launched an online dispute mediation center to actively broaden dispute resolution service channels. Ping An fosters an internal culture of fair and honest consumer rights protection by establishing joint consumer rights protection mechanisms between regions, conducting diverse training in consumer rights protection, and building shared knowledge bases. All junior new employees who have passed probation finished the online courses on consumer rights protection as of December 31, 2025.

Ping An attaches great importance to consumer rights protection, and actively conducts financial consumer education and publicity events to enhance the public’s financial literacy. During the “World Consumer Rights Day” (March 15) and “Financial Education and Publicity Week” campaigns in 2025, Ping An held 29,184 education and publicity events, reaching over 2 billion consumers, and established “Financial Literacy Volunteer Teams” in over 40 regions nationwide, with nearly 1,000 volunteers promoting consumers’ financial literacy.

DEVELOPMENT AND WELFARE OF EMPLOYEES

Talent is the primary productive force driving business development. Ping An consistently promotes a diversified approach to talent recruitment and development, relying on a holistic development approach combining practical experience, job rotation, and training to build a long-term talent cultivation system. This enables the creation of a top-tier, multi-skilled talent pool, consistently strengthening and upgrading the Group’s core talent as a competitive advantage. Moreover, Ping An has developed integrated horizontal and vertical talent recommendation channels and a dynamic talent pool, which provide solid and reliable talent support for the Group’s high-quality development.

Under the principle of fair, equitable and transparent compensation, Ping An optimizes its compensation management system in a science-based manner to offer competitive compensation while establishing and improving long-term incentives and constraints to retain core talent for long-term service.

Ping An consistently develops diverse training resources and intelligent learning platforms to support the learning and development needs of employees at all levels. In 2025, to meet the development needs of both employees and the Company, Ping An advanced the digital transformation of its training system, and promoted multi-dimensional upgrade of its training platform. By integrating AI technologies into its digital training programs, Ping An established an end-to-end intelligent framework covering “learning, practice, examinations, assessment, and management,” steadily enhancing the service capabilities of the digital intelligent learning platform to meet the Group’s talent development needs.

In addition, Ping An provides diverse employee benefits to safeguard the physical and mental well-being of its staff. Ping An has established multiple complaint and feedback channels as well as trade union organizations to actively protect employee rights and foster a fair, equitable, harmonious and healthy work environment. To improve employee experience, Ping An leverages the Ping An People app, its human resources service platform, to provide one-stop service experience covering the entire employee lifecycle.

BUSINESS CODE OF CONDUCT

Adhering to its moral codes, Ping An consistently standardizes business conduct, employee conduct and product responsibilities, and effectively improves its management practices in line with the “Regulation + 1” standard. 100% of Ping An’s employees received integrity culture and anti-corruption education as of December 31, 2025. In addition to business ethics, Ping An strictly complies with laws, regulations and industry norms regarding information security and AI governance, and always implements information security norms to the highest standard possible. Moreover, Ping An focuses on the prevention and control of technology-related ethical risks in AI and other areas, promotes responsible innovation, and consistently improves internal control policies and processes to ensure operational compliance with laws and regulations.

CLIMATE CHANGE AND CARBON NEUTRALITY

Ping An proactively responds to global climate actions. Leveraging its advantages in integrated finance and ESG governance, Ping An supports the low-carbon transition of enterprises through green financial products and services. Meanwhile, Ping An further advances its internal green operations, contributing to China’s carbon peak and neutrality goals. Ping An has also set up climate risk management mechanisms, with clearly defined roles and responsibilities. Moreover, Ping An enhances the awareness of climate change and carbon neutrality among its directors, management and employees via training and other practices.

Ping An actively seizes business opportunities arising from climate change by developing diverse green financial products and services, expanding green investment in low-carbon technologies or enterprises, advancing green operations, and creating green buildings. Ping An Bank provided a world-leading steel producer with green financial services in 2025 to support the client’s green operations and green supply chains. Ping An P&C acted as the lead insurer for Indonesia’s largest hydropower station project in 2025, facilitating the green transition of the local energy mix.

Sustainability

Ping An actively fulfills its insurance protection responsibilities. Enabling climate risk prevention with AI and other technologies, Ping An helps customers identify climate risks and tackle extreme weather-related disasters to reduce customers' losses. "EagleX Risk Mitigation Service Platform" independently developed by Ping An P&C gave 10.57 billion alerts on typhoons, rainstorms, floods and other disasters to about 130 million retail and corporate customers in 2025. The platform also provided 183 thousand customers with on-site services including risk reviews, cumulatively reducing losses by RMB707 million. "EagleX (Global Version)" went live simultaneously as China's first risk mitigation service platform independently developed by an insurance company and offered globally. Ping An P&C and Ping An Technology jointly launched an end-to-end risk management system for agricultural disasters based on spatiotemporal data-driven predictive modeling, providing users with multi-scenario services including disaster warning, risk screening, and catastrophic risk management. The system cumulatively issued 36.28 million effective alerts in 2025, reducing losses by over RMB46.50 million and serving 343 thousand rural households. In addition, Ping An enhances the public's awareness and capability of risk prevention through publicity campaigns. Ping An partnered with the China Association for Disaster Prevention, the National Meteorological Center, and the National Disaster Reduction Center of China to publish the *Typhoon Disaster Prevention and Mitigation System and Guidelines*, which provides practical measures for risk review and reduction through real-world cases and scenario-based guidance.

Ping An actively contributes to China's carbon peak and neutrality goals, with a promise to achieve operational carbon neutrality by 2030 and a low-carbon action roadmap in place. Centering around the operational carbon neutrality goal, Ping An launched the "-5% Low-Carbon Action Initiative" in the first half of 2025, calling on all its staff to save energy and reduce carbon emissions by controlling office energy consumption, establishing green procurement sections, making data centers greener and so on. With about 381.1 thousand tons of operational carbon emissions, the Group achieved its phased operational carbon neutrality goal in 2025. Ping An had about 200,000 employees covered by the carbon account, who cumulatively reduced carbon emissions 2.28 million times by 23,792 tons as of December 31, 2025. On this basis, the Group's "1 + N" carbon account system not only supports its own operational carbon emission management internally, but also enables multiple businesses externally to provide retail and corporate customers with services related to green living and carbon emission management.

Prospects of Future Development

MAJOR INDUSTRY TRENDS, MARKET LANDSCAPE, AND RISKS

2025 marks the final year of China's 14th Five-Year Plan and a milestone in Chinese modernization. During the year, despite a complex and volatile external environment, China's economy forged ahead against headwinds and pivoted toward innovation-driven, high-quality development under the strong leadership of the CPC Central Committee with Comrade Xi Jinping at its core. China consistently expanded domestic demand, strengthened innovation-driven growth, advanced reform and opening-up, promoted high-quality development, safeguarded and improved people's livelihoods, and maintained overall economic and social stability.

2026 marks the first year of China's 15th Five-Year Plan and a new starting point for the country's development. Looking ahead, impact from the changing external environment will heighten, and the domestic economy will still face some challenges in the short term. However, China's economy is on solid foundations, demonstrating advantages in many areas, strong resilience, and great potential. The supportive conditions and underlying trends for long-term growth and the trajectory toward high-quality economic development remain unchanged, providing a solid foundation and favorable conditions for stable, sustained economic growth. With the implementation of more proactive macroeconomic policies, the Company is well positioned to capitalize on emerging opportunities. On the one hand, health management is an increasingly important driver of consumption as consumer demands for health management grow due to people's growing awareness of health and senior care, creating huge room for our "integrated finance + health and senior care" service framework. On the other hand, Ping An is accelerating the innovation of financial, health care and other business models and the development of ecosystems, and systematically constructing an AI moat to enable business growth as macroeconomic policies consistently drive technological innovation and digital transformation.

- For insurance business, the ongoing "Healthy China" initiative has raised people's awareness of health and senior care, benefiting the insurance industry in the long term. For the life insurance industry, there is a huge potential market due to the ongoing health care reform, new government policies on people's livelihoods, welfare and security, and people's growing awareness of insurance. For the property and casualty insurance industry, business operations will become more specialized, refined and intensive. The role of insurance as both an economic shock absorber and a social stabilizer will be increasingly prominent with the comprehensive reform and strengthening compliance of auto insurance as well as growing government policy-driven contributions from non-auto insurance.
- For banking business, the banking industry is committed to strengthening the CPC's leadership, serving the real economy, and preventing and managing financial risks. The Company will adhere to the people-centered development philosophy, stay alert to macroeconomic developments, market changes and customer demands, and improve its ability to provide financial services for the real economy. In addition, the Company will strengthen comprehensive financial risk prevention and management, promote comprehensive digital transformation, and actively support high-quality development.

Prospects of Future Development

- For asset management business, the asset management industry is in a new stage of high-quality development and is facing new growth opportunities as the financial regulatory system consistently improves and financial risks are effectively prevented and mitigated. The Company will strictly implement government policies, strengthen resilience against risks, adhere to prudent operations, seek progress while maintaining stability, improve financial service efficiency, and consistently increase support for major national strategies and industrial upgrade.
- For technology application, in response to the state's call to build China into a financial powerhouse by bolstering five key financial sectors, i.e. technology finance, green finance, inclusive finance, pension finance and digital finance, Ping An will consistently advance the digital transformation of financial services with a focus on core technologies, and leverage technologies to optimize customer experience, control risks, cut costs, and boost sales. By doing so, Ping An will constantly improve financial service capabilities and coverage to meet multi-level, diverse customer needs for financial services and insurance protection, providing high-quality financial services for society.
- For health and senior care business, China is comprehensively promoting the high-quality development of health care, aiming to meet overall goals under the "Healthy China" initiative by 2035. China is actively developing a comprehensive chronic disease prevention and treatment system centered on health management, improving the health care service system for the elderly, and enhancing the monitoring and management of occupational disease hazards. Moreover, the increasing application and consistent upgrade of AI, digital, internet and other technologies in health care will consistently reduce the costs of diagnosis and treatment as well as improve the accuracy and efficiency of diagnosis and treatment. Going forward, drawing on deep insights into users' health and senior care needs, the Company will leverage premium health and senior care management services to actively tackle population aging and help implement the "Healthy China" initiative.

Ping An will consistently respond to the call of the CPC and the state, focusing on the development of new quality productive forces. Under a people-centered approach, Ping An will make every effort to bolster five key financial sectors, namely technology finance, green finance, inclusive finance, pension finance and digital finance, contributing to the high-quality development of the financial industry with Chinese characteristics and building China into a financial powerhouse.

DEVELOPMENT STRATEGY AND BUSINESS PLAN

Facing internal and external challenges in 2025, the Company took multiple measures to implement the philosophy of “Expertise creates value” by leveraging its resources and advantages in finance, health and senior care, and technology. The Company actively promoted high-quality development, further developed core financial businesses, and consistently optimized business portfolios. The Company fulfilled its insurance mission and corporate social responsibilities to support the real economy and China’s “domestic circulation” strategy. Ping An consistently delivered on its brand promise of “Expertise makes life easier.” Moreover, Ping An achieved its primary business objectives for 2025 by improving corporate governance and control processes, furthering digital transformation, and enhancing business management efficiency. The Company focused on the development of its core financial businesses, and consistently pursued the technology-enabled “integrated finance + health and senior care” dual-pronged strategy. By doing so, the Company achieved steady growth in its core businesses, with overall operations on a notably positive trajectory.

In 2026, the Company will consistently strive to be a world-leading integrated finance, health and senior care services group under the business policy of “high-value growth, service innovation, technology enablement, and regulatory compliance.”

- Being customer-centric, Ping An will gain precise insights into customer demands by leveraging its technologies and compliant data analytics under the “one customer, multiple accounts, multiple products, and one-stop services” model. Ping An will build a heartwarming financial services brand and meet diverse customer demands with one-stop, multi-channel integrated financial service solutions, delivering ultimate “worry-free, time-saving, and money-saving” customer experience. Moreover, Ping An will boost the value of retail customers through the sustainable development of integrated finance.
- For insurance business, Life & Health will further implement the “channel + product” strategy and firmly promote the specialization of channels under the value orientation of high-quality development. Life & Health will pursue sustainable long-term growth by consistently upgrading insurance products, offering “heartwarming insurance,” and improving business quality. Ping An P&C will continue to serve China’s overall development, actively assume social responsibilities, and provide risk reduction services. Ping An P&C will pursue comprehensive digital transformation and optimize business portfolios to provide customers with refined premium services and realize high-quality development.
- For banking business, the Company will strengthen and uphold the CPC’s leadership, and actively implement the spirit of the 20th National Congress of the CPC, China’s Central Financial Work Conference and Central Economic Work Conference. The Company will adhere to the people-centered development philosophy of seeking progress while maintaining stability, consistently advance strategic transformation, and bolster five key financial sectors, i.e. technology finance, green finance, inclusive finance, pension finance, and digital finance. The Company will increase financial support for resident consumption, private enterprises, manufacturing and so on. Moreover, the Company will consistently enhance its ability to provide financial services for the real economy, strengthen financial risk prevention and management, and make every effort to promote high-quality development.

Prospects of Future Development

- For asset management business, the Company will promote high-quality development of the financial industry, channel funds into the real economy, and help capital markets to function as financial hubs by constantly enhancing investment management, risk management and product innovation and maintaining prudent operations. Regarding insurance funds investment, the Company will take risk prevention as the first priority, improve its asset-liability management capabilities, adhere to the philosophy of long-term investing, and promote economic transition and upgrade.
- For finance enablement business, the Company will comprehensively improve its “integrated finance + health and senior care” service framework, employing cutting-edge technologies developed through years of sustained R&D to support its core businesses. By doing so, the Company will provide customers with premium products to meet their all-around demands for diverse integrated financial offerings. Moreover, the Company will consistently upgrade its health and senior care ecosystem strategy by improving the “insurance + health care” synergistic model and integrating customer bases and resources to develop the health and senior care ecosystem.
- For health and senior care business, the Company will consistently advance the “integrated finance + health and senior care” strategy. Ping An will leverage flagship medical resources with PKU Healthcare Group and Ping An Health at the core to maximize synergies between health and senior care services and integrated financial services, centering on family doctor membership. Acting for payers and integrating providers, Ping An will constantly upgrade “online, in-hospital, in-home and in-company” health and senior care service resources to provide corporate and retail customers with one-stop, high-quality “worry-free, time-saving and money-saving” concierge services throughout the senior care journey. Ping An will further pursue competitive differentiation by building a managed care model with Chinese characteristics, integrating insurance-backed financial protection with health and senior care services. In this way, Ping An will strive to create more stable and sustainable value for its shareholders.

Facing the ever-changing economic situations and market environment, the Company will earnestly study and implement the spirit of the 20th National Congress of the CPC and China’s Central Financial Work Conference, firmly carry out the strategic plans of the CPC and the state, uphold the CPC’s leadership, provide people-centered financial services, pursue high-quality development, fulfill social responsibilities, strengthen comprehensive risk management, and constantly improve operations. In this way, the Company will improve the quality and efficiency of the real economy via financial services and help achieve the goal of building China into a financial powerhouse. Ping An will advance its technology-enabled “integrated finance + health and senior care” dual-pronged strategy and pursue high-quality development with Chinese characteristics under a people-centered and customer needs-oriented approach, creating long-term, steady and sustainable value for customers, employees, shareholders and society.

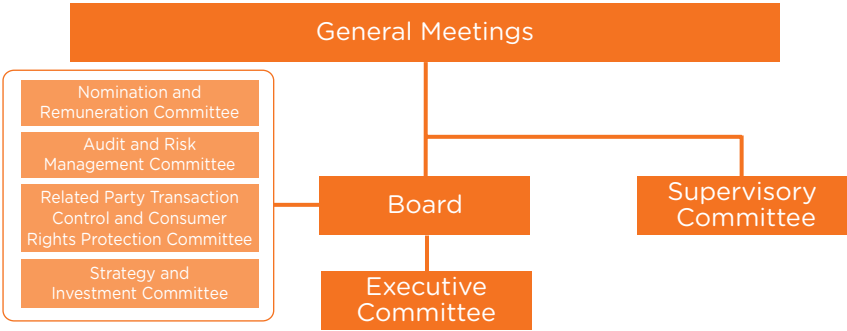
Corporate Governance Report

Ping An constantly adopts global best practices in corporate governance and improves its corporate governance structure built on both local advantages and international standards. The Company's board of directors (the "Board" or "Board of Directors") hereby reports to the shareholders on the Company's corporate governance for the year ended December 31, 2025 (the "Reporting Period").

GENERAL APPRAISAL OF CORPORATE GOVERNANCE

During the Reporting Period, the Company implemented corporate governance measures taking into account practical concerns and in strict accordance with the applicable laws, including the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*, the applicable regulations issued by regulators, and the principles set out in the *Corporate Governance Code*. The Company's general meetings of shareholders ("General Meetings"), Board of Directors, supervisory committee ("Supervisory Committee") and executive committee ("Executive Committee") exercised their rights and performed their obligations conferred by the *Articles of Association* respectively, collaborating efficiently with effective checks and balances.

Corporate Governance Structure of Ping An



GENERAL MEETINGS AND SHAREHOLDERS

General Meetings

The general meeting established and expanded effective channels for communication between the Company and the shareholders, and assured shareholders' information rights, participation rights and voting rights on significant events of the Company through listening to their opinions and advice. During the Reporting Period, the notice, convocation and procedures for convening and voting at the general meeting all met the requirements of laws, regulations and the *Articles of Association*.

The Company held the 2024 Annual General Meeting, the 2025 First A Shareholders' Class Meeting, and the 2025 First H Shareholders' Class Meeting in Shenzhen on May 13, 2025, and all the 15 then Directors of the Company attended the meetings.

The 2024 Annual General Meeting deliberated and approved 10 proposals including the *Report of the Board of Directors of the Company for 2024*, the *Report of the Supervisory Committee of the Company for 2024*, the Annual Report of the Company for 2024 and Its Summary, the *Profit Distribution Plan of the Company for 2024* and the *Reappointment of Auditors of the Company for 2025*.

The 2025 First A Shareholders' Class Meeting and the 2025 First H Shareholders' Class Meeting separately deliberated and approved the *Proposal on Canceling Repurchased A Shares, Reducing Registered Capital, and Amending the Articles of Association Accordingly*.

The resolutions of the above shareholders' meetings were published on the websites of the SSE (www.sse.com.cn) and the HKEX (www.hkexnews.hk).

Shareholders' Rights

As one of the measures to safeguard shareholders' interests and rights, separate resolutions are deliberated at the general meetings on each material issue, including the election of individual directors, for shareholders' consideration and voting. All resolutions put forward at the general meetings are voted on by poll and the poll results are posted on the websites of the SSE, the HKEX and the Company after the relevant general meetings.

Extraordinary general meetings may be convened on the written request of shareholder(s) individually or collectively holding 10% or more of the Company's shares pursuant to Article 52(3) of the *Articles of Association*. Such request shall state clearly the matters to be deliberated at the general meetings and shall be signed by the requester(s) and submitted to the Board in writing. Shareholders shall follow the requirements and procedures as set out in the *Articles of Association* for convening an extraordinary general meeting.

Corporate Governance Report

In addition, shareholder(s) individually or collectively holding 1% or more of the Company's shares may submit an interim proposal in writing to the Board ten days before the date of the general meeting pursuant to Article 55 of the *Articles of Association*.

Shareholders may put forward any inquiries about the Company in accordance with applicable laws, regulations and the *Articles of Association*, and send their inquiries or requests in exercise of such rights by mail to the Company's Investor Relations ("IR") Team or by email to IR@pingan.com.cn. Shareholders who put forward such inquiries shall provide the Company with written identification documents pursuant to laws, regulations, and the *Articles of Association*. The Company shall provide the information after verifying the shareholders' identities and scrutinizing their requests.

Information Disclosure and Investor Relations

During the Reporting Period, the Company disclosed all material information in a truthful, accurate, complete, timely and impartial manner in accordance with applicable laws, regulations and the *Articles of Association*, making sure that information was disseminated to every shareholder equally, and there was no breach of information disclosure regulations.

The Board is committed to maintaining ongoing dialogues with the Company's shareholders. During the Reporting Period, the Chairman, the heads of specialized committees under the Board, and other Board members each attended three general meetings of shareholders, listening to shareholders' feedback and suggestions. Some Directors and senior management members attended three earnings conference calls of the Company, maintaining communication channels with all shareholders and helping shareholders gain a deep understanding of the Company's business performance and development strategies. The Board attached great importance to the issues raised by shareholders and their suggestions, and urged management to further improve the Company's operational management and corporate governance.

The Company adheres to the principles of compliance, objectiveness, consistency, timeliness, interactivity and fairness in providing services proactively, passionately and efficiently to institutional and individual investors in China and abroad, facilitating the understanding between the Company and its investors, enhancing corporate governance and realizing the Company's fair corporate value.

The "Investor Relations" section on the Company's website (www.pingan.cn) serves as a platform for communication with investors on the Company's updates including but not limited to business development and operations, financial information and corporate governance practices. Investors may also write directly to the Company's IR Team or send emails to IR@pingan.com.cn for further inquiries, which will be appropriately dealt with by the Company.

The Company proactively communicates with the market through various means and channels, including but not limited to public presentations, roadshows, video and audio conferences, to improve communication effectiveness and facilitate value recognition. All these efforts have helped to deepen the capital market's understanding of the Company. Besides maintaining good communication with institutional investors, the Company has also established diverse channels for communication with minority investors to provide better investor services and protect investor interests, including but not limited to corporate websites, email and hotlines. Moreover, the Company is committed to strengthening the analysis and reporting of capital market situations and the collection of shareholders' information, paying high attention to addressing investors' concerns and advice in order to further enhance the Company's operations, management and corporate governance. The Company constantly improves internal workflows and rule formulation to provide investors with more convenient services precisely and efficiently.

The Board has reviewed the shareholder communications policy on a regular basis (including in 2025) and ensured its effectiveness, and believes the shareholder communications policy is effective and adequate.

The Company's Independence from the Controlling Shareholders on Assets, Staff, Finance, Organization, and Business

The Company's shareholding structure is relatively scattered and there are neither controlling shareholders nor de facto controlling parties. As an integrated financial group, the Company maintains full independence in terms of assets, staff, finance, organization and business under the supervision of the NFRA. The Company is an independent corporation responsible for its own profits and losses, runs independent and complete business, and is capable of independent business operations. During the Reporting Period, no controlling shareholder or other related party misappropriated the Company's funds, as confirmed by Ernst & Young Hua Ming LLP in its specific report in this respect.

BOARD AND DIRECTORS

Corporate Governance Functions of the Board

The Board is responsible for the management of the Company and accountable to the shareholders for their entrusted assets and resources. The Board represents and owes a duty to act in the interests of the shareholders as a whole. The Board recognizes its responsibility to prepare the Company's financial statements. The principal responsibilities of the Board and the types of decisions that can be made by the Board include:

- determining the Group's overall directions, objectives and strategies, business plans and investment plans as well as monitoring and supervising the management's performance;
- determining the Company's annual budget plans and final accounting plans;
- formulating the Company's annual financial statements and monitoring the Company's performance;
- formulating the Company's profit distribution and loss recovery plans;
- formulating plans for mergers or disposals as well as deciding on material investments, asset collateralization and other forms of guarantee in accordance with the mandate granted by the General Meetings;
- formulating plans for any change in the Company's registered capital, issuance plans of corporate bonds or other securities, and listing plans;
- appointing or dismissing the Company's senior management, and determining their remuneration, reward and punishment; and
- performing the corporate governance function as well as monitoring, evaluating and ensuring the effectiveness of the Company's internal control system and compliance with applicable laws and regulations.

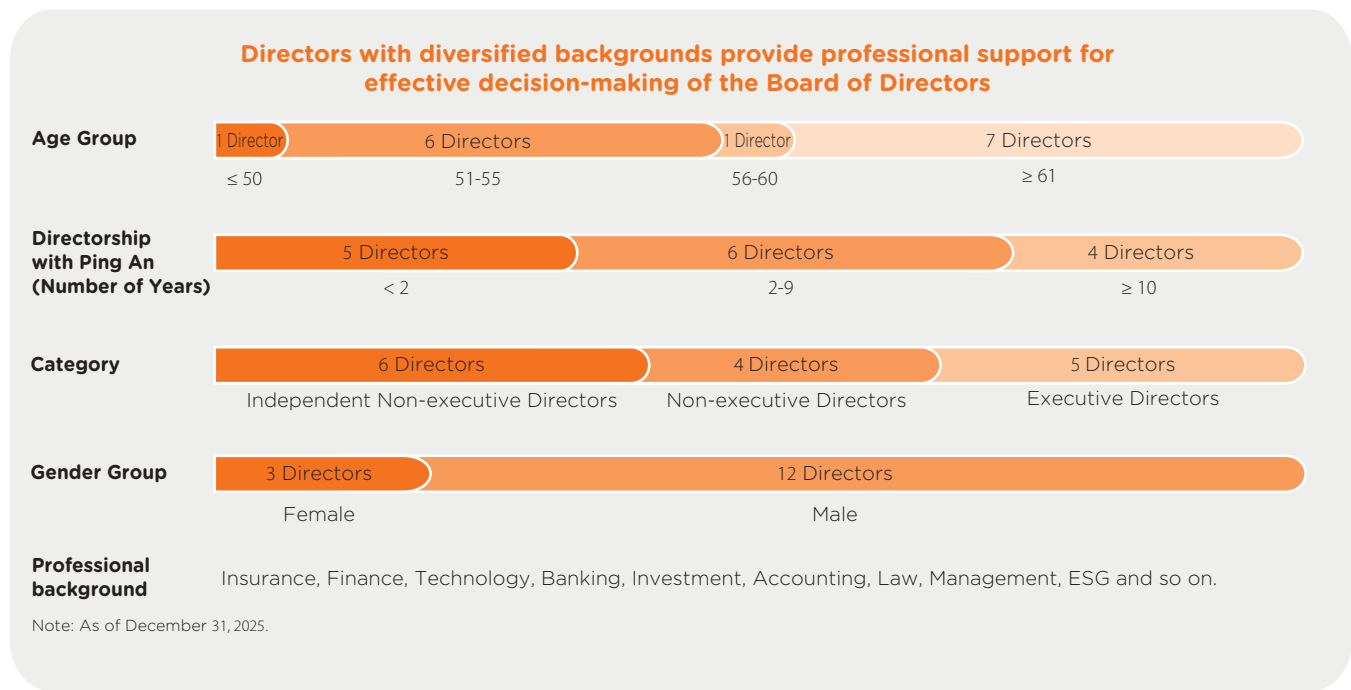
In addition, the responsibilities, functions and types of decisions delegated to the management include:

- implementation of the Company's overall directions, objectives and strategies, business plans and investment plans as determined by the Board from time to time; and
- decision-making on the Company's day-to-day operations and management.

Corporate Governance Report

Board Diversity

As of December 31, 2025, the Board consisted of 15 members, namely five Executive Directors, four Non-executive Directors and six Independent Non-executive Directors. The latest profile of each Director is set out in the section headed “Directors, Supervisors, Senior Management and Employees” of this Report. As far as is known to the Company, there is no relationship between the Board members or between Chairman of the Board and Co-CEOs in terms of finance, business, family members, or other major related aspects. The number of Directors and the composition of the Board conform with all the applicable laws and regulations. As provided in the *Articles of Association*, Directors shall be elected by the General Meetings with a term of three years, and are eligible for re-election upon the expiry of such term. However, Independent Non-executive Directors shall not hold office cumulatively for more than six years. The term of office of the 13th Board is from May 2024 to the date of the 2026 Annual General Meeting.



Leveraging their skills and expertise, all the Board members of the Company support the Board’s science-based, professional and effective decision-making, ensure the foresight and effective implementation of company strategies, optimize the Company’s internal controls, and enhance corporate governance and resilience against risks, so as to drive the Company’s sustainable high-quality development.

Performance of Duties by Directors

Attendance Records of Directors

During the Reporting Period, the Directors attended the General Meetings and the meetings of the Board and specialized committees under the Board in person, and made prudent decisions based on their in-depth knowledge of relevant circumstances. All the Directors strictly fulfilled their duties, committed to protecting the interests of the Company and its shareholders as a whole. The attendance records of each Director at the meetings are as follows:

		Meetings attended in person/Meetings required to attend					
Members	Current Term of Office ⁽¹⁾	General Meetings	Board	Nomination and Remuneration Committee	Audit and Risk Management Committee	Related Party Transaction Control and Consumer Rights Protection Committee	Strategy and Investment Committee
Executive Directors							
Ma Mingzhe (Chairman)	From May 30, 2024 to May 30, 2027	3/3	6/6	-	-	-	2/2
Xie Yonglin	From May 30, 2024 to May 30, 2027	3/3	6/6	-	-	-	-
Michael Guo	From September 18, 2024 to May 30, 2027	3/3	6/6	-	-	-	-
Fu Xin	From September 18, 2024 to May 30, 2027	3/3	6/6	-	-	-	-
Cai Fangfang	From May 30, 2024 to May 30, 2027	3/3	6/6	-	-	4/4	-
Non-executive Directors							
Soopakij Chearavanont	From May 30, 2024 to May 30, 2027	3/3	6/6	-	-	-	-
Yang Xiaoping	From May 30, 2024 to May 30, 2027	3/3	6/6	-	4/4	-	2/2
He Jianfeng	From May 30, 2024 to May 30, 2027	3/3	6/6	-	-	-	2/2
Cai Xun	From May 30, 2024 to May 30, 2027	3/3	6/6	-	-	-	-

Corporate Governance Report

		Meetings attended in person/Meetings required to attend					
Members	Current Term of Office ⁽¹⁾	General Meetings	Board	Nomination and Remuneration Committee	Audit and Risk Management Committee	Related Party Transaction Control and Consumer Rights Protection Committee	Strategy and Investment Committee
Independent Non-executive Directors							
Ng Kong Ping Albert	From May 30, 2024 to May 30, 2027	3/3	6/6	-	4/4	4/4	-
Jin Li	From May 30, 2024 to May 30, 2027	3/3	6/6	2/2	-	4/4	2/2
Wang Guangqian	From May 30, 2024 to May 30, 2027	3/3	6/6	2/2	4/4	4/4	-
Hong Xiaoyuan ⁽²⁾	From October 15, 2025 to May 30, 2027	-	2/2	-	1/1	-	-
Song Xianzhong ⁽²⁾	From October 15, 2025 to May 30, 2027	-	2/2	-	1/1	-	-
Chan Hiu Fung Nicholas ⁽²⁾	From October 15, 2025 to May 30, 2027	-	2/2	-	-	1/1	-
Ng Sing Yip (Retired) ⁽²⁾	From May 30, 2024 to October 15, 2025	3/3	4/4	2/2	3/3	3/3	-
Chu Yiyun (Retired) ⁽²⁾	From May 30, 2024 to October 15, 2025	3/3	4/4	2/2	3/3	-	-
Liu Hong (Retired) ⁽²⁾	From May 30, 2024 to October 15, 2025	3/3	4/4	2/2	-	-	2/2

Notes: (1) The current term of office refers to the period from the later of the date when the last general meeting of shareholders approved the resolution on the Board re-election or the date when the Director's qualification was approved by the NFRA, to the earlier of the date of the next Board re-election (expected to be before May 30, 2027) or the date when the Director retires.

(2) Details of new appointments and departures of the Company's Directors during the Reporting Period are set out in the section headed "Directors, Supervisors, Senior Management and Employees" of this Report.

Objections of Directors to Relevant Matters of the Company

During the Reporting Period, none of the Directors objected to the proposals at the Board meetings and other matters that were not proposed to the Company's Board meetings.

Adoption of Directors' Suggestions on the Company

During the Reporting Period, Directors put forward constructive opinions and suggestions in respect of the shareholders and the Company as a whole on matters including but not limited to corporate governance, reform and development, business operations, risk management, internal controls and consumer rights protection. In decision-making processes, Independent Non-executive Directors paid particular attention to minority shareholders' legitimate rights and interests. All the opinions and suggestions were adopted by the Company.

Continuous Professional Development of Directors

All the Directors of the Company have received a comprehensive Service Manual for the Performance of Duties upon their first appointment, to ensure their understanding of the Company's business and operations as well as their responsibilities and obligations under the listing rules and applicable regulatory requirements. The Service Manual for the Performance of Duties is updated regularly.

The Company also consistently provides information including updates on statutory and regulatory requirements as well as business and market changes to all the Directors to facilitate the performance of their responsibilities and obligations under the listing rules and applicable statutory requirements.

In 2025, all the Directors of the Company actively participated in continuous professional training by attending external training or seminars and in-house training or reading materials on various topics, to develop and refresh their knowledge and skills, ensuring that they have comprehensive and required information to make contributions to the Board. All the Directors have provided their records of training to the Company.

In 2025, all the Directors of the Company attended professional training related to corporate governance, regulatory rules and the Company's business, including regulatory updates, the SEHK's thematic training for directors, and training on insurance industry-related topics organized by the Insurance Association of China. Mr. Hong Xiaoyuan, Mr. Song Xianzhong, and Mr. Chan Hiu Fung Nicholas, Independent Non-executive Directors of the Company, attended the SSE's pre-appointment training for independent directors; Mr. Ng Kong Ping Albert and Mr. Jin Li, Independent Non-executive Directors of the Company, attended the SSE's follow-up training for independent directors of listed companies.

Corporate Governance Report

Training for Directors in 2025

Directors	External training ⁽¹⁾						
	Internal training ⁽¹⁾	Roles, duties and responsibilities of the Board, committees under the Board and Directors, and board effectiveness	The Company's responsibilities and Directors' duties under Hong Kong's legislation and the Listing Rules, and relevant legal and regulatory developments	Corporate governance and environmental, social and governance matters	Risk management and internal control	Training related to industry-specific developments, business trends, and strategies pertinent to the Company	Whether the training hour requirements are met
Ma Mingzhe	√	√	√	√	√	√	Yes
Xie Yonglin	√	√	√	√	√	√	Yes
Michael Guo	√	√	√	√	√	√	Yes
Fu Xin	√	√	√	√	√	√	Yes
Cai Fangfang	√	√	√	√	√	√	Yes
Soopakij Chearavanont	√	√	√	√	√	√	Yes
Yang Xiaoping	√	√	√	√	√	√	Yes
He Jianfeng	√	√	√	√	√	√	Yes
Cai Xun	√	√	√	√	√	√	Yes
Ng Kong Ping Albert	√	√	√	√	√	√	Yes
Jin Li	√	√	√	√	√	√	Yes
Wang Guangqian	√	√	√	√	√	√	Yes
Hong Xiaoyuan	√	√	√	√	√	√	Yes
Song Xianzhong ⁽²⁾	√	√	√	√	√	√	Yes
Chan Hiu Fung Nicholas	√	√	√	√	√	√	Yes

Notes: (1) Internal training was provided by the Company, while external training was provided by CSRC Shenzhen Regulatory Bureau, Insurance Online University of China, and legal advisers or a corporate secretary service firm engaged by the Company.

(2) Mr. Song Xianzhong, newly appointed Independent Non-executive Director of the Company as a company listed on the SEHK, completed the mandatory director training for continuous professional development under Rule 3.09H of the *SEHK Listing Rules* during the Reporting Period.

In 2025, the Company Secretary of the Company received more than 15 hours of professional training.

Performance of Duties by Independent Non-Executive Directors

The 13th Board currently includes six Independent Non-executive Directors, exceeding one-third of the total number of the Board members, which complies with the applicable regulatory rules of the Company's listing jurisdictions. The Company's Independent Non-executive Directors are professionals with extensive experience in their respective fields, including finance, accounting, law, technology, and ESG, crucial to the Company's smooth development. All the Independent Non-executive Directors meet specific independence guidelines set out in the applicable regulatory rules of the Company's listing jurisdictions, and have presented to the Company their annual independence confirmations. Therefore, the Company continues to believe that they are independent. Independent Non-executive Directors owe fiduciary duties to the Company and its shareholders, and are especially responsible for protecting the interests of minority shareholders. As a key part of the Company's corporate governance, Independent Non-executive Directors play a significant check-and-balance role in the Board's decision-making by ensuring the Board's access to independent views and opinions.

During the Reporting Period, the Company's Independent Non-executive Directors conscientiously exercised their powers conferred by the *Articles of Association*, promptly learned the key operational information of the Company, paid comprehensive attention to the Company's development, and actively attended the Board meetings. The Company's Independent Non-executive Directors conscientiously reviewed and supervised matters deliberated by the Board during the Reporting Period, including profit distribution, remuneration of the Company's senior management, recommendation of candidates for directorship, appointment of the Company's senior management, and major related party transactions.

SPECIALIZED COMMITTEES UNDER THE BOARD

The Board has established four specialized committees, namely the Nomination and Remuneration Committee, the Audit and Risk Management Committee, the Related Party Transaction Control and Consumer Rights Protection Committee, and the Strategy and Investment Committee. The role, function and composition of each specialized committee are detailed below.

Corporate Governance Report

Nomination and Remuneration Committee

The primary duties of the Nomination and Remuneration Committee are to: provide recommendations on the size and composition of the Board of Directors (including skills, knowledge and experience); study the selection criteria and procedures for Directors and senior management, select qualified candidates and make recommendations to the Board; study and review the remuneration policies, programs and structures for all the Directors and senior management of the Company, and advise the Board in relation to establishing a formal and transparent procedure for developing remuneration policies; review and approve senior management's remuneration proposals in line with the corporate policies and objectives set by the Board; make recommendations to the Board regarding the performance evaluation of senior management; study the criteria for appraisal of Directors and senior management, conduct appraisals and make recommendations to the Board; and review and/or approve matters relating to share schemes specified in Chapter 17 of the *SEHK Listing Rules*.

Having regard to the Company's business activities, assets and managed portfolios, the Nomination and Remuneration Committee selects qualified candidates for positions of Directors and senior management with reference to business acumen and undertakings, academic and professional achievements and qualifications, experience and independence, makes recommendations to the Board, and implements relevant decisions of the Board in relation to appointments.

The Nomination and Remuneration Committee developed and always follows the *Board Diversity Policy* to ensure a balance of Board members in terms of skills, experience and diversified perspectives, and thus to promote the effective operations of the Board and maintain a high level of corporate governance. When selecting Board members, the Company's Nomination and Remuneration Committee takes full account of the need for a diverse Board, and evaluates and selects candidates in multiple aspects, including but not limited to gender, age, cultural and educational backgrounds, professional experience, skills and knowledge. Moreover, the Nomination and Remuneration Committee suggests that the Board should always include female members to maintain gender diversity, in order to consistently improve corporate governance, follow global best practices for corporate governance, and further enhance the rationality and effectiveness of the Board's decision-making. Currently, the Board's level of gender diversity is in line with this goal.

In 2025, the Nomination and Remuneration Committee held a total of two meetings, both convened in accordance with the *Articles of Association* and the *Charter of the Nomination and Remuneration Committee of the Board*. All of the members' opinions and suggestions were adopted by the Company. During the Reporting Period, the Nomination and Remuneration Committee implemented the remuneration policies for Directors strictly. The attendance records of each member of the Nomination and Remuneration Committee are set out in the part headed "Attendance Records of Directors" of this section.

Date	Contents of the Meeting
March 19, 2025	The meeting deliberated and approved proposals including the <i>Proposal on Reviewing the Remuneration of the Group's Senior Management</i> , the <i>Proposal on Reviewing the Corporate Governance Report for 2024 - the Incentive and Restraint Mechanisms</i> , and the <i>Proposal on Reviewing the Annual Performance Appraisal Results of the Company's Senior Management for 2024</i> .
July 17, 2025	The meeting deliberated and approved proposals including the <i>Proposal on Reviewing the Remuneration of Chief Compliance Officer Xu Jing</i> .

Members

Independent Non-executive Directors

Jin Li (Chairman),
Ng Kong Ping Albert, Wang
Guangqian, Hong Xiaoyuan,
Song Xianzhong

Audit and Risk Management Committee

The primary duties of the Audit and Risk Management Committee are to review and supervise the Company's financial reporting process and conduct risk management. The Audit and Risk Management Committee is also responsible for reviewing relevant matters relating to the appointment, removal and remuneration of external auditors. In addition, the Audit and Risk Management Committee examines the effectiveness of the Company's internal controls through regular reviews of internal controls over various corporate structures and business processes, while taking into account respective potential risks and levels of urgency to ensure the efficiency of the Company's business operations and the realization of its corporate objectives and strategies. Such examinations and reviews cover finance, operations, compliance and risk management. The Audit and Risk Management Committee also reviews the Company's internal audit plans and submits relevant reports and recommendations to the Board regularly.

In 2025, the Audit and Risk Management Committee held a total of four meetings, all convened in accordance with the *Articles of Association* and the *Charter of the Audit and Risk Management Committee of the Board*. All of the members' opinions and suggestions were adopted by the Company. Furthermore, the Audit and Risk Management Committee convened a meeting to review the unaudited financial report for 2025 and agreed to deliver it to auditors for auditing. The Audit and Risk Management Committee also reviewed the audited financial report for the year ended December 31, 2025 at the first meeting in 2026, was satisfied with the basis of preparation of the financial report, including the appropriateness of the assumptions, accounting policies and standards adopted, and made recommendations to the Board for consideration. The attendance records of each member of the Audit and Risk Management Committee are set out in the part headed "Attendance Records of Directors" of this section.

Members

Independent Non-executive Directors

Ng Kong Ping Albert
(Chairman)
Wang Guangqian,
Hong Xiaoyuan,
Song Xianzhong

Non-executive Director

Yang Xiaoping

Corporate Governance Report

Date	Contents of the Meeting
March 18, 2025	The meeting deliberated and approved the <i>Proposal on Reviewing the Annual Report of the Company for 2024 and Its Summary</i> , the <i>Ernst & Young's Report on Audit of the Annual Financial Report of the Company for 2024</i> , the <i>Report on Final Accounts of the Company for 2024</i> , the <i>Proposal on Reviewing the Annual Compliance Work Report of the Company for 2024</i> , and the <i>Proposal on Reviewing the Internal Control Assessment and Evaluation Report of Ping An for 2024</i> .
April 25, 2025	The meeting deliberated and approved proposals including the 2025 First Quarter Report and the Unaudited Results for the Three Months Ended March 31, 2025 of the Company and the <i>Proposal on Reviewing the 2025 First Quarter Internal Audit Report of the Company</i> .
August 25, 2025	The meeting deliberated and approved proposals including the <i>Proposal on Reviewing the 2025 Interim Results Report of the Company and Its Summary</i> , the <i>Proposal on Reviewing the Solvency Report of the Group for First Half of 2025</i> , and the <i>Ernst & Young's Report on Review of the Interim Financial Report for 2025</i> .
October 28, 2025	The meeting deliberated and approved proposals including the 2025 Third Quarter Report and the Unaudited Results for the Nine Months Ended September 30, 2025 of the Company, the <i>Ernst & Young's Report on Annual Audit Plan for 2025</i> , and the <i>Proposal on Reviewing the 2025 Third Quarter Internal Audit Report of the Company</i> .

Further, the Audit and Risk Management Committee met with the Company's external auditors separately twice during the year to help committee members better evaluate the Company's financial auditing rules and internal control procedures.

The Audit and Risk Management Committee also reviewed and was satisfied with the performance, independence and objectivity of the Company's auditors.

According to the resolution of the Company's 2024 Annual General Meeting, the Company reappointed Ernst & Young Hua Ming LLP and Ernst & Young (collectively "EY") as auditors of the Company's financial statements under CAS and IFRS respectively for 2025. EY has acted as auditors of the Company for five consecutive years. Remuneration payable to EY for the Reporting Period is set out as follows:

(in RMB million)	Fees payable
Audit services for financial statements – annual audits, interim reviews and quarterly agreed-upon procedures	169
Audit services for internal controls	7
Other audit and other assurance services	139
Non-assurance services	27
Total	342

Related Party Transaction Control and Consumer Rights Protection Committee

The primary duties of the Related Party Transaction Control and Consumer Rights Protection Committee are to coordinate the management of the Company's related party transactions and the protection of consumer rights, including determining the overall objectives, basic policies and rules in respect of related party transaction management, reviewing material related party transactions, ensuring the compliance and fairness of the Company's related party transactions, guarding against risks arising from related party transactions, studying major topics and policies on consumer rights protection, and guiding and supervising the establishment and improvement of management rules for consumer rights protection.

In 2025, the Related Party Transaction Control and Consumer Rights Protection Committee held a total of four meetings, all convened in accordance with the *Articles of Association* and the *Charter of the Related Party Transaction Control and Consumer Rights Protection Committee of the Board*. All of the members' opinions and suggestions were adopted by the Company. The attendance records of each member of the Related Party Transaction Control and Consumer Rights Protection Committee are set out in the part headed "Attendance Records of Directors" of this section.

Members

Independent Non-executive Directors

Wang Guangqian
(Chairman),
Ng Kong Ping Albert,
Jin Li, Chan Hiu Fung
Nicholas

Executive Director

Cai Fangfang

Corporate Governance Report

Date	Contents of the Meeting
March 18, 2025	The meeting deliberated and approved the <i>Proposal on Reviewing the Report on Related Party Transactions of the Company for 2024</i> , the <i>Proposal on Reviewing the Report on Consumer Rights Protection of Ping An Group for 2024</i> , and the <i>Proposal on Reviewing Material Related Party Transactions between the Company and Ping An Life</i> .
April 24, 2025	The meeting deliberated and approved the <i>Proposal on Reviewing Framework Agreement for Material Related Party Transactions of the Company's Subsidiaries</i> .
August 25, 2025	The meeting deliberated and approved the <i>Proposal on Reviewing the Report on Consumer Rights Protection of Ping An Group for the First Half of 2025</i> .
October 28, 2025	The meeting deliberated and approved the <i>Proposal on Reviewing the Related Party Transaction Management System (2025) of the Company</i> .

Strategy and Investment Committee

The primary duties of the Strategy and Investment Committee are to conduct research and provide suggestions to the Board in relation to the Company's general strategic plans and development directions, annual strategic development plans and business plans proposed by the Company's management, major investments, property transactions, financing plans, major capital operations, asset management projects, production and operation projects, ESG matters, risks and so on, closely monitor and track the investment projects approved by the General Meetings and the Board, and promptly notify all the Directors of any significant progress or changes.

In 2025, the Strategy and Investment Committee held a total of two meetings in accordance with the *Articles of Association* and the *Charter of the Strategy and Investment Committee of the Board*. All of the members' opinions and suggestions were adopted by the Company. The attendance records of each member of the Strategy and Investment Committee are set out in the part headed "Attendance Records of Directors" of this section.

Date	Contents of the Meeting
March 19, 2025	The meeting deliberated and approved proposals including the <i>Proposal on Reviewing the Company's 2025 Annual Work Plan</i> and the <i>Proposal on Reviewing the 2024 Sustainability Report of the Company</i> .
April 24, 2025	The meeting deliberated and approved the <i>Proposal on Issuing Domestic Bond Financing Instruments</i> .

Members

Executive Director

Ma Mingzhe (Chairman)

Independent Non-executive Directors

Jin Li, Chan Hiu Fung
Nicholas

Non-executive Directors

Yang Xiaoping, He Jianfeng

SUPERVISORY COMMITTEE AND SUPERVISORS

The composition of the Supervisory Committee and the profile of each Supervisor are set out in the section headed “Directors, Supervisors, Senior Management and Employees” of this Report. Duty performance of the Supervisory Committee is detailed in the section headed “Report of the Supervisory Committee” of this Report.

THE EXECUTIVE COMMITTEE

The Company has established an Executive Committee, which is the highest execution authority under the Board. The primary duty of the Executive Committee is to review the Company’s internal business reports, policies in relation to investment and profit distribution, and management policies, development plans and resource allocation plans. The Executive Committee is also responsible for deciding and promoting significant matters including the Company’s strategic planning, compliance/risk management, capital management and fund utilization, human resource synergy and brand culture. In addition, the Executive Committee is responsible for reviewing business plans of the Company’s subsidiaries and evaluating the subsidiaries’ financial performance. The Company has established several specialized committees under the Executive Committee, including the Asset-Liability Management Committee, the Budget Plan Management Committee, the Risk Management Executive Committee, and the Consumer Rights Protection Committee; the Company has also established several specialized functional offices under the Executive Committee, including the Investor Relations Office, the Related Party Transaction Management Office, the Anti-Money Laundering Office, the Reputation Risk Management Office, and the ESG and Sustainable Development Office.

OTHER MATTERS REGARDING CORPORATE GOVERNANCE IN THE REPORTING PERIOD

Amendments to the Articles of Association

In accordance with the CSRC’s *Trial Administrative Measures for Overseas Securities Offering and Listing by Domestic Enterprises*, the *Essential Clauses in Articles of Association of Companies Listed Abroad* was repealed from March 31, 2023. The Company conducted a comprehensive review of its *Articles of Association* and made amendments accordingly. In addition, the Company further improved the *Articles of Association* in accordance with the *Company Law of the People’s Republic of China* which has been implemented since July 1, 2024 as well as applicable regulations and regulatory documents. The 2023 Annual General Meeting of the Company deliberated and approved the amendments to the *Articles of Association*, which were approved by the NFRA and took effect on January 21, 2025. For more information, please refer to the announcements published by the Company on the websites of the SSE (www.sse.com.cn) and the HKEX (www.hkexnews.hk).

The Company canceled 102,592,612 repurchased A shares on September 3, 2025, and amended the terms related to the share structure and registered capital in the *Articles of Association* accordingly after the cancellation. The amendments took effect on October 20, 2025, the date on which the Company completed the procedure of reporting to the NFRA. The amended *Articles of Association* was published on the website of the HKEX (www.hkexnews.hk) on October 20, 2025 and the website of the SSE (www.sse.com.cn) on October 21, 2025.

Compliance with the Corporate Governance Code

The Board is responsible for performing the corporate governance duties set out in the terms of reference in the Code Provision A.2.1 of the *Corporate Governance Code*.

During the Reporting Period, the Board held meetings to review the Company’s compliance with the *Corporate Governance Code* and the contents disclosed in the Corporate Governance Report.

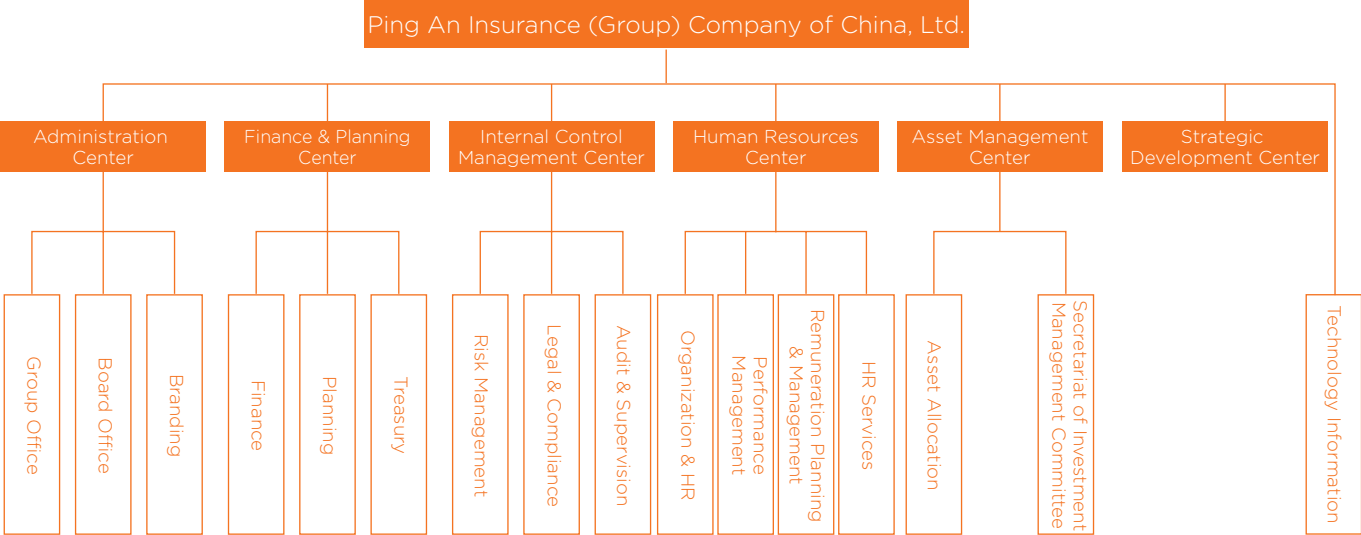
None of the Directors is aware of any information that would reasonably indicate that the Company did not meet the applicable Code Provisions set out in the *Corporate Governance Code* anytime during the period from January 1, 2025 to December 31, 2025.

Compliance with the Model Code

In August 2007, the Company adopted a code of conduct regarding securities transactions conducted by its Directors and Supervisors (the “Code of Conduct”), which was amended in August 2022, on terms no less exacting than the required standards set out in the *Model Code*. Specific inquiries have been made to all the Directors and Supervisors of the Company, who have confirmed that they complied with the required standards set out in the *Model Code* and the Code of Conduct during the period from January 1, 2025 to December 31, 2025.

Corporate Governance Report

The Organization Structure of the Company



Establishment and Perfection of the Internal Control System

The Company thoroughly studies and implements the spirit of China's Central Economic Work Conference, fully complies with regulators' decisions and requirements, and consistently strengthens the quality and efficiency of financial services for the real economy. Upholding the people-centered philosophy of development, the Company firmly adheres to a holistic view of insurance and contributes to national economic and social progress, dedicated to bolstering five key financial sectors, namely technology finance, green finance, inclusive finance, pension finance, and digital finance. The Company strengthens risk awareness and adheres to the bottom line of strictly preventing systemic risks. The Company comprehensively improves its rule formulation, processes, and internal control system, and consolidates the accountability for compliant operations. In this way, the Company consistently enhances its ability to achieve organic growth, contributing to new quality productive forces and high-quality development.

Regarding the internal control management framework, the Company has put in place a well-structured, well-staffed internal control system with well-defined powers and responsibilities in line with applicable laws and regulations as well as business and risk management needs. The Board is responsible for the establishment, improvement and effective implementation of internal controls. The Audit and Risk Management Committee under the Board monitors and assesses the implementation of internal controls, and coordinates internal control audits and other relevant matters. The Company's management is responsible for establishing and improving the Company's organizational structure, improving rules for internal controls, organizing and leading daily operations of the internal control system, and providing necessary human, financial and physical resources to ensure effective implementation of internal controls as per the Board's decisions.

Regarding the formulation and implementation of internal control rules, the Company constantly consolidated and strengthened achievements in the formulation of basic management rules, ensured that all operations are carried out in accordance with standard procedures, and enhanced the implementation of policies and procedures in 2025, injecting new impetus into the Company's compliant operations and high-quality development. Firstly, the Company consistently developed the "1 + N" basic management rules covering corporate governance, compliance and risk control, customer rights protection, investment management, and human resources. In strict accordance with applicable laws, regulations, regulatory requirements, and norms for listed companies, the Company developed and improved management rules and procedures in line with its development strategies in view of its management practices. Secondly, the Company established a closed-loop management mechanism of "external regulations – policies and procedures – internal controls." This mechanism incorporates the execution standards and execution discipline of policies and procedures into processes and embeds these processes into the Company's management systems, ensuring the effective implementation of its policies and procedures. Thirdly, fully leveraging digital and smart management tools and system platforms, the Company conducted categorized management of regulations and internal policies and procedures, and built a "regulations map" and a repository of policies and procedures. The Company kept policies and procedures independent of human will by embedding them in processes and embedding processes in systems, laying the solid foundations for high-quality development.

Regarding internal control operations and assessment, the Company strictly complies with applicable laws, regulations, and regulatory requirements. In response to the requirements of regulators at all levels for strengthening compliance management and preventing compliance risks, the Company constantly optimized its governance structure and strengthened the effectiveness and implementation of internal controls. Firstly, the Company improved the internal control frameworks under a comprehensive and targeted approach. On the principles of comprehensiveness, materiality and objectivity, the Company conducted comprehensive and objective assessments of the Group's headquarters and member companies of different business types and sizes. Focusing on key business areas, major matters and high-risk areas, the Company established and improved its internal control system, and consistently optimized its internal control mechanisms. Secondly, the Company integrated process connectivity with dynamic improvement to enhance the effectiveness of internal controls. Taking internal control processes as a central hub, the Company coordinated the use of various compliance management tools, and updated internal control processes and measures in time in response to changes in regulatory rules, internal policies and procedures, and business development, ensuring ongoing compliance with external regulations and internal norms. Moreover, the Company conducted targeted tests and in-depth analysis of root causes of issues based on past regulatory findings, risk incidents and self-inspection findings, mitigating risks in time and improving the effectiveness of internal controls. Thirdly, under an issue-oriented approach, the Company implemented precise, risk-driven measures to address issues. For pervasive, predisposing and potential issues identified in previous internal control assessments, regulatory inspections, violation risk reviews, self-inspections and self-corrections, the Company analyzed their root causes and backgrounds, enhanced corrective and preventive measures, and consistently built and upgraded long-term mechanisms to ensure its high-quality development. Fourthly, the Company strengthened enabling systems and smart applications to advance the intelligentization of internal control management. In line with fintech trends and regulatory requirements for digital transformation, the Company integrated system development and intelligent approaches into the whole processes of internal control management.

Corporate Governance Report

Regarding the management of money laundering, terrorist financing risk, and proliferation financing risk (hereinafter referred to as the “money laundering risk”) and sanctions compliance, the Group strictly abides by applicable laws and regulations, and implements the state’s decisions and requirements to fight financial crimes and maintain financial security and stability. Moreover, the Company constantly explores best practices in anti-money laundering management as an integrated financial services group, supervises member companies’ anti-money laundering efforts, and effectively safeguards the safety of customer funds and assets. Firstly, the Company constantly improved the management frameworks for the money laundering risk and sanctions compliance based on its risk profile. By conducting in-depth analysis of the money laundering risk and changes in the external environment, the Company dynamically updated its strategies for managing money laundering and sanctions risks. The Company effectively identified and prevented relevant risk exposures, and enhanced the quality and effectiveness of anti-money laundering efforts through measures such as the anti-money laundering quality certification, risk information sharing, joint prevention and control, and independent testing. Secondly, the Company developed and refined the management rules and procedures for anti-money laundering and sanctions compliance in line with the new *Anti-money Laundering Law of the People’s Republic of China* and accompanying regulatory requirements. The Company developed various anti-money laundering work standards, and broke down anti-money laundering efforts into four levels, namely large flows, medium flows, small flows, and execution standards by referring to the International Organization for Standardization (“ISO”) standards, ensuring the effective implementation of policies and procedures. Thirdly, in response to the call for high-quality development of technology-enabled finance, the Company researched and explored the applications of cutting-edge technologies, such as large AI models, in anti-money laundering. This enabled member companies to improve both the quality and the efficiency of their anti-money laundering efforts, and promote the smart transformation of risk prevention and control. Fourthly, the Company earnestly fulfilled its corporate social responsibilities by actively supporting China’s preparation for international anti-money laundering assessment. By hosting anti-money laundering summit forums, the Company built a multi-party interaction platform involving the government, enterprises, universities, and research institutes. This allows the Company to effectively play a bridging role, guide and promote industry self-discipline in anti-money laundering, and contribute to China’s efforts to enhance the effectiveness of anti-money laundering and jointly safeguard national financial security and stability.

Regarding the management framework for internal audit and supervision, the Company has established an independent, vertical audit and supervision framework, and applies a centralized approach to audit and supervision by complying with regulatory requirements. The Board of Directors takes the ultimate responsibility for the establishment, operation and maintenance of the audit and supervision framework as well as the independence and effectiveness of audit and supervision. The Audit and Risk Management Committee under the Board of Directors reports to the Board of Directors on and supervises and appraises auditing and supervisory activities. The Group's Person-in-charge of Auditing is responsible for assisting the Audit and Risk Management Committee in organizing auditing and supervisory activities and improving the internal audit and supervision framework. The Group Audit and Supervision Department is responsible for formulating internal audit and supervision policies and supervising specific and effective implementation. Audit and supervision departments of member companies are independent of business operations and management departments. They supervise, appraise, and advise on financial revenue and expenditure, business operations, internal controls, and risk management independently and objectively. Managed by the Person-in-charge of Auditing, audit and supervision departments report to the Board of Directors through the Audit and Risk Management Committee, and are appraised and supervised by the Audit and Risk Management Committee. To ensure objectivity and fairness, auditing and supervisory activities are independent of business operations and management, and audit and supervision departments are not directly involved in or responsible for auditees' business activities, business decision-making and execution as well as the design and implementation of risk management and internal control frameworks. In accordance with the *Basic Norms for Internal Controls of Enterprises* and relevant rules, the Company conducts annual evaluations of the design and operating effectiveness of its internal controls, adhering to the principles of comprehensiveness, materiality and objectivity. The evaluations are carried out at two levels, namely the internal control self-assessment ("ICSA") and independent assessment of internal controls by the Audit and Supervision Department.

In 2025, the Company's internal control assessments covered the following: corporate governance, corporate strategies, corporate culture, social responsibilities and ESG management, reputation and public sentiment management, channel sales management, operations management, actuarial management for products, investment and financing management, fund utilization management, anti-money laundering management, related party transaction management, consumer rights protection, risk incident management, legal and compliance management, solvency management, comprehensive risk management, human resources management, financial reporting and accounting management, tax management, asset management, document and seal management, information technology management, information security management, and internal supervision. The Company paid close attention to the following high-risk areas: corporate governance, investment and financing management, fund utilization management, financial reporting and accounting management, channel sales management, operations management, anti-money laundering management, related party transaction management, consumer rights protection, risk incident management, comprehensive risk management, information technology management, and internal supervision. The Audit and Supervision Department conducts independent assessments of ICSA activities, reviewing the comprehensiveness, rationality, and effectiveness of self-identified risks. It also carries out risk-oriented independent testing as well as acceptance checks on deficiency remediation, thereby fixing weaknesses in the internal control framework and enhancing the quality of internal control assessments. The Company maintained effective internal controls over financial reporting in all major aspects in accordance with the *Basic Norms for Internal Controls of Enterprises* and relevant rules in 2025. The internal control assessment report for the current year has been approved by the Board of Directors. The Company has engaged Ernst & Young to audit the effectiveness of internal controls over financial reporting, and issue the *Internal Control Audit Report*.

For details of the Company's internal controls, please refer to the *Internal Control Assessment Report of Ping An for 2025* and the *Internal Control Audit Report on Ping An for 2025* released on the website of the SSE (www.sse.com.cn) at the same date as this Report.

Corporate Governance Report

RISK MANAGEMENT

The Company has always taken risk management as a core part of its operation and management as well as business activities. The Company takes steady steps to build a comprehensive risk management system that is aligned with the Company's strategies and business characteristics. The Company consistently optimizes the risk management organizational structure, standardizes risk management processes, and adopts qualitative and quantitative risk management methodologies to identify, measure, evaluate, monitor, report, control and mitigate risks. Keeping risks under control, the Company promotes its sustainable, healthy business growth.

For details of the Company's risk management, please refer to the section headed "Risk Management" of this Report.

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems and reviews their effectiveness at least annually through the Audit and Risk Management Committee. The Audit and Risk Management Committee assists the Board in fulfilling its oversight and corporate governance functions in the Group's finance, operations, compliance, risk management and internal controls, as well as its role in monitoring and governing finance and internal audits.

Appropriate policies and controls have been designed and established to ensure that assets are safeguarded against unauthorized use or disposal, that relevant laws, regulations and rules are adhered to and complied with, that reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements, and that key risks that may impact the Group's performance are appropriately identified and managed. The internal control system can only provide reasonable but not absolute assurance against material misstatements or losses, as it is designed to manage, rather than eliminate the risk of failure to achieve business objectives.

The Company manages the handling and dissemination of inside information in accordance with various inside information disclosure procedures to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficient and consistent.

As disclosed above, the Audit and Risk Management Committee held a total of four meetings in the Reporting Period to review the Group's risk management and internal control systems. Through the Audit and Risk Management Committee, the Board has conducted an annual review of the effectiveness of the Group's risk management and internal control systems for the year ended December 31, 2025, covering all material financial, operational and compliance controls as well as environmental, social and governance performance, and has considered the Group's risk management and internal controls to be effective and adequate.

By order of the Board of Directors

Ma Mingzhe
Chairman

Shenzhen, PRC
March 26, 2026

Changes in the Share Capital and Shareholders' Profile

CHANGES IN SHARE CAPITAL

Statement of Changes in Share Capital

The total number of shares and shareholding structure of the Company changed during the 12 months ended December 31, 2025 (the "Reporting Period") as detailed below:

Unit: Share	January 1, 2025		Changes during the Reporting Period					December 31, 2025	
	Number of shares	Percentage (%)	Issue of new shares	Bonus issue	Transfer from reserve	Others	Subtotal	Number of shares	Percentage (%)
I. Selling-restricted shares	-	-	-	-	-	-	-	-	-
II. Selling-unrestricted circulating shares									
1. RMB ordinary shares	10,762,657,695	59.10	-	-	-	-102,592,612 ⁽¹⁾	-102,592,612 ⁽¹⁾	10,660,065,083	58.87
2. Domestically listed foreign shares	-	-	-	-	-	-	-	-	-
3. Overseas listed foreign shares	7,447,576,912	40.90	-	-	-	-	-	7,447,576,912	41.13
4. Others	-	-	-	-	-	-	-	-	-
Subtotal	18,210,234,607	100.00	-	-	-	-102,592,612 ⁽¹⁾	-102,592,612 ⁽¹⁾	18,107,641,995	100.00
III. Total number of shares	18,210,234,607	100.00	-	-	-	-102,592,612 ⁽¹⁾	-102,592,612 ⁽¹⁾	18,107,641,995	100.00

Note: (1) The decrease of 102,592,612 A shares during the Reporting Period was due to the cancellation of repurchased shares.

Security Issuance and Listing

Security Issuance of the Company

For details of the issuance of bonds convertible into the Company's H shares, please refer to the section headed "Report of the Board of Directors and Significant Events" of this Report.

Staff Shares

As of the end of the Reporting Period, the Company had no staff share.

SHAREHOLDERS' INFORMATION

Number of Shareholders and Their Shareholdings

Number of Shareholders

Unit: Shareholder	December 31, 2025	February 28, 2026
Total number of shareholders	558,717 (including 554,626 domestic shareholders)	623,864 (including 619,820 domestic shareholders)

Changes in the Share Capital and Shareholders' Profile

Shareholdings of Top Ten Shareholders as at the End of the Reporting Period

Name of shareholder	Nature of shareholder ⁽¹⁾	Shareholding percentage (%)	Total number of shares held (shares)	Changes during the Reporting Period (shares)	Type of shares	Number of shares subject to selling restrictions (shares)	Number of pledged, marked or frozen shares (shares)
Hong Kong Securities Clearing Company Nominees Limited ⁽²⁾	Overseas legal person	36.36	6,583,381,707	-110,833,556	H share	-	Unknown
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	5.32	962,719,102	-	A share	-	-
Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd. ⁽³⁾	Others	3.16	572,008,874	+80,670,125	A share + H share	-	-
Hong Kong Securities Clearing Company Limited ⁽⁴⁾	Others	2.84	513,498,534	-185,484,985	A share	-	-
Central Huijin Asset Management Ltd.	State-owned legal person	2.60	470,302,252	-	A share	-	-
Business Fortune Holdings Limited ⁽⁵⁾	Overseas legal person	2.54	459,466,189	-	H share	-	385,136,584 pledged shares
ICBC Credit Suisse Asset Management - Agricultural Bank of China - ICBC Credit Suisse Asset Management Plan of China Securities Finance Corp	Others	2.24	406,116,884	+261,339,628	A share	-	-
Harvest Fund - Agricultural Bank of China - Harvest Asset Management Plan of China Securities Finance Corp	Others	2.17	392,851,462	+261,339,628	A share	-	-
Shum Yip Group Limited	State-owned legal person	1.42	257,728,008	-	A share	-	-
China Life Insurance Company Limited - Traditional - Ordinary Insurance Product - 005L - CT001 Hu	Others	1.14	205,783,414	+187,341,885	A share	-	-

Notes: (1) Nature of the holders of A shares represents the nature of accounts held by the holders of A shares registered on the Shanghai Branch of China Securities Depository and Clearing Corporation Limited.

(2) Hong Kong Securities Clearing Company Nominees Limited ("HKSCC Nominees Limited") is the nominee holder of the shares held by non-registered H shareholders of the Company.

(3) Participants in the Long-term Service Plan of the Company are the employees of the Company and its member companies. Over 160,000 employees have participated in the Long-term Service Plan cumulatively throughout the years. The source of funding is the remunerations payable to employees. The Long-term Service Plan of the Company owned 189,703,374 A shares and 382,305,500 H shares of the Company, and such H shares have been registered under the name of HKSCC Nominees Limited. To avoid double counting, the H shares of the Company owned by the Long-term Service Plan of the Company have been deducted from the shares held by HKSCC Nominees Limited.

(4) The shares held by Hong Kong Securities Clearing Company Limited refer to the shares held by non-registered shareholders of the Northbound Trading of the Shanghai-Hong Kong Stock Connect Program.

(5) Business Fortune Holdings Limited is an indirect wholly-owned subsidiary of Charoen Pokphand Group Co., Ltd. ("CP Group Ltd."), and the shares owned by Business Fortune Holdings Limited have been registered under the name of HKSCC Nominees Limited. To avoid double counting, the shares owned by Business Fortune Holdings Limited have been deducted from the shares held by HKSCC Nominees Limited.

(6) The above A shareholders did not participate in securities margin trading or securities lending as of the end of the Reporting Period.

Explanation of the connected relationship or acting-in-concert relationship among the top 10 shareholders: The Company is not aware of any connected relationship or acting-in-concert relationship among the above-mentioned shareholders.

Voting delegation, delegated voting right or waiver of voting right regarding the top 10 shareholders: The Company is not aware of any voting delegation, delegated voting right or waiver of voting right regarding the above-mentioned shareholders.

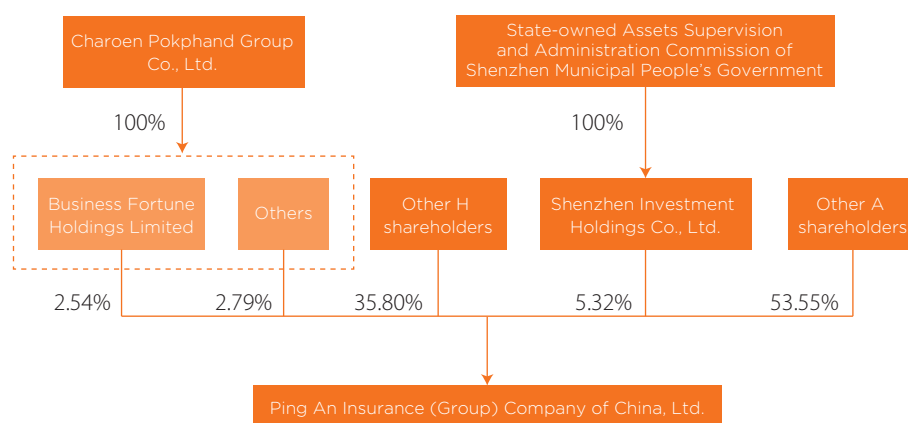
Particulars of Controlling Shareholder and De Facto Controlling Party

There is neither controlling shareholder nor de facto controlling party.

The shareholding structure of the Company is relatively scattered. Shareholders holding a 5% or larger equity interest in the Company as of December 31, 2025 were: CP Group Ltd. indirectly held 964,427,077 H shares of the Company in total, representing approximately 5.33% of the total share capital, through Business Fortune Holdings Limited and other subsidiaries; Shenzhen Investment Holdings Co., Ltd. held 962,719,102 A shares of the Company, representing approximately 5.32% of the total share capital. No shareholder of the Company, by virtue of the voting rights attached to the shares under the shareholder's actual control, is in a position to determine the election, recommendation or nomination of more than half of the Board members, or to exert any material impact on the resolutions of the Company's General Meetings. For explanations of the acting-in-concert relationships among the top ten shareholders of the Company, please refer to the section headed "Shareholdings of Top Ten Shareholders as at the End of the Reporting Period" of this Report.

Information on Shareholders Holding a 5% or Larger Equity Interest in the Company

The following chart shows the relationships between the Company and the ultimate controlling parties of shareholders holding a 5% or larger equity interest in the Company:



Charoen Pokphand Group Co., Ltd., incorporated in Thailand on September 23, 1976, is a leading company in Thailand and serves as a parent company of Charoen Pokphand Group ("C.P. Group"). Mr. Dhanin Chearavanont is the Senior Chairman of the Charoen Pokphand Group. As a holding company, Charoen Pokphand Group Co., Ltd. holds shares of subsidiaries in Thailand and regions outside Thailand. C.P. Group operates across many industries ranging from industrial to service sectors, which are categorized into eight business lines including Agro-Industry and Food Business, Retail and Distribution Business, Media and Telecommunications Business, E-Commerce and Digital Business, Property Development and Infrastructure Business, Automotive and Industrial Products Business, Pharmaceuticals Business, and Finance and Banking Business, covering 15 business groups and 23 countries and economies.

Established in 2004, Shenzhen Investment Holdings Co., Ltd. ("SIHC") was incorporated through the merger of three former asset operation and management companies, namely Shenzhen Investment Management Company, Shenzhen Trade Holding Company, and Shenzhen Construction Holding Company. SIHC has developed into a state-owned capital investment company specialized in supporting innovation in the science and technology sector. Its legal representative is He Jianfeng. With RMB33,586 million in registered capital as of December 31, 2025, the company ranked No.414 on the *Fortune* Global 500 list in 2025. SIHC was put by the State-owned Assets Supervision and Administration Commission of the State Council on the list of "world-class demonstration enterprises," and received honors including the "Special Award for Outstanding Achievements in Chinese Enterprise Reform and Development" and the "Demonstration Enterprise of State-Owned Enterprise Corporate Governance."

Directors, Supervisors, Senior Management and Employees



From left to right:

Mr. Guo Shibang Mr. Huang Baoxin Ms. Cai Fangfang Mr. Hu Jianfeng Mr. Xie Yonglin



Mr. Ma Mingzhe

Mr. Michael Guo

Ms. Fu Xin

Mr. Sun Jianping

Ms. Zhang Zhichun

Directors, Supervisors, Senior Management and Employees

MAJOR WORK EXPERIENCE AND CONCURRENT POSITIONS OF DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND KEY PERSONNEL

Directors



Mr. Ma Mingzhe

Founder of the Company
Chairman (Executive Director)
Aged 70
Director since March 21, 1988

Work experience

Since the establishment of the Company, Mr. Ma had been fully involved in the operations and management of the Company until June 2020 when he ceased to act as the CEO. He now plays a core leadership role, in charge of decision-making on the Company's strategies, human resources, culture and major issues. Mr. Ma successively served as the President, a Director, and the Chairman and CEO of the Company.

Prior to founding the Company, Mr. Ma was the Deputy Manager of China Merchants Shekou Industrial Zone Social Insurance Company.

Educational background and qualifications

Ph.D. in Money and Banking from Zhongnan University of Economics and Law (previously known as Zhongnan University of Finance and Economics)



Mr. Xie Yonglin

Executive Director, President
and Co-CEO
Aged 57
Joined the Company in 1994
Director since April 3, 2020

Other positions held within the Group

Mr. Xie is the Chairman of Ping An Bank and a Non-executive Director of Ping An Asset Management.

Past offices

Mr. Xie was the Deputy Director of the Company's Strategic Development & Reform Center from June 2005 to March 2006. He held positions of the Operations Director, the Human Resources Director, and a Vice President of Ping An Bank from March 2006 to November 2013, and served as the Special Assistant to the Chairman, the President and CEO, and the Chairman of Ping An Securities from November 2013 to November 2016 successively. He was a Senior Vice President of the Company from September 2016 to December 2019. Previously, Mr. Xie served as a Deputy General Manager of Ping An P&C's sub-branches, a Deputy General Manager and then the General Manager of Ping An Life's branches, and the General Manager of Ping An Life's Marketing Department.

Educational background and qualifications

Master of Science degree from Nanjing University
Ph.D. in Corporate Management from Nanjing University



Mr. Michael Guo

Executive Director, Co-CEO,
Senior Vice President
Aged 54

Joined the Company in 2019
Director since September 18, 2024

Other positions held within the Group

Mr. Guo is the Chairman of Ping An Health, and a Non-executive Director of a number of controlled subsidiaries of the Company including Ping An Life, Ping An P&C, Ping An Bank and OneConnect.

Past offices

Mr. Guo successively held the positions of the Vice Chief Human Resources Officer and the Chief Human Resources Officer of the Company from August 2022 to September 2023. Before then, he served as the Special Assistant to the Chairman and an Executive Vice President of Ping An P&C.

Prior to joining the Company, Mr. Guo was a Partner and Managing Director of Boston Consulting Group, and a Global Co-CEO of Willis Towers Watson Capital Markets.

Educational background and qualifications

MBA degree from the University of New South Wales, Australia



Ms. Fu Xin

Executive Director, Senior Vice
President, Chief Financial Officer
(Financial Director)
Aged 46

Joined the Company in 2017
Director since September 18, 2024

Other positions held within the Group

Ms. Fu is a Non-executive Director of a number of controlled subsidiaries of the Company including Ping An Life, Ping An Bank, Ping An Asset Management, Ping An Health and OneConnect.

Past offices

Ms. Fu served as the General Manager of the Company's Planning Department from October 2017 to January 2023, the Company's Deputy Chief Financial Officer from March 2020 to March 2022, and the Company's Chief Operating Officer from March 2022 to September 2023.

Prior to joining the Company, Ms. Fu served as a Financial Services Partner at Roland Berger International Management Consulting and an Executive Director of PricewaterhouseCoopers.

Educational background and qualifications

MBA degree from Shanghai Jiao Tong University

Directors, Supervisors, Senior Management and Employees



Ms. Cai Fangfang

Executive Director, Senior Vice President

Aged 52

Joined the Company in 2007

Director since July 2, 2014

Other positions held within the Group

Ms. Cai is a Non-executive Director of a number of controlled subsidiaries of the Company including Ping An Life, Ping An P&C, Ping An Bank, Ping An Health and Lufax Holding.

Past offices

Ms. Cai successively held the positions of a Vice General Manager and the General Manager of the Remuneration Planning and Management Department of the Human Resources Center of the Company from October 2009 to February 2012, and served as the Vice Chief Financial Officer and General Manager of the Planning Department of the Company from February 2012 to September 2013, the Vice Chief Human Resources Officer of the Company from September 2013 to March 2015, and the Chief Human Resources Officer of the Company from March 2015 to April 2023.

Prior to joining the Company, Ms. Cai served as the consulting director of Watson Wyatt Consultancy (Shanghai) Ltd. and the audit director on the financial industry of British Standards Institution Management Systems Certification Co., Ltd.

Educational background and qualifications

Master's degree in Accounting from the University of New South Wales, Australia



Mr. Soopakij Chearavanont

Non-executive Director

Aged 62

Director since June 17, 2013

Other major offices

Mr. Chearavanont is the Chairman of CP Group, an Executive Director and the Chairman of C.P. Lotus Corporation, a Non-executive Director and the Chairman of Chia Tai Enterprises International Limited, and an Executive Director and the Chairman of C.P. Pokphand Co. Ltd. Mr. Chearavanont is the Chairman of CP ALL Public Company Limited and Charoen Pokphand Foods Public Company Limited (both listed in Thailand), a Non-executive Director of Honma Golf Limited, and the Chairman of Zheng Xin Bank Company Limited.

Past offices

Mr. Chearavanont served as a Director of True Corporation Public Company Limited (listed in Thailand) and the Chairman of CT Bright Holdings Limited.

Educational background and qualifications

Bachelor of Science degree from the College of Business and Public Administration of New York University



Mr. Yang Xiaoping

Non-executive Director

Aged 62

Director since June 17, 2013

Other major offices

Mr. Yang is the Senior Vice Chairman of CP Group, the Vice Chairman and CEO of CPG Overseas, an Executive Director and the Vice Chairman of C.P. Lotus Corporation, the CEO of CT Bright Holdings Limited, and a Non-executive Director of CITIC Limited and Honma Golf Limited. Mr. Yang is also an Associate Dean of the China Institute for Rural Studies of Tsinghua University, a Vice Director of the Management Committee of the Institute for Global Development of Tsinghua University, the President of Beijing Association of Enterprises with Foreign Investment and an Adviser on Foreign Investment to the Beijing Municipal Government.

Past offices

Mr. Yang was a member of the Twelfth National Committee of the Chinese People's Political Consultative Conference ("CPPCC"), and served as the Manager for China Division and the Chief Representative of Beijing Office of Nichiyo Co., Ltd. Mr. Yang was a Non-executive Director of Tianjin Binhai Teda Logistics (Group) Corporation Limited and Chery Holding Group Co., Ltd., a Non-executive Director and the Vice Chairman of True Corporation Public Company Limited, and the Vice Chairman of the board of directors of China Minsheng Investment Co., Ltd.

Educational background and qualifications

Bachelor's degree from Nanchang University (previously known as Jiangxi Polytechnic College)

Experience of studying in Japan

Certificate for completing a doctoral program in Tsinghua University



Mr. He Jianfeng

Non-executive Director

Aged 54

Director since July 1, 2022

Other major offices

Mr. He is currently the Party Committee Secretary and Chairman of Shenzhen Investment Holdings Co., Ltd.

Past offices

Mr. He served as the Party Committee Secretary and Chairman of Shenzhen Agricultural Products Group Co., Ltd., the Party Committee Secretary and Chairman of Shenzhen Food Materials Group Co., Ltd., the Chief Economist and a Party Committee Member of the State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government, a Vice President of Shenzhen SEZ Construction and Development Group Co., Ltd., and so on.

Educational background and qualifications

Bachelor of Laws degree in International Law from Wuhan University

Senior Economist

Admitted to practice in the PRC as a qualified lawyer

Directors, Supervisors, Senior Management and Employees



Ms. Cai Xun

Non-executive Director
Aged 51

Director since July 1, 2022

Other major offices

Ms. Cai is currently an Employee Director and the Deputy Party Committee Secretary of Shum Yip Group Limited, and an Executive Director of Shenzhen Investment Limited.

Past offices

Ms. Cai served as the division director of the Cadre Division I, the division director of the Research and Publicity Division, the division director of the Cadre Supervision Division, the deputy division director of the Cadre Division I and II of the Organization Department of Shenzhen Municipal Party Committee, and a Non-executive Director of Road King Infrastructure Limited.

Educational background and qualifications

Bachelor of Economics degree from Central South University (previously known as Central South University of Technology)



Mr. Ng Kong Ping Albert

Independent Non-executive
Director
Aged 68

Director since August 20, 2021

Other major offices

Mr. Ng is currently an Honorary Advisor of the Hong Kong Business Accountants Association, a member of the Advisory Boards of the School of Accountancy and the MBA Curriculum of The Chinese University of Hong Kong, and a member of the Audit Committee of The Chinese University of Hong Kong, Shenzhen. Mr. Ng is also an Independent Non-executive Director of China International Capital Corporation Limited and Shui On Land Limited, and an Independent Director of Alibaba Group Holding Limited.

Past offices

Mr. Ng served as the Chairman of Ernst & Young China, a Managing Partner of Ernst & Young in Greater China, a member of the EY Global Executive, and a President of the 2nd council of Hong Kong China Chamber of Commerce. He has over 30 years of professional experience in the accounting industry in Hong Kong and the Chinese mainland. Before joining Ernst & Young, Mr. Ng was the partner-in-charge of Arthur Andersen LLP in Greater China, the partner-in-charge of China business of PricewaterhouseCoopers, and the Managing Director of Citigroup China Investment Banking. Mr. Ng served as a member of the First and Second Accounting Standards Advisory Committee of the Ministry of Finance, and an Independent Non-executive Director of Beijing Airdoc Technology Co., Ltd.

Educational background and qualifications

Bachelor's degree and Master's degree in Business Administration from The Chinese University of Hong Kong
A member of HKICPA, CA ANZ, CPAA and ACCA



Mr. Jin Li

Independent Non-executive
Director

Aged 55

Director since August 20, 2021

Other major offices

Mr. Jin is currently a Vice President and Chair Professor of Southern University of Science and Technology, a member of the Committee for Economic Affairs of the 14th CPPCC National Committee, a member of the Central Committee of Jiusan Society, a member of the Board of Directors and the Academic Committee of the Global Corporate Governance Forum, and a Vice Chairman of China Management Science Society. Mr. Jin is also an Independent Director of TCL Technology Group Corporation.

Past offices

Mr. Jin was an Associate Dean of Guanghua School of Management, Peking University, a tenured professor and a doctoral supervisor in the Department of Finance at Oxford University's Saïd Business School, and an associate professor in the Department of Finance at Harvard Business School. He was also an Independent Non-executive Director of Yingda International Trust Company Limited, Beijing Financial Holdings Group, Dacheng Fund Management Co., Ltd. and CITIC aiBank Corporation Limited, and an Independent Director of S.F. Holding Co., Ltd. and Guosen Securities Co., Ltd.

Educational background and qualifications

Ph.D. in Finance from Massachusetts Institute of Technology, USA



Mr. Wang Guangqian

Independent Non-executive
Director

Aged 70

Director since July 20, 2023

Other major offices

Mr. Wang is currently a professor at the School of Finance of Central University of Finance and Economics, a Vice President of China Society for Finance and Banking, and a Vice President of China Modern Financial Society.

Past offices

Mr. Wang was a Vice Dean of Central College of Finance (now Central University of Finance and Economics) and then a Vice President and the President of Central University of Finance and Economics.

Educational background and qualifications

Ph.D. in Economics from Renmin University of China

Directors, Supervisors, Senior Management and Employees



Mr. Hong Xiaoyuan

Independent Non-executive
Director

Aged 63

Director since October 15, 2025

Other major offices

Mr. Hong is currently an Independent Director of Postal Savings Bank of China Co., Ltd. and Bank of Hangzhou Co., Ltd., and a member of the Chief Executive's Policy Unit Expert Group of the Hong Kong Special Administrative Region.

Past offices

Mr. Hong served as the Assistant President of China Merchants Group Limited, a Director of China Merchants Holdings (Hong Kong) Company Limited, the President of China Merchants Financial Holdings Company Limited, a Director of China Merchants Bank Co., Ltd. and China Merchants Securities Co., Ltd., the Chairman of China Merchants Finance Holdings Company Limited and Bosera Asset Management Co., Ltd., the Director (Executive) of the Executive Committee of the China Merchants Financial Business Group/Platform, the Chairman of China Merchants Capital Investment Co., Ltd., China Merchants United Development Company Limited and China Merchants Innovation Investment Management Co., Ltd., the Chairman of the Board of China Merchants China Direct Investments Limited, the President of China Merchants Technology Holdings Co., Ltd., and a Senior Vice President of China Merchants Shekou Industrial Zone Co., Ltd. Mr. Hong served as the Chairman of the Board's Risk and Capital Management Committee of China Merchants Bank Co., Ltd. for 16 consecutive years (2007-2023) during his tenure as a Director of China Merchants Bank Co., Ltd.

Educational background and qualifications

Bachelor of Science degree and Master's degree in Economics from Peking University

Master's degree in Science from Australian National University
Senior Economist



Mr. Song Xianzhong

Independent Non-executive
Director

Aged 62

Director since October 15, 2025

Other major offices

Mr. Song is currently a professor at the Department of Accounting of Jinan University and an executive council member of the Accounting Society of China.

Past offices

Mr. Song was the former President and the Deputy Party Committee Secretary of Jinan University. Before then, he held teaching positions at the Department of Industrial Economics of Hunan University of Finance and Economics and at the Department of Accounting of Jinan University, and served as a Vice Dean of the School of Management of Jinan University, the Director of the Development Planning Division of Jinan University, and the Assistant to the President and a Vice President of Jinan University.

Educational background and qualifications

Bachelor's degree in Industrial Accounting from Hunan University of Finance and Economics

Master's degree in Accounting and Ph.D. in Public Finance from Southwestern University of Finance and Economics



Mr. Chan Hiu Fung Nicholas

Independent Non-executive
Director
Aged 52

Director since October 15, 2025

Other major offices

Mr. Chan is currently a Partner of Squire Patton Boggs, a Deputy of the Hong Kong Special Administrative Region to the National People's Congress and also a member of the Chief Executive's Policy Unit Expert Group of the Hong Kong Special Administrative Region, the Director of the AALCO Hong Kong Regional Arbitration Centre, a Vice Chairman of the China Committee of the Hong Kong General Chamber of Commerce, and a member of the Legislative Council of the Hong Kong Special Administrative Region, and has been appointed as a China-Appointed Attesting Officer by the Ministry of Justice of the PRC. Mr. Chan is also an Independent Non-executive Director of China Merchants Port Holdings Company Limited, Sa Sa International Holdings Limited, Q P Group Holdings Limited and Genertec Universal Medical Group Company Limited.

Past offices

Mr. Chan has over 20 years of experience practicing as a solicitor in Hong Kong and has been with Squire Patton Boggs since July 1999. Mr. Chan was appointed as a Deputy of the Hong Kong Special Administrative Region to the 13th National People's Congress in 2019. Mr. Chan served as an Independent Non-executive Director of Million Cities Holdings Limited and Pangaea Connectivity Technology Limited.

Educational background and qualifications

Bachelor of Laws and Bachelor of Science dual degree from The University of Melbourne

Qualified to practice law as a solicitor in Hong Kong, the Australian Capital Territory, the State of Victoria in Australia, England and Wales

Supervisors



Mr. Sun Jianyi

Chairman of Supervisory
Committee (Employee
Representative Supervisor)
Aged 73

Joined the Company in 1990
Supervisor since August 28, 2020

Past offices

After joining the Company in July 1990, Mr. Sun served as the General Manager of the Management Department, Senior Vice President, Executive Vice President, Deputy Chief Executive Officer and Vice Chairman of the Company, and the Chairman of Ping An Bank successively.

Prior to joining the Company, Mr. Sun was the Head of the Wuhan Branch of the People's Bank of China, a Deputy General Manager of the Wuhan Branch of the People's Insurance Company of China, and the General Manager of Wuhan Securities Company.

Mr. Sun was also a Non-executive Director of China Vanke Co., Ltd., a Non-executive Director of China Insurance Security Fund Co., Ltd., and an Independent Non-executive Director of Haichang Ocean Park Holdings Ltd.

Educational background and qualifications

Diploma in Finance from Zhongnan University of Economics and Law (previously known as Zhongnan University of Finance and Economics)

Directors, Supervisors, Senior Management and Employees



Ms. Zhu Xinrong

Independent Supervisor

Aged 69

Supervisor since July 18, 2022

Other major offices

Ms. Zhu is currently a second-tier professor and doctoral supervisor of finance at Zhongnan University of Economics and Law, an expert entitled to a special government allowance from the State Council, a national master teacher, and the Director of the Collaborative Innovation Center of "Industrial Upgrade and Regional Finance," a university-affiliated think tank at Zhongnan University of Economics and Law. Ms. Zhu also serves as an executive council member of the China Society for Finance and Banking and an expert in the consulting expert pool of the Monetary Policy Committee of the PBC.

Past offices

Ms. Zhu was a member of the National Supervisory Committee for Professional Degrees in Finance and the Vice President of Hubei Finance Society. Ms. Zhu served as an Independent Non-executive Director of Guangdong Sanhe Pile Co., Ltd., Hubei Xianning Rural Commercial Bank Co., Ltd. and Wuhan Credit Investment Group Co., Ltd.

Educational background and qualifications

Ph.D. in Money and Banking from Zhongnan University of Economics and Law (previously known as Zhongnan University of Finance and Economics)



Mr. Liew Fui Kiang

Independent Supervisor

Aged 59

Supervisor since July 18, 2022

Other major offices

Mr. Liew currently serves as an Independent Non-executive Director of Shandong Gold Mining Co., Ltd., Zhaoke Ophthalmology Limited, Zhengye International Holdings Company Limited, and Zhongchang International Holdings Group Limited.

Past offices

Mr. Liew served as an Independent Non-executive Director of Baoshan Iron & Steel Company Limited and Gilston Group Limited (previously known as China Apex Group Limited) and the Chairman of PacRay International Holdings Limited.

Educational background and qualifications

MBA degree from the University of Hull Business School, United Kingdom
Bachelor of Laws degree from the University of Leeds, United Kingdom
General Management Certificate of Achievement from the University of Cambridge Judge Business School, United Kingdom
Solicitor of Hong Kong and Solicitor of England and Wales
Certificate for ESG Investing from the CFA Institute, United States of America
Fellow of the Hong Kong Institute of Directors



Mr. Hung Ka Hai Clement

Independent Supervisor

Aged 70

Supervisor since July 18, 2022

Other major offices

Mr. Hung's former name was Hung Yu Sum Clement (洪如心). He is currently serving as an Independent Non-executive Director of Starjoy Wellness and Travel Company Limited (formerly known as Aoyuan Healthy Life Group Company Limited), China East Education Holdings Limited, XinKong International Capital Holdings Limited (formerly known as Huarong International Financial Holdings Limited), Skyworth Group Limited, Capital Estate Limited, and Finsoft Financial Investment Holdings Limited.

Past offices

Mr. Hung served Deloitte China for 31 years where he assumed the Chairman role of Deloitte China and a board member of Deloitte International. Mr. Hung served as an adviser to the Guangzhou Institute of Certified Public Accountants. He also served as a member of the Political Consultative Committee of Luohu District, Shenzhen and was appointed as an expert adviser to the Ministry of Finance.

Mr. Hung was an Independent Non-executive Director and then a Non-executive Director of SMI Holdings Group Limited, an Independent Non-executive Director, then a Non-executive Director and subsequently a re-designated Independent Non-executive Director of Lerthai Group Limited (formerly known as LT Commercial Real Estate Limited). Mr. Hung was also an Independent Non-executive Director of Zhongchang International Holdings Group Limited (formerly known as Henry Group Holdings Limited), Tibet Water Resources Ltd., SY Holdings Group Limited (formerly known as Sheng Ye Capital Limited), Gome Finance Technology Co., Ltd. (formerly known as Sino Credit Holdings Limited), JX Energy Ltd. and China Strategic Technology Group Limited (formerly known as USPACE Technology Group Limited), and a Non-executive Director of High Fashion International Limited.

Educational background and qualifications

Bachelor of Arts in Accountancy from the University of Lincoln, United Kingdom (previously known as The Polytechnic, Huddersfield)

Life member of The Institute of Chartered Accountants in England and Wales



Mr. Wang Zhiliang

Employee Representative

Supervisor

Aged 46

Joined the Company in 2002

Supervisor since August 6, 2017

Other positions held within the Group

Mr. Wang is the Chief Administrative Affairs Officer of the Group.

Past offices

Mr. Wang served as the Administrative Director and the Director of General Office of the Group, a Deputy General Manager of the Group's Shanghai Head Office, a Deputy Director of the Group's General Office and the Chairman of Ping An Financial Leasing, and served in the Administration Department of Tianjin Branch of Ping An Life.

Educational background and qualifications

Bachelor's degree in Economic Information Management from Tianjin University of Finance and Economics (previously known as Tianjin Institute of Finance and Economics)

Directors, Supervisors, Senior Management and Employees

Senior Management and Key Personnel

For the work experience and concurrent positions of Mr. Ma Mingzhe, Mr. Xie Yonglin, Mr. Michael Guo, Ms. Fu Xin and Ms. Cai Fangfang, please refer to “Directors” in this section.



Mr. Huang Baoxin

Senior Vice President

Aged 61

Joined the Company in 2015

Term of office: April

2020-present

Other positions held within the Group

Mr. Huang is the General Manager of the Group's Beijing Head Office.

Past offices

Prior to joining the Company, Mr. Huang served as a Deputy Division Director of the Industrial Transportation Department of the Ministry of Finance, a Deputy Director General of the Second Secretary Bureau of the General Office of the State Council of the PRC, a Deputy Director General and then the Director General of the Supervisory Bureau of the General Office of the State Council of the PRC, and a deputy head of the discipline inspection team at the Publicity Department of the Central Committee of the CPC accredited by the Central Commission for Discipline Inspection of the CPC.

Educational background and qualifications

Ph.D. in Public Finance from the Chinese Academy of Fiscal Sciences (previously known as Research Institute for Fiscal Science, Ministry of Finance)

Master's degree in Political Economics from Renmin University of China

Bachelor's degree in Finance from Zhongnan University of Economics and Law (previously known as Zhongnan University of Finance and Economics)



Mr. Sheng Ruisheng

Board Secretary,

Company Secretary

Aged 56

Joined the Company in 1997

Term of office: April

2017-present

Other positions held within the Group

Mr. Sheng serves as the Brand Director and spokesperson of the Company.

Past offices

Mr. Sheng served as the Assistant to the General Manager, a Deputy General Manager, and the General Manager of the Company's Branding Department from August 2002 to January 2014.

Educational background and qualifications

MBA degree from The Chinese University of Hong Kong

Bachelor of Arts degree from Nanjing University



Mr. Sun Jianping

Chief Human Resources Officer
Aged 64

Joined the Company in 1988

Other positions held within the Group

Mr. Sun serves as a Non-executive Director of a number of controlled subsidiaries of the Company including Ping An Securities, Ping An Technology and Ping An Finservice.

Past offices

After joining the Company in 1988, Mr. Sun served as a Senior Vice President, an Executive Vice President, the President, and the Chairman and CEO of Ping An P&C successively.

Educational background and qualifications

Master of Economics degree from Zhongnan University of Economics and Law (previously known as Zhongnan University of Finance and Economics)
Bachelor of Engineering degree from Huazhong University of Science and Technology (previously known as Huazhong Institute of Technology)
Senior Economist



Mr. Guo Shibang

Assistant President and Chief
Risk Officer
Aged 60

Joined the Company in 2011
Term of office: March
2024-present

Other positions held within the Group

Mr. Guo is a Non-executive Director of a number of controlled subsidiaries of the Company including Ping An Life, Ping An Financial Leasing, and Ping An Overseas Holdings.

Past offices

Mr. Guo served as a Vice President, the Chief Risk Officer and the Compliance Director of Ping An Securities from September 2014 to October 2016, and a Special Assistant to the Chairman, an Assistant President, an Executive Director and a Vice President of Ping An Bank from October 2016 to December 2023. Before then, Mr. Guo served as the Director and the President of Ping An Bank's Microfinance Business Unit.

Prior to joining the Company, Mr. Guo served as a Chief Officer and a Deputy Director-level Consultant (presiding) at the Treasury Planning Department of Industrial and Commercial Bank of China, and the Manager of Beijing Shangdi Subbranch, a Party Committee Member and a Deputy General Manager of Beijing Management Department, the Party Committee Secretary and the General Manager of Dalian Branch, and the Vice Chairman of the Head Office Retail Management Committee and the General Manager of the Retail Banking Department of China Minsheng Bank.

Educational background and qualifications

Doctor of Economics degree from Peking University
Master of Economics degree from Peking University
Bachelor of Engineering degree from Shanghai Jiao Tong University
Senior Economist

Directors, Supervisors, Senior Management and Employees



Ms. Zhang Zhichun

Assistant President and Person-in-charge of Auditing
Aged 50

Joined the Company in 1998

Term of office: April
2025-present

Other positions held within the Group

Ms. Zhang is a Non-executive Director of a number of controlled subsidiaries of the Company including Ping An P&C, Ping An Securities and Ping An Annuity.

Past offices

Ms. Zhang served as the Chief Financial Officer (Financial Director) of the Company from January 2023 to March 2025, and successively served as the Assistant President, Chief Investment Officer, Financial Director, and Board Secretary of Ping An P&C from December 2017 to December 2022. Before then, she served as a Deputy General Manager of Ping An P&C's Planning Department and a Deputy General Manager and then the General Manager of the Company's Planning Department.

Educational background and qualifications

Bachelor's degree in Actuarial Science from Shanghai University of Finance and Economics

Associate of China Association of Actuaries

With a qualification offered by Chartered Institute of Management Accountants (CIMA)



Mr. Xu Jing

Chief Compliance Officer
Aged 42

Joined the Company in 2020

Term of office: May 2025-present

Other positions held within the Group

Mr. Xu serves as the General Manager of the Group's Legal and Compliance Department, and a Non-executive Director of a number of controlled subsidiaries of the Company including Ping An Health Insurance, Ping An Asset Management, and Ping An Financial Technology.

Past offices

Mr. Xu Jing served as the Interim Compliance Officer of the Company from March 2025 to May 2025. Before then, Mr. Xu served as a Deputy General Manager of the Legal and Compliance Department of the Company.

Prior to joining the Company, Mr. Xu served as a Senior Compliance Manager at the Legal and Compliance Department of the Head Office of Bank of Communications Co., Ltd. and a Senior Risk & Compliance Manager at Ernst & Young (China) Advisory Limited.

Educational background and qualifications

Master of Laws degree from The University of Manchester

Bachelor of Laws degree from East China University of Political Science and Law (previously known as East China Institute of Politics and Law)

POSITIONS HELD IN CORPORATE SHAREHOLDERS BY DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Name of corporate shareholder	Position	Period of engagement
Soopakij Chearavanont	CP Group	Chairman	Since January 2017
Yang Xiaoping	CP Group	Senior Vice Chairman	Since January 2017
He Jianfeng	Shenzhen Investment Holdings Co., Ltd.	Secretary of Party Committee and Chairman	Since July 2021
Cai Xun	Shum Yip Group Limited	Deputy Secretary of Party Committee and Employee Director	Since July 2020

APPOINTMENT OR REMOVAL OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Position	Gender	Age	Period of appointment
Hong Xiaoyuan ⁽¹⁾	Newly-appointed Independent Non-executive Director	Male	63	Since October 2025
Song Xianzhong ⁽¹⁾	Newly-appointed Independent Non-executive Director	Male	62	Since October 2025
Chan Hiu Fung Nicholas ⁽¹⁾	Newly-appointed Independent Non-executive Director	Male	52	Since October 2025
Ng Sing Yip ⁽²⁾	Retired Independent Non-executive Director	Male	75	July 2019 - October 2025
Chu Yiyun ⁽²⁾	Retired Independent Non-executive Director	Male	61	July 2019 - October 2025
Liu Hong ⁽²⁾	Retired Independent Non-executive Director	Male	58	July 2019 - October 2025
Zhang Zhichun ⁽³⁾	Newly-appointed Senior Management	Female	50	Since April 2025
Xu Jing ⁽⁴⁾	Newly-appointed Senior Management	Male	42	Since May 2025
Huang Yuqiang ⁽⁵⁾	Resigned Senior Management	Male	44	June 2023 - April 2025
Zhang Xiaolu ⁽⁶⁾	Resigned Senior Management	Female	58	June 2021 - March 2025

- Notes: (1) Mr. Hong Xiaoyuan, Mr. Song Xianzhong and Mr. Chan Hiu Fung Nicholas took office as Independent Non-executive Directors of the Company on October 15, 2025. They have confirmed that Mr. Hong Xiaoyuan obtained the legal advice under Rule 3.09D of the *SEHK Listing Rules* on September 17, 2025, Mr. Song Xianzhong and Mr. Chan Hiu Fung Nicholas obtained the same on September 18, 2025, and they understood their obligations as Directors of the Company.
- (2) Mr. Ng Sing Yip, Mr. Chu Yiyun, and Mr. Liu Hong retired as Independent Non-executive Directors of the Company on October 15, 2025 upon the expiry of their six-year term of office.
- (3) Ms. Zhang Zhichun took office as the Assistant President and Person-in-charge of Auditing of the Company on April 3, 2025. Before then, Ms. Fu Xin succeeded Ms. Zhang Zhichun as the Chief Financial Officer (Financial Director) of the Company on March 26, 2025.
- (4) Mr. Xu Jing took office as the Chief Compliance Officer of the Company on May 30, 2025. Before then, Mr. Xu Jing served as the Interim Compliance Officer of the Company from March 13, 2025 to May 29, 2025.
- (5) Mr. Huang Yuqiang resigned as the Person-in-charge of Auditing of the Company on April 3, 2025.
- (6) Ms. Zhang Xiaolu resigned as the Compliance Officer of the Company on March 13, 2025.

Directors, Supervisors, Senior Management and Employees

CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

1. Ms. Cai Xun, a Non-executive Director of the Company, ceased to be a Non-executive Director of Road King Infrastructure Limited in September 2025.
2. Mr. Xie Yonglin, an Executive Director, President and Co-CEO of the Company, ceased to be a Non-executive Director of Lufax Holding Ltd in February 2026.
3. Mr. Michael Guo, an Executive Director, Co-CEO and Senior Vice President of the Company, took office as the Chairman of Ping An Healthcare and Technology Co., Ltd. in October 2025.
4. Ms. Fu Xin, an Executive Director, Senior Vice President and Chief Financial Officer (Financial Director) of the Company, ceased to be a Non-executive Director of Lufax Holding Ltd in February 2026.
5. Ms. Cai Fangfang, an Executive Director and Senior Vice President of the Company, took office as a Non-executive Director of Lufax Holding Ltd in February 2026.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the *SEHK Listing Rules*.

PENALTIES IMPOSED ON THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT BY SECURITIES REGULATORY AUTHORITIES IN THE LAST THREE YEARS

On January 13, 2026, the SEHK publicly censured, amongst others, relevant directors (including Mr. Hung Ka Hai Clement, an Independent Supervisor of the Company) of Starjoy Wellness and Travel Company Limited and/or China Aoyuan Group Limited as the relevant directors failed to exercise reasonable skill, care and diligence. Relevant directors have been directed by the SEHK to each attend required hours of training on regulatory and legal topics and compliance with the *SEHK Listing Rule*. For details, please refer to the regulatory announcement made by the SEHK on January 13, 2026 and the Company's announcements published on the website of the SSE (www.sse.com.cn) on January 15, 2026 and the website of the HKEX (www.hkexnews.hk) on January 14, 2026.

Save as disclosed above, the current Directors, Supervisors and senior management of the Company and those who vacated office during the Reporting Period were not subject to any punishment by securities regulatory authorities over the past three years.

SHAREHOLDINGS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Change in the Number of Shares Held in the Company

As of December 31, 2025, the interests of the current Directors, Supervisors and senior management of the Company and those who vacated office during the Reporting Period in the shares of the Company which shall be disclosed pursuant to the *Standards for the Contents and Formats of Information Disclosure by Companies Offering Securities to the Public No. 2 - Contents and Formats of Annual Reports* issued by the CSRC were as follows:

Name	Capacity	H/A shares	Number of shares held at the beginning of the period	Number of shares held at the end of the period	Change (shares)	Reason for the change	Nature of interest	Percentage of total issued H/A shares (%)	Percentage of total issued shares (%)
Ma Mingzhe	Beneficial owner	A	2,922,749	3,404,028	+481,279	Key Employee Share Purchase Plan	Long position	0.03193	0.01880
Sun Jianyi	Beneficial owner	A	5,048,596	5,048,596	-	-	Long position	0.04736	0.02788
Xie Yonglin	Beneficial owner	A	1,320,296	1,781,526	+461,230	Key Employee Share Purchase Plan	Long position	0.01671	0.00984
Michael Guo	Beneficial owner	A	70,123	170,506	+100,383	Key Employee Share Purchase Plan	Long position	0.00160	0.00094
Fu Xin	Beneficial owner	A	78,509	137,206	+58,697	Key Employee Share Purchase Plan	Long position	0.00129	0.00076
Cai Fangfang	Beneficial owner	A	617,741	790,124	+172,383	Key Employee Share Purchase Plan	Long position	0.00741	0.00436
Ng Sing Yip ⁽²⁾	Beneficial owner	H	-	20,000	+20,000	Purchase	Long position	0.00027	0.00011
Wang Zhiliang	Beneficial owner	A	87,756	103,057	+15,301	Key Employee Share Purchase Plan	Long position	0.00097	0.00057
Huang Baoxin	Beneficial owner	A	136,744	169,031	+32,287	Key Employee Share Purchase Plan	Long position	0.00159	0.00093
Sheng Ruisheng	Beneficial owner	A	551,948	673,593	+121,645	Key Employee Share Purchase Plan	Long position	0.00632	0.00372
Zhang Zhichun	Beneficial owner	A	122,304	148,323	+26,019	Key Employee Share Purchase Plan	Long position	0.00139	0.00082
Xu Jing	Beneficial owner	A	335	5,062	+4,727	Key Employee Share Purchase Plan	Long position	0.00005	0.00003
Huang Yuqiang	Beneficial owner	A	4,518	12,393	+7,875	Key Employee Share Purchase Plan	Long position	0.00012	0.00007
Zhang Xiaolu	Beneficial owner	A	118,123	195,000	+76,877	Key Employee Share Purchase Plan, sale	Long position	0.00183	0.00108
	Beneficial owner	H	10,000	10,000	-	-	Long position	0.00013	0.00006

Notes: (1) During the Reporting Period, there were no share options held by or restricted shares granted to the current Directors, Supervisors and senior management of the Company and those who vacated office during the Reporting Period.

(2) Mr. Ng Sing Yip was an Independent Non-executive Director who retired during the Reporting Period.

Directors, Supervisors, Senior Management and Employees

Save as disclosed above, as of December 31, 2025, the interests and short positions of the Directors, Supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company which shall have been notified to the Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors, Supervisors or chief executives of the Company are taken as or deemed to have under such provisions of the SFO), or are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or are otherwise required to be notified by the Directors, Supervisors and chief executives to the Company and the SEHK pursuant to the *Model Code*, were as follows:

Name	Capacity	H/A shares	Interests held at the beginning of the period (shares)	Interests held at the end of the period (shares)	Change (shares)	Reason for the change	Nature of interest	Percentage of total issued H/A shares (%)	Percentage of total issued shares (%)
Ma Mingzhe	Interest of his spouse	H	20,000	-	-20,000	Sale	Long position	-	-
	Others ⁽¹⁾	A	1,631,038	1,631,038	-	-	Long position	0.01530	0.00901
	Others ⁽¹⁾	H	754,988	1,197,820	+442,832	Others ⁽¹⁾	Long position	0.01608	0.00661
Sun Jianyi	Others ⁽¹⁾	A	126,381	126,381	-	-	Long position	0.00119	0.00070
Xie Yonglin	Others ⁽¹⁾	A	1,223,278	1,223,278	-	-	Long position	0.01148	0.00676
	Others ⁽¹⁾	H	452,992	703,288	+250,296	Others ⁽¹⁾	Long position	0.00944	0.00388
Michael Guo	Others ⁽¹⁾	A	103,368	103,368	-	-	Long position	0.00097	0.00057
	Others ⁽¹⁾	H	332,194	620,997	+288,803	Others ⁽¹⁾	Long position	0.00834	0.00343
Fu Xin	Others ⁽¹⁾	A	139,893	139,893	-	-	Long position	0.00131	0.00077
	Others ⁽¹⁾	H	241,596	434,131	+192,535	Others ⁽¹⁾	Long position	0.00583	0.00240
Cai Fangfang	Others ⁽¹⁾	A	815,519	815,519	-	-	Long position	0.00765	0.00450
	Others ⁽¹⁾	H	301,995	494,530	+192,535	Others ⁽¹⁾	Long position	0.00664	0.00273
Yang Xiaoping	Interest of a controlled corporation	H	100,000	100,000	-	-	Long position	0.00134	0.00055
Wang Zhiliang	Others ⁽¹⁾	A	92,334	92,334	-	-	Long position	0.00087	0.00051
	Others ⁽¹⁾	H	30,199	53,303	+23,104	Others ⁽¹⁾	Long position	0.00072	0.00029

Note: (1) Conditional interests that can be vested in future under the Long-term Service Plan, subject to terms and conditions in the *Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd.* The actual number of shares vested shall be subject to the final equity-settled results.

Change in the Number of Shares Held in Associated Corporations of the Company

Name	Associated corporation	Capacity	Interests held at the beginning of the period (shares)	Interests held at the end of the period (shares)	Change (shares)	Reason for the change	Nature of interest	Percentage of total issued shares in associated corporation (%)
Xie Yonglin	Ping An Bank	Beneficial owner	26,700	26,700	-	-	Long position	0.00014

Save as disclosed above, as of December 31, 2025, none of the Directors, Supervisors and chief executives held or was deemed to hold any interests or short positions in the shares, underlying shares or debentures of the Company's associated corporations (as defined in the SFO), which shall have been notified to the Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO, or are recorded in the register required to be kept under Section 352 of the SFO, or are otherwise required to be notified by the Directors, Supervisors and chief executives to the Company and the SEHK pursuant to the *Model Code*.

THE ASSESSMENT & EVALUATION AND REMUNERATION SYSTEMS OF THE COMPANY

The purpose of the Company's remuneration policy is to attract, retain, and motivate talented people so as to help achieve the Company's operating objectives. The principle of the remuneration policy is to characterize a clear orientation, motivate performances, respond to the market, and keep costs reasonable. The remuneration package for the Company's employees includes base salaries, performance-based salaries, benefits, and allowances. Base salaries are determined according to the post value, market levels, and so on. Performance-based salaries are linked to the Company's overall business results, personal performance, and so on. Benefits and allowances are determined in accordance with government regulations and industry standards. The specific structure and strategic arrangement of a remuneration package is adjusted and optimized according to market situations and the Company's business development needs.

The Executive Directors' and senior management's remunerations are determined according to the Company's remuneration policy and their administrative positions within the Company. The Non-executive Directors' emoluments are determined as per the standards approved at the Company's General Meetings.

The Company's appraisal schemes for senior management are determined by the Company in line with business plans, risk management and compliance requirements, and social responsibility requirements. Appraisal results are linked to senior management's performance-based remunerations and so on. Moreover, the Company has established a performance-based remuneration clawback mechanism for senior management and key personnel to give full play to the guiding role of performance-based remunerations in the Company's operations and management, ensure that remuneration incentives match risk-adjusted performance, prevent aggressive business behaviors and violations of laws and regulations, and promote prudent operations and sustainable development.

Directors, Supervisors, Senior Management and Employees

REMUNERATIONS OF DIRECTORS, SUPERVISORS, AND SENIOR MANAGEMENT

Name	Total after-tax remunerations received from the Company during the Reporting Period (in RMB thousand)	Individual income tax payable on total remunerations received from the Company during the Reporting Period (in RMB thousand)	Whether received any remuneration from related parties of the Company during the Reporting Period
Ma Mingzhe	3,588.1	2,513.5	No
Sun Jianyi	4,080.5	2,931.1	No
Xie Yonglin	4,293.1	2,894.2	No
Michael Guo	7,710.1	5,719.2	No
Fu Xin	4,773.7	3,261.0	No
Cai Fangfang	3,656.1	2,214.3	No
Huang Baoxin	3,221.5	2,228.2	No
Sheng Ruisheng	2,516.4	1,439.3	No
Guo Shibang	3,383.4	2,074.0	No
Zhang Zhichun	2,870.4	1,705.7	No
Xu Jing	972.8	553.1	No
Huang Yuqiang	687.1	312.8	No
Zhang Xiaolu	1,762.5	1,352.1	No
Wang Zhiliang	2,530.5	1,406.9	No
Soopakij Chearavanont	533.3	136.7	Yes
Yang Xiaoping	533.3	136.7	Yes
He Jianfeng ⁽⁶⁾	-	-	Yes
Cai Xun	530.3	139.7	Yes
Ng Kong Ping Albert	533.3	136.7	Yes
Jin Li ⁽⁷⁾	419.0	111.0	No
Wang Guangqian	537.8	142.2	No
Hong Xiaoyuan	118.4	29.0	No
Song Xianzhong	118.4	29.0	No
Chan Hiu Fung Nicholas	118.6	28.8	Yes
Ng Sing Yip	424.7	107.9	No
Chu Yiyun	421.2	111.4	No
Liu Hong	421.2	111.4	No
Zhu Xinrong	523.3	136.7	No
Liew Fui Kiang	526.1	133.9	Yes
Hung Ka Hai Clement	526.1	133.9	No

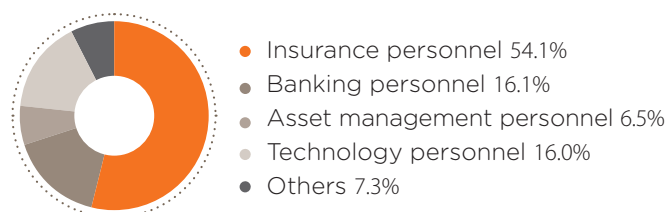
- Notes: (1) The remunerations of Directors, Supervisors and senior management are calculated based on their respective periods in office during the Reporting Period.
- (2) In accordance with the *Code of Corporate Governance of Banking and Insurance Institutions* and the *Guidelines for Insurance Companies' Remuneration Management (Trial)* issued by the CBIRC, parts of the performance-based remunerations of the Company's senior management will be deferred and paid over a period of three years, with 50% deferred for the Chairman and the President and 40% deferred for other senior managers. The deferred, unpaid parts are included in the total remunerations received by the Company's senior management from the Company during the Reporting Period.
- (3) The Company's appraisal schemes for senior managers are determined by the Company as per business plans, risk management and compliance requirements, and social responsibility requirements. Appraisal results are linked to senior managers' performance-based remunerations and so on. Each of the Company's senior managers attained his/her performance goals for 2025.
- (4) In accordance with the CBIRC's *Guiding Opinions on Establishing and Improving Performance-based Remuneration Clawback Mechanisms for Banking and Insurance Institutions* and the Company's clawback mechanism, no clawback of performance-based remunerations from the Company's senior managers occurred during the Reporting Period.
- (5) The final remunerations of the Company's full-time Directors, Supervisors and senior management are being recognized, and will be disclosed after recognition in accordance with applicable rules.
- (6) Mr. He Jianfeng has voluntarily waived his remunerations (including the basic pay and the work allowance) for serving as a Non-executive Director of the Company during the Reporting Period. The total amount of remuneration waived by Mr. He Jianfeng in 2025 was RMB0.67 million before tax.
- (7) Mr. Jin Li has voluntarily waived part of his basic pay for serving as an Independent Non-executive Director of the Company during the Reporting Period. The total amount of remuneration waived by Mr. Jin Li in 2025 was RMB0.15 million before tax.

NUMBER OF EMPLOYEES BY PROFESSION AND EDUCATIONAL BACKGROUND

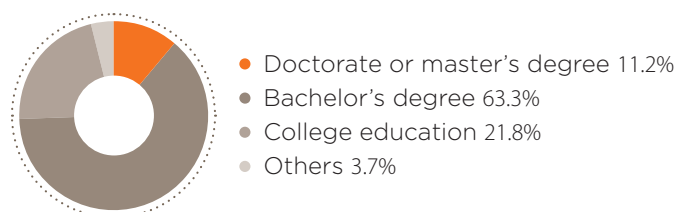
The Company actively implements a strategy of talent diversification, committed to providing a fair, just career development platform for employees of different genders, ages, ethnicities, and cultural backgrounds. The Company fosters a professional, inclusive, and open work environment, protecting the equal rights and interests of every employee.

As of December 31, 2025, the Company had 258,806 current employees, of whom 254,788 were in the parent company and major subsidiaries, as well as 678 retired employees for whom the parent company and major subsidiaries needed to bear costs. By profession, 139,992 of the current employees were in the insurance business, 41,698 in the banking business, 16,745 in the asset management business, 41,417 in the technology business, and 18,954 in other businesses. By education, 28,917 of the current employees held a doctorate or a master's degree, 163,942 held a bachelor's degree, 56,463 attained college education, and 9,484 had other educational backgrounds. By gender, 126,918 employees were male and 131,888 female.

By profession



By education



Directors, Supervisors, Senior Management and Employees

STAFF TRAINING PROGRAMS

Under the philosophy of “Knowledge Creates Value,” the Company adheres to a value-oriented and needs-oriented approach, dedicated to integrating employees’ self-growth and value realization with corporate development. The Company provides personalized learning and growth paths, diverse course resources and a smart learning platform for employees in different positions, at different levels and with different professional backgrounds. In this way, the Company boosts the value of both employees and the Company by supporting employees’ consistent, efficient learning and development.

In 2025, the Company focused on business development needs and strove to upgrade its digital training platform. By introducing functionalities including AI mentoring, AI coaching, AI examinations, and AI course development, the Company integrated AI deeply into digital training. The Company constantly used “learning points” to quantify employees’ learning outcomes, enhancing employees’ planning of learning and linking their learning outcomes to career development. Moreover, the Company provided diverse, high-quality course resources and innovative point-based engagement activities to foster employees’ learning habits and help them achieve learning goals. Over 99% of employees achieved the minimum requirements for learning points. Through the top-performer evaluation mechanism, the Company created a learning atmosphere of “comparison, study, catch-up, and surpassing.”

The Company consistently optimizes its career development and training framework covering all employees, all career stages and full lifecycles, building a broad platform for employee growth. In 2025, the Company comprehensively upgraded its new employee onboarding training system, and developed over 60 courses on new value-oriented culture for various groups, fully communicating, inheriting and implementing the Company’s culture. The Company developed 684 courses on sales, professional expertise and management, enhancing the training course system for core businesses. The Company constantly optimized and improved its specialized training mechanisms for management personnel, and conducted targeted training programs for core high-potential employees. These initiatives integrated lectures delivered by university professors, industry experts and top-tier consultants with diverse forms including corporate visits, rotational assignments and online seminars to deeply address the Company’s core issues and support senior management’s all-around transformation and upgrade.

The Company has developed a multi-dimensional curriculum system integrating compulsory and elective courses based on course content, competency levels and development stages to meet the needs of employee growth and company development. In respect of fundamental compulsory courses, the Company constantly developed learning content that all employees should know and master, focusing on “strategic culture, management standards, and core skills.” In respect of elective courses, the Company introduced over 10,000 high-quality general courses, enabling employees to select courses according to their own development stages and growth needs. The Company offered approximately 80,000 internal and external high-quality online courses as of December 31, 2025. Over 60 million trainees attended online training sessions, with an average of 53.14 hours of study per person in 2025.

The Company constantly upgraded professional on-the-job learning resources through platforms and mechanisms such as the on-the-job learning panoramas, intelligent coaching, and course sharing. The Company further refined its professional on-the-job training system in 2025. By leveraging AI, the Company extracted over 2,000 cases to build a corporate case library, further developed precise and standardized course content categorized by levels and types, while improving the exam question bank and diversifying exam formats. The Company is committed to providing employees with vocational skill certification services, establishing a dedicated certification zone and launching a certificate reimbursement channel. Moreover, the Company developed targeted training programs for staff in key business segments including insurance, banking, asset management and technology. These initiatives aim to help employees strengthen their professional skills and comprehensively enhance their job suitability.

Report of the Board of Directors and Significant Events

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiaries (the “Group”) comprise the provision of a wide range of financial products and services with a focus on the businesses of insurance, banking, asset management, and finance enablement. There were no significant changes in the nature of the Group’s principal activities during 2025.

MAJOR CUSTOMERS

Revenue from the Group’s five largest customers accounted for less than 1% of the total revenue for 2025.

IMPLEMENTATION OF CASH DIVIDEND POLICY AND PROFIT DISTRIBUTION PLAN DURING THE REPORTING PERIOD

Cash Dividend Policy

According to Article 184 of the *Articles of Association*, the Company shall attach importance to the reasonable investment returns for investors in its profit distribution. The profit distribution policy shall maintain its continuity and stability. The accumulated profit to be distributed in cash for the recent three years shall not be less than 30% of the average annual distributable profit realized in the recent three years, provided that the Company’s annual distributable profit (namely the Company’s profit after tax after covering the losses and making contributions to the surplus reserve) is positive in value and such distribution is in compliance with the prevailing laws and regulations and the requirements of regulatory authorities for solvency margin ratios. In determining a specific cash dividend payout ratio, the Company shall consider its profit, cash flow, solvency, and operational and business development requirements. The Board of Directors is responsible for formulating and implementing a distribution plan in accordance with the provisions of the *Articles of Association*.

In preparing a profit distribution plan, the Board of Directors shall fully listen to and take into account views and advice from shareholders (in particular the minority shareholders), independent directors, and independent supervisors in various ways. When a specific cash dividend distribution plan is put forward for consideration at a general meeting, a variety of channels shall be provided for communication and opinion exchange with shareholders, in particular the minority shareholders, whose opinions and demands shall be fully heard, and prompt responses shall be given to any issues the minority shareholders are concerned about.

Where an adjustment to our profit distribution policy is required due to the applicable laws and regulations and new rules promulgated by the CSRC regarding listed companies’ profit distribution policies or significant changes in the Company’s external business environment and/or operating situations, the adjustment shall be done for the purpose of safeguarding the shareholders’ interests and in strict compliance with the decision-making procedures. To this end, the Board of Directors shall draft an adjustment plan based on the operating situations of the Company and the applicable regulations of the CSRC, and then submit the adjustment plan to a general meeting for deliberation. Implementation of the adjustment plan is conditional upon approval by shareholders (including their proxies) holding at least two-thirds of voting rights present at the general meeting.

Report of the Board of Directors and Significant Events

Implementation of Profit Distribution Plan

The 2024 profit distribution plan of the Company was deliberated and approved at the 2024 Annual General Meeting, pursuant to which the Company paid in cash the 2024 final dividend of RMB1.62 (tax inclusive) per share, totaling RMB29,334,380,031.90 (tax inclusive) based on 18,107,641,995 shares, the actual number of shares entitled to the dividend distribution (exclusive of A shares of the Company in the repurchased securities account).

The Company's 2025 interim profit distribution plan was deliberated and approved at the 10th meeting of the 13th session of the Board of Directors held on August 26, 2025, pursuant to which the Company paid in cash the 2025 interim dividend of RMB0.95 per share (tax inclusive), totaling RMB17,202,259,895.25 (tax inclusive) based on 18,107,641,995 shares, the actual number of shares entitled to the dividend distribution.

The decision-making procedure and mechanism of the above profit distribution plans were complete, and the dividend payout standards and ratios were clear. The above profit distribution plans were in line with the *Articles of Association* and the applicable deliberation procedures, which fully protected the minority shareholders' legitimate interests. The above profit distribution plans have been implemented.

ANNUAL RESULTS AND PROFIT DISTRIBUTION

The Group's business results for 2025 are set out in the section headed "FINANCIAL STATEMENTS" of this Report.

As stated in the 2025 audited consolidated financial statements of the Group prepared under CAS and IFRS respectively, the net profit attributable to shareholders of the parent company was RMB134,778 million and the net profit of the parent company was RMB22,384 million. Pursuant to the *Articles of Association* and other relevant requirements, the Company shall make an appropriation to the statutory surplus reserve based on 10% of the net profit of the parent company as shown in the financial statements under CAS before determining the profit available for distribution to shareholders. Appropriation to the statutory surplus reserve may cease to apply if the balance of the statutory surplus reserve has reached 50% or more of the registered capital of the Company. After making the above profit distribution and carrying forward the retained profit from the previous year, in accordance with the *Articles of Association* and other applicable requirements, the profit available for distribution to shareholders of the Company based on undistributed profit in financial statements of the parent company under CAS or IFRS (whichever is lower) was RMB124,272 million.

The Company distributed the 2025 interim dividend of RMB0.95 per share (tax inclusive) in cash, which amounted to RMB17,202,259,895.25 (tax inclusive). The Board of Directors proposed to distribute the 2025 final dividend of RMB1.75 per share (tax inclusive) in cash to the shareholders of the Company. The actual total amount of final dividend payment is subject to the total number of shares that will be entitled to the dividend distribution on the record date. The total amount of the final dividend payment for 2025 is RMB31,688,373,491.25 (tax inclusive) based on the total share capital of 18,107,641,995 shares as of December 31, 2025. The final dividend payment will have no material impact on the Group's solvency margin ratios. After the final dividend payment, the Group's solvency margin ratios will still meet the relevant regulatory requirements. The remaining undistributed profit of the Company will be carried forward to 2026. The undistributed profit of the Company is mainly for the purpose of its organic capital accumulation to maintain reasonable solvency margin ratios as well as provide funding for subsidiaries to support subsidiaries' business development for stable shareholder returns and maintain subsidiaries' solvency margin or capital adequacy ratios at reasonable levels.

The above plan will be implemented upon deliberation and approval at the 2025 Annual General Meeting. The profit distribution plan is in line with the *Articles of Association* and the relevant deliberation procedures. The Company maintains the continuity and stability of its profit distribution policy, and fully protects the legitimate interests of all its shareholders including minority shareholders.

For dividend payouts of the Company over the past five years, please refer to the section headed “Liquidity and Capital Resources” of this Report.

DISTRIBUTABLE RESERVES

As of December 31, 2025, the Company’s distributable reserves totaled RMB124,272 million. The Company has proposed to distribute the 2025 final dividend of RMB1.75 per share (tax inclusive) in cash. After deduction of the 2025 final dividend, the remaining distributable reserves will be carried forward to 2026. Moreover, the Company’s capital reserve and surplus reserve amounted to RMB130,077 million, which can be distributed in a future capital issue.

SHARE CAPITAL

The change in the share capital of the Company in 2025 and the share capital structure of the Company as of December 31, 2025 are set out in the section headed “Changes in the Share Capital and Shareholders’ Profile” of this Report.

PROPERTY AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of changes in the property and equipment and investment properties of the Group during 2025 are set out in Notes 32 and 31 to the financial statements respectively.

PRE-EMPTIVE RIGHTS

According to the *Company Law of the People’s Republic of China* and the *Articles of Association*, the shareholders of the Company have no pre-emptive rights.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities or sold any of the Company’s treasury shares from January 1, 2025 to December 31, 2025.

Report of the Board of Directors and Significant Events

BONDS CONVERTIBLE INTO THE COMPANY'S H SHARES

On July 22, 2024, the Company issued an aggregate principal amount of USD3.5 billion 0.875% convertible bonds (convertible into the Company's H shares) due 2029 (the "2024 Convertible Bonds"), with an initial conversion price of HKD43.71 per H share. The 2024 Convertible Bonds have been listed and traded on the SEHK since July 23, 2024. According to the terms and conditions of the 2024 Convertible Bonds, considering the interim dividend declared by the Company for the six-month period ended June 30, 2025, the conversion price of the 2024 Convertible Bonds has been adjusted to HKD40.49 per H share (the "Third Adjusted Conversion Price") effective from September 19, 2025. For more details, please refer to the announcements published by the Company on the website of the HKEX (www.hkexnews.hk).

On June 11, 2025, the Company issued an aggregate principal amount of HKD11,765 million zero coupon convertible bonds (convertible into the Company's H shares) due 2030 (the "2025 Convertible Bonds," collectively referred to as the "Convertible Bonds" together with the "2024 Convertible Bonds"), with an initial conversion price of HKD55.02 per H share. The 2025 Convertible Bonds have been listed on the public market of Frankfurt Stock Exchange since July 7, 2025. According to the terms and conditions of the 2025 Convertible Bonds, considering the interim dividend declared by the Company for the six-month period ended June 30, 2025, the conversion price of the 2025 Convertible Bonds has been adjusted to HKD54.00 per H share (the "Adjusted Conversion Price") effective from September 19, 2025. For more details, please refer to the announcements published by the Company on the website of the HKEX (www.hkexnews.hk).

The total outstanding principal amounts of the 2024 Convertible Bonds and the 2025 Convertible Bonds were USD3.5 billion and HKD11,765 million respectively as of December 31, 2025. No conversion right of the Convertible Bonds was exercised, and neither any holder of the Convertible Bonds nor the Company exercised any redemption right during the Reporting Period.

Assuming the Convertible Bonds were fully converted on December 31, 2025, the dilutive effect on the Company's current issued shares and shareholding structure would be as follows:

Shareholder	H/A shares	Shareholding structure before full conversion of Convertible Bonds		Shareholding structure after full conversion of only 2024 Convertible Bonds at Third Adjusted Conversion Price		Shareholding structure after full conversion of only 2025 Convertible Bonds at Adjusted Conversion Price		Shareholding structure after full conversion of 2024 Convertible Bonds at Third Adjusted Conversion Price and 2025 Convertible Bonds at Adjusted Conversion Price	
		Number of shares	Approximate percentage of total issued shares (%)	Number of shares	Approximate percentage of total issued shares after dilution (%)	Number of shares	Approximate percentage of total issued shares after dilution (%)	Number of shares	Approximate percentage of total issued shares after dilution (%)
CP Group Ltd.	H	964,427,077	5.33	964,427,077	5.13	964,427,077	5.26	964,427,077	5.08
Shenzhen Investment Holdings Co., Ltd.	A	962,719,102	5.32	962,719,102	5.13	962,719,102	5.25	962,719,102	5.07
Holders of 2024 Convertible Bonds	H	-	-	674,923,437	3.59	-	-	674,923,437	3.55
Holders of 2025 Convertible Bonds	H	-	-	-	-	217,870,370	1.19	217,870,370	1.15
Other shareholders	A+H	16,180,495,816	89.36	16,180,495,816	86.15	16,180,495,816	88.29	16,180,495,816	85.16
Total	A+H	18,107,641,995	100.00	18,782,565,432	100.00	18,325,512,365	100.00	19,000,435,802	100.00

Note: Figures may not match the calculation due to rounding.

For the impact of full conversion of the Convertible Bonds on earnings per share, please refer to Note 18.(2) to the financial statements.

In view of the Group's financial and liquidity position, the Company expects to have the ability to fulfill its redemption obligation under the Convertible Bonds.

For the holders of the Convertible Bonds, when the Company's share price approaches the prevailing conversion price in the future, conversion or redemption based on the internal rate of return on the Convertible Bonds will be equally profitable.

Report of the Board of Directors and Significant Events

USE OF PROCEEDS FROM ISSUES OF BONDS CONVERTIBLE INTO THE COMPANY'S H SHARES

On July 22, 2024, the Company completed the issue of an aggregate principal amount of USD3.5 billion convertible bonds (convertible into the Company's H shares) due 2029 under a general mandate. Net proceeds from the issue of the 2024 Convertible Bonds amounted to approximately USD3,461 million, which will be used to further develop the Group's core business and strengthen the Group's capital position, to support the Group's new strategic initiatives in the health and senior care sectors, and for general corporate purposes. The Company had not used the net proceeds from the issue of the 2024 Convertible Bonds as of December 31, 2025. The Company expects to use the net proceeds in full within five years of the issue of the 2024 Convertible Bonds for the proposed purposes. There has been no change in the previously disclosed proposed purposes of the net proceeds. Going forward, the Company will use the proceeds in strict compliance with regulatory requirements, and perform corresponding regulatory procedures to ensure the use conforms with laws and regulations.

On June 11, 2025, the Company completed the issue of an aggregate principal amount of HKD11,765 million convertible bonds (convertible into the Company's H shares) due 2030 under a general mandate. Net proceeds from the issue of the 2025 Convertible Bonds amounted to approximately HKD11,668 million, which will be used to further develop the Group's core business and strengthen the Group's capital position, to support the Group's new strategic initiatives in the health and senior care sectors, and for general corporate purposes. The Company had not used the net proceeds from the issue of the 2025 Convertible Bonds as of December 31, 2025. The Company expects to use the net proceeds in full within five years of the issue of the 2025 Convertible Bonds for the proposed purposes. There has been no change in the previously disclosed proposed purposes of the net proceeds. Going forward, the Company will use the proceeds in strict compliance with regulatory requirements, and perform corresponding regulatory procedures to ensure the use conforms with laws and regulations.

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 latest practicable date prior to the issue of this Report, being March 26, 2026, at all times during the year ended December 31, 2025, not less than 20% of the Company's issued share capital (being the minimum public float applicable to the Company's shares) was held in public hands.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS AND REMUNERATIONS

The Company entered into service contracts with all the Directors and Supervisors in office. As of December 31, 2025, no Directors or Supervisors had a service contract with the Company or any of its subsidiaries which requires the Company to pay compensation (except statutory compensation) if the Company terminates the contract within one year.

Name lists of the Directors and Supervisors as well as details of their remunerations for the year ended December 31, 2025 are set out in Note 54 to the financial statements.

DIRECTORS' AND SUPERVISORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

In 2025, no Director or Supervisor of the Company or entity connected with the Directors or Supervisors had a material interest, directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES

In 2025, no right to acquire benefits by means of acquisition of shares or debentures of the Company was granted to or exercised by any Directors, Supervisors or their respective spouse or minor children, and neither the Company nor any of its subsidiaries was a party to any arrangement which enables the Directors or Supervisors to acquire any such rights in any other legal entity.

DIRECTORS' AND SUPERVISORS' INTERESTS IN A COMPETING BUSINESS

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

PERMITTED INDEMNITY PROVISION

The Company has renewed the liability insurance for Directors, Supervisors and senior management for the period from 2025 to 2026 for possible legal actions against its Directors, Supervisors and senior management arising out of corporate activities, which was in force during the Reporting Period and up to the date of this Report. The scope of the insurance covers the economic compensation liability for the economic loss suffered by a third party due to the negligent acts of the Company's Directors, Supervisors and senior management in performing their duties. The insurer shall offer the economic compensation in accordance with the terms and conditions of the insurance contract, with a sum insured of USD30 million and a premium of RMB1,951.8 thousand.

POST BALANCE SHEET EVENTS

Details of the post balance sheet events are set out in Note 60 to the financial statements.

AUDITORS

According to the resolution passed at the Company's 2024 Annual General Meeting, the Company engaged Ernst & Young Hua Ming LLP and Ernst & Young as the auditors of the Company's financial statements under CAS and IFRS respectively for the year 2025, and engaged Ernst & Young Hua Ming LLP as the auditor of the Company's internal controls.

GENERAL ANALYSIS OF EXTERNAL INVESTMENT

The Company is an integrated financial services group, and investment is one of its core businesses. The investment of insurance funds represents a majority of the investment of the Company. The utilization of insurance funds is subject to applicable laws and regulations. For details of the asset allocation of the Company's investment portfolio of insurance funds, please refer to the section headed "Performance Overview" of this Report.

Material Equity Investment

During the Reporting Period, there was no material equity investment that was required to be disclosed.

Material Non-Equity Investment

During the Reporting Period, there was no material non-equity investment that was required to be disclosed.

Financial Instruments Measured at Fair Value

Details of the Company's financial instruments measured at fair value are set out in Note 50 to the financial statements.

Report of the Board of Directors and Significant Events

SALE OF MAJOR ASSETS AND EQUITIES

During the Reporting Period, there was no sale of major assets and equities that was required to be disclosed.

Material Acquisitions and Disposals of Subsidiaries, Joint Ventures or Associates

A consortium formed by Zhuhai Huafa Group Co., Ltd. (“Huafa Group” representing the state-owned enterprises of Zhuhai Municipality), the Company, and Shenzhen SDG Co., Ltd. participated in the substantive consolidated restructuring (the “Founder Group Restructuring”) of Peking University Founder Group Company Limited, Peking University Founder Information Industry Group Co., Ltd., PKU Healthcare Industry Group Co., Ltd., Peking University Resources Group Limited, and Founder Industry Holdings Co., Ltd. (collectively the “Restructuring Entities”). Ping An Life participated on behalf of the Company in the Founder Group Restructuring, and entered into a restructuring investment agreement for the Founder Group Restructuring (the “*Restructuring Investment Agreement*”). The *Restructuring Plan (Draft) of Five Companies Including Peking University Founder Group Company Limited*, which was formulated on the basis of the *Restructuring Investment Agreement*, was resolved and approved at the creditors’ meeting held by the Restructuring Entities, and was approved by the civil order of the First Intermediate People’s Court of Beijing Municipality and came into effect on June 28, 2021.

In accordance with the terms of the *Restructuring Investment Agreement* and the selection of the debt repayment plan by the creditors of the Restructuring Entities, New Founder Group is held as to 66.51% and 28.50% by Ping An Life and Huafa Group (representing the state-owned enterprises of Zhuhai Municipality) through their shareholding platforms respectively, and a 4.99% equity interest in New Founder Group is held by the equity interest platform of Founder Group’s creditors. New Founder Group has completed corresponding change of business registration procedures.

For more information, please refer to the announcements published by the Company on the websites of the SSE (www.sse.com.cn) and the HKEX (www.hkexnews.hk).

MAJOR SUBSIDIARIES AND ASSOCIATES OF THE COMPANY

Details of major subsidiaries and associates of the Company are set out in Note 4.(1) and Note 29 to the financial statements respectively.

STRUCTURED ENTITIES CONTROLLED BY THE COMPANY

Structured entities controlled by the Company are detailed in Note 4.(2) to the financial statements.

CONNECTED TRANSACTIONS

In respect of connected transactions and continuing connected transactions, the Company has complied with requirements under the *SEHK Listing Rules* as amended from time to time. During the Reporting Period, the Company had no material connected transaction that was required to be disclosed under the *SEHK Listing Rules*. The Company’s related party transactions stated in accordance with the accounting standards used in the preparation of financial statements for the year ended December 31, 2025 are presented in Note 56 to the financial statements.

IMPLEMENTATION OF SHARE PURCHASE PLANS OF THE COMPANY

To align the interests of shareholders, the Company and employees, improve corporate governance, and establish and improve long-term incentive and restraint mechanisms, the Company has adopted the Key Employee Share Purchase Plan and the Long-term Service Plan. Total shares cumulatively held by the Key Employee Share Purchase Plan and the Long-term Service Plan do not exceed 10% of the Company’s total share capital. Total shares corresponding to the equity interest cumulatively vested in a single employee of the Company through the Key Employee Share Purchase Plan and the Long-term Service Plan do not exceed 1% of the Company’s total share capital.

Key Employee Share Purchase Plan

The Company has implemented the Key Employee Share Purchase Plan, which has a duration of six years, since 2015 as deliberated at the 16th meeting of the ninth Board held on October 28, 2014 and approved at the first extraordinary general meeting for 2015 held on February 5, 2015. The duration of the Key Employee Share Purchase Plan has been extended by six years to February 4, 2027 as deliberated at the 13th meeting of the 11th Board held on April 23, 2020. Participants in the Key Employee Share Purchase Plan are key employees of the Company and its subsidiaries, including directors, employee representative supervisors and senior management. The sources of funding are the employees' remunerations and performance bonuses. The amount that must be paid for each share by participants in the Key Employee Share Purchase Plan is the market price of such share at the time of purchase by the Company.

Eleven phases of the Key Employee Share Purchase Plan were implemented as of the end of the Reporting Period. Shares under each phase are subject to a one-year lock-up period after the purchase. After the lock-up period expires, one-third of the shares for each phase are unlocked each year and vested in phases in accordance with the Key Employee Share Purchase Plan. All the shares under the seven phases for 2015-2021 were unlocked, and the four phases for 2022-2025 were implemented as follows:

There were 1,703 participants in the Key Employee Share Purchase Plan for 2022. A total of 12,518,547 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB595,602,067.09 (expenses inclusive), accounting for approximately 0.068% of the Company's total share capital at that time.

There were 3,095 participants in the Key Employee Share Purchase Plan for 2023. A total of 15,030,180 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB693,562,104.08 (expenses inclusive), accounting for approximately 0.082% of the Company's total share capital at that time.

There were 2,207 participants in the Key Employee Share Purchase Plan for 2024. A total of 13,606,921 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB583,805,974.96 (expenses inclusive), accounting for approximately 0.075% of the Company's total share capital at that time.

There were 2,263 participants in the Key Employee Share Purchase Plan for 2025. A total of 11,379,524 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB605,411,451.82 (expenses inclusive), accounting for approximately 0.062% of the Company's total share capital at that time. For details of the share purchase, please refer to the *Announcement Regarding the Completion of Share Purchase under the 2025 Key Employee Share Purchase Plan* published by the Company on the websites of the HKEX and the SSE on June 19, 2025 and June 20, 2025 respectively.

During the Reporting Period, in accordance with the Key Employee Share Purchase Plan and applicable agreed rules, 3,918 employees qualified and 372 employees did not qualify for vesting under this phase. For the duration, 1,960,137 shares were forfeited.

The manager of the Key Employee Share Purchase Plan remained unchanged during the Reporting Period.

The Key Employee Share Purchase Plan held a total of 24,448,391 A shares of the Company as at the end of the Reporting Period and the date of this Annual Report, accounting for approximately 0.135% of the Company's total share capital.

Report of the Board of Directors and Significant Events

Long-term Service Plan

The Company has implemented the Long-term Service Plan, which has a duration of ten years, since 2019 as deliberated at the third meeting of the 11th Board held on October 29, 2018 and approved at the second extraordinary general meeting for 2018 held on December 14, 2018. For the Long-term Service Plan of the Company, the participants are the employees of the Company and its member companies including directors, employee representative supervisors, and senior management. The source of funding is the remunerations payable to employees. The amount that must be paid for each share by the participants of the Long-term Service Plan is the market price of such share at the time of purchase by the Company. Participants in the Long-term Service Plan may apply for vesting only when they are retiring from the Company, and will be awarded the shares after their applications have been approved and relevant taxes have been paid.

Seven phases of the Long-term Service Plan were implemented as of the end of the Reporting Period:

There were 31,026 participants in the Long-term Service Plan for 2019. A total of 54,294,720 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB4,296,112,202.60 (expenses inclusive), accounting for approximately 0.297% of the Company's total share capital at that time.

There were 32,022 participants in the Long-term Service Plan for 2020. A total of 49,759,305 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB3,988,648,517.41 (expenses inclusive), accounting for approximately 0.272% of the Company's total share capital at that time.

There were 90,960 participants in the Long-term Service Plan for 2021. A total of 57,368,981 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB4,184,093,674.69 (expenses inclusive), accounting for approximately 0.314% of the Company's total share capital at that time.

There were 90,960 participants in the Long-term Service Plan for 2022. A total of 93,314,482 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB4,438,825,366.37 (expenses inclusive), accounting for approximately 0.510% of the Company's total share capital at that time.

There were 83,651 participants in the Long-term Service Plan for 2023. A total of 96,608,364 A shares of the Company were purchased in the secondary market at market prices for a total amount of RMB4,450,946,615.20 (expenses inclusive), accounting for approximately 0.528% of the Company's total share capital at that time.

There were 75,175 participants in the Long-term Service Plan for 2024. A total of 106,896,000 H shares of the Company were purchased in the secondary market at market prices for a total amount of HKD3,845,543,293.31 (expenses inclusive), accounting for approximately 0.587% of the Company's total share capital at that time.

There were 83,024 participants in the Long-term Service Plan for 2025. A total of 74,615,000 H shares of the Company were purchased in the secondary market at market prices for a total amount of RMB3,875,379,402.99 (expenses inclusive), accounting for approximately 0.412% of the Company's total share capital at that time. For details of the share purchase, please refer to the *Announcement Regarding the Completion of Share Purchase under the 2025 Long-term Service Plan* published by the Company on the websites of the HKEX and the SSE on September 17, 2025 and September 18, 2025 respectively.

During the Reporting Period, in accordance with the Long-term Service Plan and applicable agreed rules, 193 employees qualified and applied for vesting, and their shares were vested; 7,213 employees were disqualified due to reasons including their resignation; and 30,272,498 shares were forfeited due to reasons including employees' resignation or failure to meet performance.

The manager of the Long-term Service Plan remained unchanged during the Reporting Period.

The Long-term Service Plan held a total of 572,008,874 A and H shares of the Company as at the end of the Reporting Period and the date of this Annual Report, accounting for approximately 3.159% of the Company's total share capital.

The Company has operated stably and healthily since the implementation of the Key Employee Share Purchase Plan and the Long-term Service Plan. The shareholders, the Company and the employees have shared benefits and risks, providing the strong foundations for further improving the Company's governance structure, establishing and strengthening long-term incentive and restraint mechanisms, and promoting the long-term, sustainable and healthy development of the Company.

IMPLEMENTATION OF SHARE INCENTIVE SCHEME OF THE COMPANY AND ITS EFFECTS

During the Reporting Period, the Company did not implement any share incentive scheme based on the Company's shares.

MATERIAL CONTRACTS AND THEIR PERFORMANCE

Guarantee

(in RMB million)		External guarantee of the Company and its subsidiaries (excluding the guarantee in favor of its subsidiaries)
Total external guarantee incurred during the Reporting Period		-
Total external guarantee balance as at the end of the Reporting Period		-
Guarantee of the Company and its subsidiaries in favor of its subsidiaries		
Total guarantee in favor of its subsidiaries incurred during the Reporting Period		2,994
Total guarantee balance in favor of its subsidiaries as at the end of the Reporting Period		14,947
Guarantee balance of the Company (including the guarantee in favor of its subsidiaries)		
Guarantee balance		14,947
Guarantee balance as a percentage of the Company's net assets (%)		1.5
Including: Direct or indirect guarantee for the companies with a total liabilities to total assets ratio over 70% (as of December 31, 2025)		4,377
The amount by which the total guarantee of the Company and its subsidiaries exceeded 50% of the Company's net assets		-

Notes: (1) The data set out in the table above does not include those arising from financial guarantee businesses conducted by the Company's controlled subsidiaries including Ping An Bank in strict compliance with the scope of business approved by regulatory authorities.

(2) The total guarantee incurred during the Reporting Period was the guarantee withdrawal of RMB13,221 million less the guarantee repayment of RMB10,227 million.

(3) As Ping An HealthKonnnect became a subsidiary of the Group on July 30, 2025, the total guarantee in favor of the Group's subsidiaries incurred during the Reporting Period includes Ping An HealthKonnnect's guarantee in favor of the Group's subsidiaries incurred from the date of consolidation to the end of the Reporting Period; the guarantee balance in favor of the Group's subsidiaries as at the end of the Reporting Period includes Ping An HealthKonnnect's guarantee balance in favor of the Group's subsidiaries.

Report of the Board of Directors and Significant Events

Specific Statements of Independent Non-Executive Directors on External Guarantees of the Company

According to the *Guidelines for Supervision of Listed Companies No.8 – Regulatory Requirements for Fund Transactions and External Guarantees of Listed Companies* issued by the CSRC, the Independent Non-executive Directors of the Company conducted a prudent review of the Company's external guarantees in 2025. Their specific statements are set out as follows:

1. The Company provided no guarantee to any controlling shareholder or other related parties in which the Company holds less than 50% shares, any non-legal-person entities, or individuals during the Reporting Period;
2. The total guarantee withdrawal provided by the Company and its subsidiaries during the Reporting Period amounted to RMB13,221 million. The total guarantee balance of the Company and its subsidiaries was RMB14,947 million as of December 31, 2025, representing 1.5% of the Company's net assets. The balance did not exceed 50% of the Company's net assets as stated in its consolidated financial statements for the latest fiscal year;
3. The Company strictly observed the approval procedures and internal control policies regarding external guarantee as set out in the *Articles of Association*, and there was no non-compliant external guarantee during the Reporting Period; and
4. The Company fulfilled its obligation to disclose information on external guarantee and honestly provided chartered accountants with all the details about the Company's external guarantee in strict accordance with the *SSE Listing Rules* and the *Articles of Association* during the Reporting Period.

Entrustment, Underwriting, Lease, Entrusted Asset Management, Entrusted Lending and Other Material Contracts

During the Reporting Period, the Company had no matter relating to entrustment, underwriting, lease or other material contracts that shall be disclosed.

The Company engaged in no entrusted asset management or entrusted lending outside its ordinary business scope during the Reporting Period. For details of the Company's entrusted asset management and entrusted lending, refer to the "Notes to the Consolidated Financial Statements."

INFORMATION OF TAX DEDUCTION FOR HOLDERS OF LISTED SECURITIES

Enterprise Income Tax of Overseas Non-Resident Enterprise Shareholders

Pursuant to the tax laws and regulations of the Chinese mainland, the Company is required to withhold 10% enterprise income tax when it distributes dividends to non-resident enterprise holders of H shares as listed on the Company's register of members on the record date, including Hong Kong Securities Clearing Company Nominees Limited.

If any resident enterprise (as defined in the *Enterprise Income Tax Law of the People's Republic of China*) listed on the Company's register of members of H shares on the record date which is duly incorporated in the Chinese mainland or under the laws of an overseas country (or region) but with a Chinese mainland-based de facto management body does not want the Company to withhold the said enterprise income tax, it shall submit to Computershare Hong Kong Investor Services Limited a legal opinion, at or before 4:30 p.m. one business day before closure of register of the H shareholders for the dividend, issued by a lawyer qualified to practice law in the Chinese mainland and inscribed with the seal of the applicable law firm, that verifies its resident enterprise status. The legal opinion shall be submitted by the Company to the applicable tax authorities for approval, and then excess portions of the tax amounts withheld can be refunded.

Individual Income Tax of Overseas Individual Shareholders

Pursuant to the applicable tax laws and regulations of the Chinese mainland, the individual resident shareholders outside the Chinese mainland shall pay individual income tax upon their receipt of the distributed dividends in respect of the shares issued by domestic non-foreign investment enterprises in Hong Kong, which shall be withheld by the Company on behalf of such individual shareholders at the tax rate of 10% in general. However, if the tax laws and regulations and relevant tax agreements state otherwise, the Company will withhold and pay the individual income tax based on the amount of the dividend at the relevant tax rate and in accordance with the procedures as stipulated.

Those individual resident shareholders outside the Chinese mainland who hold the shares issued by domestic non-foreign investment enterprises in Hong Kong may enjoy preferential treatments (if any) in accordance with the provisions of applicable tax agreements signed between the countries or regions where they belong by virtue of residential identification and the People's Republic of China as well as the tax arrangements made between the Chinese mainland and Hong Kong (Macao). Qualified shareholders are required to submit to Computershare Hong Kong Investor Services Limited a written authorization and relevant evidencing documents, at or before 4:30 p.m. one business day before closure of register of the H shareholders for the dividend, which shall be submitted by the Company to the applicable tax authorities for approval, and then excess portions of the tax amounts withheld can be refunded.

The Company will withhold the enterprise income tax and the individual income tax for shareholders as required by law on the basis of the Company's register of members of H shares on the record date. The Company assumes no liability and will not deal with any dispute over income tax withholding triggered by failure to submit proof materials within the stipulated time frame, and holders of the Company's H shares shall either personally or appoint a representative to attend to the procedures in accordance with the applicable tax laws and regulations of the Chinese mainland.

Income Tax of H Shareholders via the Hong Kong Stock Connect Program

For the Chinese mainland investors (including enterprises and individuals) investing in the Company's H shares via the Hong Kong Stock Connect Program, China Securities Depository and Clearing Corporation Limited, as the nominee holding H shares for investors via the Hong Kong Stock Connect Program, will receive the dividend distributed by the Company and distribute such dividend to the relevant investors through its depository and clearing system. The dividend to be distributed to the investors via the Hong Kong Stock Connect Program will be paid in RMB. Pursuant to the applicable tax laws and regulations of the Chinese mainland:

- For the Chinese mainland individual investors who invest in the Company's H shares via the Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20% in the distribution of the dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China Securities Depository and Clearing Corporation Limited for tax refund relating to the withholding tax already paid abroad.
- For the Chinese mainland securities investment funds that invest in the Company's H shares via the Hong Kong Stock Connect Program, the Company will withhold individual income tax in the distribution of the dividend pursuant to the above provisions.
- For the Chinese mainland enterprise investors that invest in the Company's H shares via the Hong Kong Stock Connect Program, the Company will not withhold income tax in the distribution of the dividend, and such investors shall declare and pay the tax on their own.

Report of the Board of Directors and Significant Events

Income Tax of A Shareholders via the Shanghai Stock Connect Program

For Hong Kong investors (including enterprises and individuals) investing in the Company's A shares via the Shanghai Stock Connect Program, pursuant to the applicable tax laws and regulations of the Chinese mainland, the dividend will be paid in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to Hong Kong Securities Clearing Company Limited, and the Company will withhold income tax at the rate of 10%.

For investors via the Shanghai Stock Connect Program who are tax residents of other countries or regions (excluding Hong Kong) which have entered into a tax treaty with the Chinese mainland stipulating a dividend tax rate of less than 10%, those enterprises or individuals may, or may appoint a withholding agent to, apply to the competent tax authorities of the Company for the entitlement to the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate under such tax treaty will be refunded.

All investors are requested to read this part carefully. Shareholders are recommended to consult their tax advisers on tax effects in the Chinese mainland, Hong Kong and other countries and regions regarding the holding and disposal of the Company's shares.

CORPORATE SUSTAINABILITY AND ENVIRONMENTAL PROTECTION

The Group and its principal subsidiaries actively fulfilled their social responsibilities, and none of them was an enterprise that shall be included in the list of enterprises required to disclose environmental information under law as stipulated by the ecology and environment authority of the PRC during the Reporting Period. For more information on the Company's fulfillment of corporate social responsibilities and environmental protection, please refer to the section headed "Sustainability" of this Report.

No administrative penalty was imposed on the Company due to environmental problems during the Reporting Period.

CHARITABLE AND OTHER DONATIONS

Charitable donations made by the Company in 2025 totaled RMB497 million.

SEIZURE, DISTRAINMENT OR FREEZE OF MAJOR ASSETS

During the Reporting Period, the Company had no event of seizure, distraintment or freeze of major assets that was required to be disclosed.

INTEGRITY CONDITIONS OF THE COMPANY

The Company had neither failure to abide by any effective judicial ruling, nor default on any substantial debt due during the Reporting Period.

RELATIONSHIPS WITH CUSTOMERS

The Group aims to provide customers with “worry-free, time-saving, and money-saving” premium financial services. Adhering to a “customer-centric” business philosophy, the Group has embedded consumer rights protection in its corporate governance, corporate culture and development strategy.

In accordance with applicable regulations of the NFRA, the Group has set up the Related Party Transaction Control and Consumer Rights Protection Committee under the Board of Directors. The Related Party Transaction Control and Consumer Rights Protection Committee oversees the protection of consumer rights, determines the responsibilities for consumer rights protection, improves the consumer rights protection framework, strengthens the implementation and oversight of decisions on consumer rights protection, conducts front-line supervision and examination of consumer protection and complaint handling, promotes consumer protection reviews and evaluations, enhances the consumer rights protection culture, ensures the effective implementation of strategic goals and policies for consumer rights protection, and constantly upgrades consumer rights protection capabilities.

MANAGEMENT AND CONTROL OVER SUBSIDIARIES

The Company implemented the *Measures for the Supervision and Administration of Insurance Group Companies* and managed the Group’s human resources, finance and accounting, data governance, information systems, fund utilization, branding, and corporate culture. The Company instructed its subsidiaries to establish standard corporate governance structures, and continued to improve the group-wide risk management, internal control, compliance and internal audit frameworks. Moreover, the Company organized its subsidiaries to monitor and assess the effectiveness of internal control systems in accordance with the *Basic Norms for Internal Controls of Enterprises* and the *Basic Principles for Internal Controls of Insurers*, consistently improving the Group’s operational efficiency and risk prevention capability. For the matters covered, high-risk areas and conclusions of the internal control assessments over subsidiaries, please refer to the section headed “Establishment and Perfection of the Internal Control System” of this Report.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Reporting Period, the Group maintained compliance with applicable laws and regulations that have significant impacts on the Group’s operations.

MATERIAL LITIGATION AND ARBITRATION

During the Reporting Period, the Company had no material litigation or arbitration that shall be disclosed.

PENALTIES AND RECTIFICATION

During the Reporting Period, neither the Company nor its Directors, Supervisors or senior management were investigated or subjected to coercive measures by competent authorities, detained by disciplinary inspection and supervisory authorities, transferred to judicial authorities or held accountable for criminal liabilities, investigated or subjected to administrative punishment by the CSRC, subjected to major administrative punishment by other competent authorities, or subjected to disciplinary action by any securities exchanges.

Report of the Board of Directors and Significant Events

FULFILLMENT OF UNDERTAKINGS

Undertakings in Respect of the Major Asset Restructuring with Shenzhen Development Bank

- (1) The Company undertakes that, after the completion of the major asset restructuring with Shenzhen Development Bank, and during the period when the Company remains as the controlling shareholder of Shenzhen Development Bank, and in respect of the businesses or commercial opportunities similar to those of Shenzhen Development Bank that the Company and other enterprises under its control intend to carry out or have substantially obtained whereby assets and businesses arising from such businesses or commercial opportunities may possibly form potential competition with those of Shenzhen Development Bank, neither the Company nor other enterprises under its control shall engage in the businesses identical or similar to those carried out by Shenzhen Development Bank, so as to avoid direct or indirect competition with Shenzhen Development Bank's operations.
- (2) The Company undertakes that, after the completion of the major asset restructuring with Shenzhen Development Bank, and in respect of transactions between the Company and other enterprises under its control and Shenzhen Development Bank which constitute related party transactions of Shenzhen Development Bank, the Company and other enterprises under its control shall enter into such transactions with Shenzhen Development Bank on the principles of openness, fairness and justness at fair and reasonable market prices, shall go through the decision-making process in accordance with applicable laws, regulations and regulatory documents, and shall perform their obligations of information disclosure as required by law. The Company undertakes that neither the Company nor other enterprises under its control shall procure any illegal interests or make Shenzhen Development Bank undertake any illicit obligations through transactions with Shenzhen Development Bank.
- (3) The Company undertakes that, after the completion of the major asset restructuring and during the period when the Company remains as the controlling shareholder of Shenzhen Development Bank, the Company shall maintain Shenzhen Development Bank's independence and ensure that Shenzhen Development Bank is independent from the Company and other enterprises under its control in respect of personnel, assets, finance, organization and business.

As of December 31, 2025, the above undertakings were still being performed and there was no breach of the above undertakings.

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

As far as is known to any Directors or Supervisors of the Company, as of December 31, 2025, the following persons (other than the Company's Directors, Supervisors and chief executives) had interests or short positions in the Company's shares and underlying shares which shall be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept under Section 336 of the SFO:

Name of substantial shareholder	H/A shares	Capacity	Notes	Number of H/A shares	Nature of interest	Percentage of total number of H/A shares in issue (%)	Percentage of total shares in issue (%)
CP Group Ltd.	H	Interest of controlled corporations	(1)	964,427,077	Long position	12.95	5.33
UBS Group AG	H	Interest of controlled corporations	(2)	630,115,163	Long position	8.46	3.48
		Interest of controlled corporations	(2)	508,305,022	Short position	6.83	2.81
BNP PARIBAS SA	H	Interest of controlled corporations	(3)	512,201,739	Long position	6.88	2.83
		Interest of controlled corporations	(3)	227,762,100	Short position	3.06	1.26
JPMorgan Chase & Co.	H	Beneficial owner	(4)	199,308,719	Long position	2.68	1.10
		Investment manager		99,968,696	Long position	1.34	0.55
		Person having a security interest in shares		54,644,816	Long position	0.73	0.30
		Trustee		47,096	Long position	0.00	0.00
		Approved lending agent	(4)	222,266,520	Lending pool	2.98	1.23
		Total:	(4)	576,235,847		7.74	3.18
		Beneficial owner	(4)	201,556,935	Short position	2.71	1.11
		Investment manager		16,241,430	Short position	0.22	0.09
BlackRock, Inc.	H	Interest of controlled corporations	(5)	456,670,203	Long position	6.13	2.52
		Interest of controlled corporations	(5)	10,098,400	Short position	0.14	0.06
Citigroup Inc.	H	Person having a security interest in shares	(6)	4,176	Long position	0.00	0.00
		Interest of controlled corporations	(6)	24,482,148	Long position	0.33	0.14
		Approved lending agent	(6)	416,508,018	Lending pool	5.59	2.30
		Total:	(6)	440,994,342		5.92	2.44
Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd.	H	Interest of controlled corporations	(6)	39,016,344	Short position	0.52	0.22
		Others	(7)	376,044,500	Long position	5.05	2.08
Shenzhen Investment Holdings Co., Ltd.	A	Beneficial owner		962,719,102	Long position	9.03	5.32

Report of the Board of Directors and Significant Events

- Notes: (1) According to the disclosure form filed by CP Group Ltd. on May 21, 2024, CP Group Ltd. was deemed to be interested in a total of 964,427,077 H shares (long position) of the Company by virtue of its control over several wholly-owned corporations.
- (2) According to the disclosure form filed by UBS Group AG on January 5, 2026, UBS Group AG was deemed to be interested in a total of 630,115,163 H shares (long position) and 508,305,022 H shares (short position) of the Company by virtue of its control over several corporations.
- The entire interests and short positions of UBS Group AG in the Company included 436,925,325 H shares (long position) and 322,647,497 H shares (short position) held through derivatives as follows:

Derivatives	Nature of interest	Number of H shares
Listed derivatives - Cash settled	Long position Short position	956,415 5,317,427
Listed derivatives - Convertible instruments	Long position Short position	132,379,955 99,063,406
Unlisted derivatives - Physically settled	Long position Short position	253,679,976 202,826,918
Unlisted derivatives - Cash settled	Long position Short position	49,908,979 15,439,746

- (3) According to the disclosure form filed by BNP PARIBAS SA on January 5, 2026, BNP PARIBAS SA was deemed to be interested in a total of 512,201,739 H shares (long position) and 227,762,100 H shares (short position) of the Company by virtue of its control over several corporations. The entire interests and short positions of BNP PARIBAS SA in the Company included 323,162,823 H shares (long position) and 59,242,986 H shares (short position) held through derivatives as follows:

Derivatives	Nature of interest	Number of H shares
Listed derivatives - Convertible instruments	Long position Short position	176,378,757 45,840,033
Unlisted derivatives - Cash settled	Long position Short position	139,378,609 4,211,904
Unlisted derivatives - Physically settled	Long position Short position	7,405,457 9,191,049

- (4) According to the disclosure form filed by JPMorgan Chase & Co. on January 6, 2026, JPMorgan Chase & Co. was deemed to be interested in a total of 576,235,847 H shares (long position) and 217,798,365 H shares (short position) of the Company. The entire interests and short positions of JPMorgan Chase & Co. in the Company included a lending pool of 222,266,520 H shares (long position). In addition, 185,616,615 H shares (long position) and 141,927,678 H shares (short position) were held through derivatives as follows:

Derivatives	Nature of interest	Number of H shares
Listed derivatives - Physically settled	Long position	17,350,500
	Short position	31,339,000
Listed derivatives - Cash settled	Long position	1,819,600
	Short position	3,041,850
Unlisted derivatives - Physically settled	Long position	22,368,936
	Short position	26,957,623
Unlisted derivatives - Cash settled	Long position	35,376,793
	Short position	49,986,248
Listed derivatives - Convertible instruments	Long position	108,700,786
	Short position	30,602,957

- (5) According to the disclosure form filed by BlackRock, Inc. on January 5, 2026, BlackRock, Inc. was deemed to be interested in a total of 456,670,203 H shares (long position) and 10,098,400 H shares (short position) of the Company by virtue of its control over several corporations. The entire interests and short positions of BlackRock, Inc. in the Company included 21,718,256 H shares (long position) and 10,098,400 H shares (short position) held through derivatives as follows:

Derivatives	Nature of interest	Number of H shares
Unlisted derivatives - Cash settled	Long position	10,199,500
	Short position	10,098,400
Listed derivatives - Convertible instruments	Long position	11,518,756

Report of the Board of Directors and Significant Events

- (6) According to the disclosure form filed by Citigroup Inc. on December 31, 2025, Citigroup Inc. was deemed to be interested in a total of 440,994,342 H shares (long position) and 39,016,344 H shares (short position) of the Company. The entire interests and short positions of Citigroup Inc. in the Company included a lending pool of 416,508,018 H shares (Long position). In addition, 16,231,667 H shares (long position) and 33,647,367 H shares (short position) were held through derivatives as follows:

Derivatives	Nature of interest	Number of H shares
Listed derivatives – Physically settled	Long position Short position	8,504,970 5,260,500
Listed derivatives – Convertible instruments	Long position	1,167,880
Unlisted derivatives – Physically settled	Long position Short position	2,356,687 20,017,341
Unlisted derivatives – Cash settled	Long position Short position	4,202,130 8,369,526

- (7) According to the disclosure form filed by the Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd. on September 11, 2025, the Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd. purchased and was interested in a total of 376,044,500 H shares (long position). As of December 31, 2025, the Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd. was interested in a total of 382,305,500 H shares (long position) of the Company.
- (8) The percentage figures may not add up to the presented totals due to rounding. The percentage figures are based on the number of shares of the Company as of December 31, 2025.

Save as disclosed above, to the best knowledge of the Directors and Supervisors, as of December 31, 2025, no person (other than the Company's Directors, Supervisors and chief executives) had any interest or short position in the Company's shares or underlying shares which shall be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept under Section 336 of the SFO.

By order of the Board of Directors

Ma Mingzhe
Chairman

Shenzhen, PRC
March 26, 2026

Report of the Supervisory Committee

During the Reporting Period, all the members of the Supervisory Committee duly carried out their supervisory duties in a stringent manner and adhered to the principle of good faith to effectively protect the rights and interests of the shareholders, the Company and its employees in accordance with the *Articles of Association*.

ATTENDANCE RECORDS OF SUPERVISORS

During the Reporting Period, the Supervisors attended three General Meetings and five Supervisory Committee meetings in person, and sat in on Board meetings held by the Company. The Supervisors devoted sufficient time and energy to the supervision work, and attached importance to professional learning and experience summarization to further improve their ability to perform duties. The Supervisors had no objection to the matters under supervision.

The attendance records of each Supervisor at the meetings are as follows:

Members	Date of Appointment as Supervisors	Meetings attended in person/ Meetings required to attend	
		General Meetings	Supervisory Committee Meetings
Employee Representative Supervisors			
Sun Jianyi (Chairman)	August 28, 2020	3/3	5/5
Wang Zhiliang	August 6, 2017	3/3	5/5
Independent Supervisors			
Zhu Xinrong	July 18, 2022	3/3	5/5
Liew Fui Kiang	July 18, 2022	3/3	5/5
Hung Ka Hai Clement	July 18, 2022	3/3	5/5

INSPECTIONS AND REVIEWS AT BRANCHES OF SUBSIDIARIES

All the members of the Supervisory Committee conducted on-site inspections and reviews at branches of subsidiaries including Ping An Bank, Ping An Life, Ping An P&C and Ping An Annuity in Inner Mongolia and Ningxia in September 2025. Opinions collected from employees were consolidated and an investigation report was submitted to the Company's management. The management paid high attention to relevant issues, tackled each of them, and submitted a written feedback report to all the Directors and Supervisors.

INDEPENDENT OPINIONS ON RELEVANT ISSUES FROM THE SUPERVISORY COMMITTEE

The Supervisory Committee held five meetings in 2025 to deliberate 22 proposals including the Work Report of the Supervisory Committee for 2024 and the Report on Consumer Rights Protection of Ping An Group for 2024 and the First Half of 2025, hear 13 reports on the annual performance appraisal results of the Company's senior management, internal control assessment and evaluation, performance in reputation risk management, and the implementation of the relevant regulatory opinions and requirements of the NFRA, and review 10 filed documents including a brief report on the Company's compliance with governance guidelines, internal audit reports, and the meeting minutes of the Audit and Risk Management Committee under the Board of Directors. All the Supervisors fulfilled their duties strictly and exercised their voting rights appropriately.

Report of the Supervisory Committee

Lawful Operations

During the Reporting Period, the Company operated and managed its businesses in accordance with laws and regulations, and its operational results were objective and truthful. There was substantial development and improvement in the depth and breadth of internal control management, and the internal control system was complete, reasonable and effective. The Company's operational decision-making processes were legitimate. The Directors and senior management were cautious, conscientious and diligent in the business operations and management processes, and they were not found to have breached any laws, regulations, or the *Articles of Association* or harmed the shareholders' interests.

Authenticity of the Financial Statements

Ernst & Young Hua Ming LLP and Ernst & Young have issued the standard unqualified auditor's reports in accordance with the PRC and international auditing standards respectively on the Company's financial statements for 2025. The financial statements truthfully, accurately, and completely reflect the Company's financial status and operating results.

Use of Proceeds

Use of proceeds raised is presented in the section headed "Report of the Board of Directors and Significant Events" of this Report. During the Reporting Period, there was no violation of rules in the use and management of the proceeds.

Related Party Transactions

The Supervisory Committee considered the related party transactions of the Company to be fair and reasonable during the Reporting Period, and did not find any harm against the interests of the shareholders and the Company.

Internal Control System

During the Reporting Period, the Supervisory Committee heard the *Internal Control Assessment and Evaluation Report of Ping An*, and was of the opinion that the Company had set up a complete, reasonable and effective internal control system.

Performance of the Board of Directors and Senior Management in Reputation Risk Management

Members of the Supervisory Committee, by sitting in on the Board meetings and reviewing reports, heard the reports made by the senior management on the Company's reputation risk management, and supervised the Board's performance in reputation risk management.

Implementation of the Resolutions Approved by the General Meetings

Members of the Supervisory Committee sat in on the Board meetings and the General Meetings, and had no objection to the reports and proposals submitted to the General Meetings by the Board of Directors. The Supervisory Committee monitored the implementation of the resolutions approved by the General Meetings, and was of the opinion that the Board of Directors could duly implement the resolutions approved by the General Meetings.

Implementation of the Cash Dividend Policy

The Supervisory Committee acknowledges that the Board of Directors strictly carried out the cash dividend policy and the shareholder return plan, performed relevant decision-making procedures for cash dividends in strict compliance, and disclosed relevant information truthfully, accurately and completely.

Appraisal of Directors' Performance of Duties

All Supervisors evaluated the composition of the Board of Directors, Directors' meeting attendance records, participation in training sessions and provision of opinions, and concluded unanimously that all the Company's Directors performed their duties and responsibilities as stipulated under applicable laws, regulations and the *Articles of Association* in a faithful, loyal, diligent and conscientious manner in 2025. Specialized committees of the Board of Directors fully performed their duties and provided professional opinions and advice for the Board of Directors' decision-making processes. All Supervisors agree that the performance appraisal results of all the Company's Directors for 2025 are "competent."

Appraisal of Senior Management's Performance of Duties

During the Reporting Period, the Company's management strictly abided by the *Articles of Association* and carried out business management in a lawful and compliant manner; all the senior management of the Company duly performed their duties and responsibilities in accordance with relevant requirements including loyalty and diligence obligations.

Implementation of the Company's Information Disclosure Management Rules

During the Reporting Period, the Supervisory Committee supervised the Company's information disclosure, reviewed the Company's regular reports, and put forward written review opinions. No violation of laws or regulations was found in the Company's information disclosure throughout the year.

Performance of the Board of Directors and Senior Management in Operational Risk Management

Members of the Supervisory Committee, by sitting in on the Board meetings and reviewing reports, heard the reports made by the senior management on the Company's operational risk management, and supervised the performance of the Board and senior management in operational risk management. The Company's overall operational risk was kept under control in line with regulatory requirements on operational risk appetites and limits in 2025.

SUMMARY

In accordance with the *Rules for Appraisal of Supervisors' Performance of Duties*, the Supervisory Committee organized and conducted the appraisal of Supervisors' performance of duties for 2025. According to comprehensive evaluation, all the Company's Supervisors performed their duties and responsibilities as stipulated under applicable laws, regulations and the *Articles of Association* in a faithful, loyal, diligent and conscientious manner in 2025, and the performance appraisal results of all the Company's Supervisors for 2025 are "competent."

By order of the Supervisory Committee

Sun Jianyi

Chairman of the Supervisory Committee

Shenzhen, PRC

March 26, 2026

Independent Auditor's Report

To the shareholders of Ping An Insurance (Group) Company of China, Ltd.
(Incorporated in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Ping An Insurance (Group) Company of China, Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 200 to 371, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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 IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") 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 ("HKSAs") as issued by the Hong Kong Institute of Certified Public Accountants ("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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter

How our audit addressed the key audit matter

Valuation of insurance contract liabilities

As at 31 December 2025, the Group's insurance contract liabilities amounted to RMB5,360,910 million, representing 43% of total liabilities. We identified the valuation of insurance contract liabilities as a key audit matter, as it requires significant estimates and judgements.

The valuation of insurance contract liabilities involves significant judgement and estimates over the eligibility for the measurement approach, the determination of coverage unit and the uncertain future cash flows.

With the support of our internal experts, we performed the following audit procedures:

- Reviewed the Group's accounting policies in relation to the valuation of insurance contract liabilities.
- Evaluated and tested the design and operating effectiveness of key controls over the valuation of insurance contract liabilities.
- Evaluated and tested the design and operating effectiveness of the related IT systems and controls over the valuation of insurance contract liabilities, including IT general controls, data transmission and computational logic of the related systems.

Independent Auditor's Report

KEY AUDIT MATTERS (CONTINUED)

Key audit matter

How our audit addressed the key audit matter

Valuation of insurance contract liabilities (continued)

Complex actuarial models and actuarial assumptions with highly judgemental nature are used to support the valuation of insurance contract liabilities. Key assumptions include mortality, morbidity, lapse rates, discount rates, expenses, claim ratios, policy dividends and risk adjustment for non-financial risk, etc.

Relevant disclosures are included in Note 2.(27), Note 3.(4), Note 3.(5), Note 3.(6), Note 3.(7), Note 43 and Note 49.(1) to the consolidated financial statements.

- Evaluated the reasonableness of key judgements and assumptions.
- Assessed the appropriateness of the valuation approaches of insurance contract liabilities. Performed independent recalculation on insurance contract liabilities of selected typical insurance products or groups of insurance contracts.
- Tested the completeness and accuracy of the underlying data used in the valuation of insurance contract liabilities.
- Evaluated the overall reasonableness of the insurance contract liabilities by performing movement analysis and assessing the impact of changes in assumptions.

KEY AUDIT MATTERS (CONTINUED)

Key audit matter

Impairment assessment of loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income

As at 31 December 2025, the Group's loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income represented 25%, 9% and 23% of total assets and the amounts of expected credit loss provision for loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income were RMB89,988 million, RMB63,041 million and RMB12,506 million respectively.

We identified the impairment assessment of loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income as a key audit matter, as it involves significant management judgements and assumptions.

The Group uses a number of models and assumptions in the measurement of expected credit losses, for example:

- Significant increase in credit risk - The selection of criteria for identifying significant increase in credit risk is highly dependent on judgement and may have a significant impact on the expected credit losses for loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income with longer remaining periods to maturity.

How our audit addressed the key audit matter

We evaluated and tested the design and operating effectiveness of key controls over the approval process, post approval credit management, credit rating system, collateral monitoring, deferred principal and interest payments as well as impairment assessment of loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income, including relevant data quality and information systems.

We adopted a risk-based sampling approach in our credit review procedures on loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income. We assessed the debtors' repayment capacity and evaluated the Group's credit rating, taking into consideration post lending or investing investigation reports, debtors' financial information, collateral valuation reports and other available information.

With the support of our internal experts, we evaluated and tested the important parameters of the expected credit loss model, management's significant judgements and related assumptions, mainly focusing on the following aspects.

- 1) Expected credit loss model:
 - In response to the macroeconomic changes, we assessed the reasonableness of the expected credit loss model methodology and related parameters, including probability of default, loss given default, exposure at default, and significant increase in credit risk.

Independent Auditor's Report

KEY AUDIT MATTERS (CONTINUED)

Key audit matter

How our audit addressed the key audit matter

Impairment assessment of loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income (continued)

- Models and parameters – Inherently complex models are used to measure expected credit losses. Modelled parameters have numerous inputs and the parameter estimation involves many judgements and assumptions.
- Forward-looking information – Expert judgement is used to create macroeconomic forecasts and to consider the impact on expected credit losses under multiple economic scenarios given different weights.
- Individual impairment assessment – Identifying credit impaired loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income requires consideration of a range of factors, and individual impairment assessments are dependent upon estimates of future cash flows.

Relevant disclosures are included in Note 2.(11), Note 3.(3), Note 24, Note 26, Note 27 and Note 49.(3) to the consolidated financial statements.

- Assessed the forward-looking information management used to determine expected credit losses, including the forecasts of macroeconomic variables and the assumptions and weightings of multiple macroeconomic scenarios.
- Evaluated the models and the related assumptions used in individual impairment assessment and analysed the amount, timing and likelihood of management's estimated future cash flows, especially cash flows from collateral.
- 2) Design and operating effectiveness of key controls:
 - Evaluated and tested the data and processes used to determine expected credit losses, including business data, internal credit rating data, macroeconomic data, as well as impairment system computational logic, inputs and interfaces among relevant systems.
 - Evaluated and tested key controls over expected credit loss models, including approval of model changes, ongoing monitoring of model performance, model validation and parameter calibration.

We evaluated and tested the design and operating effectiveness of internal controls related to disclosures of credit risk and impairment allowance.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises 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 THE DIRECTORS 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 IFRS Accounting Standards as issued by the IASB 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit and Risk Management Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Independent Auditor's Report

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. Our report is made 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 HKSAAs 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.

As part of an audit in accordance with HKSAAs, we exercise professional judgement 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

We communicate with the Audit and Risk Management Committee 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 the Audit and Risk Management Committee 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 the Audit and Risk Management Committee, 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 *Cheung Bing Yin Benny* (practising certificate number: *P06447*).

Ernst & Young
Certified Public Accountants

Hong Kong
26 March 2026

Consolidated Income Statement

For the year ended 31 December 2025

(in RMB million)	Notes	2025	2024
Insurance revenue	6	559,502	551,186
Interest revenue from banking operations	7	169,704	197,961
Interest revenue from non-banking operations	8	135,798	123,627
Fees and commission revenue from non-insurance operations	9	52,235	45,786
Investment income	10	154,544	161,074
Share of profits and losses of associates and joint ventures		(4,804)	(3,479)
Other revenues and other gains	11	73,345	65,191
Total revenue		1,140,324	1,141,346
Insurance service expenses	12	(453,268)	(449,102)
Allocation of reinsurance premiums paid		(16,098)	(14,692)
Less: Amount recovered from reinsurer		11,032	11,091
Net insurance finance expenses for insurance contracts issued	43(5)	(179,978)	(172,662)
Less: Net reinsurance finance income for reinsurance contracts held		336	960
Interest expenses on banking operations	7	(81,042)	(104,048)
Fees and commission expenses on non-insurance operations	9	(8,703)	(7,841)
Net impairment losses on financial assets	13	(72,079)	(85,582)
Net impairment losses on other assets	14	(2,330)	(7,177)
Foreign exchange gains/(losses)		618	380
General and administrative expenses	15(2)	(86,216)	(84,052)
Changes in insurance premium reserves		(198)	(356)
Interest expenses on non-banking operations		(21,609)	(19,405)
Other expenses	15(3)	(45,199)	(38,365)
Total expenses		(954,734)	(970,851)
Profit before tax	15(1)	185,590	170,495
Income tax	16	(27,289)	(23,762)
Profit for the year		158,301	146,733
Attributable to:			
– Owners of the parent		134,778	126,607
– Non-controlling interests		23,523	20,126
		158,301	146,733
Earnings per share attributable to ordinary equity holders of the parent:		RMB	RMB
– Basic	18(1)	7.68	7.16
– Diluted	18(2)	7.44	6.99

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

(in RMB million)	2025	2024
Profit for the year	158,301	146,733
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Changes in the fair value of debt instruments at fair value through other comprehensive income	(123,843)	242,840
Credit risks provision of debt instruments at fair value through other comprehensive income	2,169	(1,111)
Insurance finance income/(expenses) for insurance contracts issued	87,168	(298,681)
Reinsurance finance (expenses)/income for reinsurance contracts held	(626)	669
Reserve from cash flow hedging instruments	(121)	291
Exchange differences on translation of foreign operations	(1,283)	777
Share of other comprehensive income of associates and joint ventures	(854)	1,610
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	68,304	44,167
Insurance finance expenses for insurance contracts issued	(34,572)	(30,871)
Share of other comprehensive income of associates and joint ventures	(294)	1,524
Other comprehensive income for the year, net of tax	(3,952)	(38,785)
Total comprehensive income for the year	154,349	107,948
Attributable to:		
- Owners of the parent	132,133	86,993
- Non-controlling interests	22,216	20,955
	154,349	107,948

Consolidated Statement of Financial Position

As at 31 December 2025

(in RMB million)	Notes	31 December 2025	31 December 2024
Assets			
Cash and amounts due from banks and other financial institutions	19	1,189,867	1,018,027
Balances with the Central Bank	20	250,168	265,552
Financial assets purchased under reverse repurchase agreements	21	183,497	91,840
Accounts receivable		43,678	36,006
Derivative financial assets	22	30,002	68,698
Reinsurance contract assets		25,515	26,084
Finance lease receivable	23	258,202	210,176
Loans and advances to customers	24	3,409,074	3,391,837
Financial assets at fair value through profit or loss	25	2,713,327	2,377,074
Financial assets at amortized cost	26	1,270,569	1,232,450
Debt financial assets at fair value through other comprehensive income	27	3,231,435	3,186,937
Equity financial assets at fair value through other comprehensive income	28	609,550	356,493
Investments in associates and joint ventures	29	141,251	185,514
Statutory deposits for insurance operations	30	15,380	16,404
Investment properties	31	128,259	119,158
Property and equipment	32	46,934	48,603
Intangible assets	33	83,478	97,263
Right-of-use assets	34	8,322	8,527
Deferred tax assets	46	114,640	122,012
Other assets	35	145,323	99,172
Total assets		13,898,471	12,957,827
Equity and liabilities			
Equity			
Share capital	36	18,108	18,210
Reserves	37	215,070	221,594
Treasury shares	40	-	(5,001)
Retained profits	37	767,241	693,797
Equity attributable to owners of the parent		1,000,419	928,600
Non-controlling interests	37	415,569	376,112
Total equity		1,415,988	1,304,712

(in RMB million)

Notes

31 December 2025

31 December 2024

Liabilities

Due to banks and other financial institutions	41	1,104,609	838,183
Financial liabilities at fair value through profit or loss		221,829	172,768
Derivative financial liabilities	22	46,862	74,937
Assets sold under agreements to repurchase	42	643,547	462,292
Accounts payable		5,791	6,871
Income tax payable		11,095	14,970
Insurance contract liabilities	43	5,360,910	4,984,795
Reinsurance contract liabilities		537	569
Customer deposits and payables to brokerage customers	44	3,809,246	3,710,167
Bonds payable	45	853,661	967,042
Lease liabilities	34	8,407	8,801
Deferred tax liabilities	46	6,647	13,977
Other liabilities	47	409,342	397,743
Total liabilities		12,482,483	11,653,115
Total equity and liabilities		13,898,471	12,957,827

The financial statements on pages 200 to 371 were approved and authorized for issue by the Board of Directors on 26 March 2026 and were signed on its behalf.

MA Mingzhe
Director

XIE Yonglin
Director

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

(in RMB million)	For the year ended 31 December 2025											
	Reserves											
	Share capital	Share premium	Financial assets at FVOCI reserves	Insurance finance expenses for insurance contracts issued	Others	Surplus reserve funds	General reserves	Exchange differences on translation of foreign operations	Treasury shares	Retained profits	Non-controlling interests	Total equity
As at 1 January 2025	18,210	129,606	477,602	(541,249)	(4,498)	12,164	144,314	3,655	(5,001)	693,797	376,112	1,304,712
Profit for the year	-	-	-	-	-	-	-	-	-	134,778	23,523	158,301
Other comprehensive income for the year	-	-	(51,945)	52,354	(1,816)	-	-	(1,238)	-	-	(1,307)	(3,952)
Total comprehensive income for the year	-	-	(51,945)	52,354	(1,816)	-	-	(1,238)	-	134,778	22,216	154,349
Dividends declared (Note 17)	-	-	-	-	-	-	-	-	-	(46,537)	-	(46,537)
Appropriations to general reserves	-	-	-	-	-	-	16,363	-	-	(16,363)	-	-
Disposal of equity investments at fair value through other comprehensive income	-	-	(798)	506	(1,274)	-	-	-	-	1,566	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(9,310)	(9,310)
Acquisition of subsidiaries	-	-	-	-	(11,273)	-	-	-	-	-	5,506	(5,767)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	(17,753)	(17,753)
Equity transactions with non-controlling interests	-	-	-	-	255	-	-	-	-	-	(1,086)	(831)
Contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	-	540	540
Key Employee Share Purchase Plan (Note 38)	-	-	-	-	3	-	-	-	-	-	-	3
Long-term Service Plan (Note 39)	-	-	-	-	(3,202)	-	-	-	-	-	-	(3,202)
Cancellation of repurchased shares (Note 36)	(102)	(4,899)	-	-	-	-	-	-	5,001	-	-	-
Other equity instruments issued/redeemed by subsidiaries	-	-	-	-	-	-	-	-	-	-	39,816	39,816
Others	-	-	-	-	440	-	-	-	-	-	(472)	(32)
As at 31 December 2025	18,108	124,707	424,859	(488,389)	(21,365)	12,164	160,677	2,417	-	767,241	415,569	1,415,988

For the year ended 31 December 2024

(in RMB million)	Reserves											
	Share capital	Share premium	Financial assets at FVOCI reserves	Insurance finance expenses for insurance contracts issued	Others	Surplus reserve funds	General reserves	Exchange differences on translation of foreign operations	Treasury shares	Retained profits	Non-controlling interests	Total equity
As at 1 January 2024	18,210	123,739	195,899	(214,296)	13,092	12,164	130,353	2,801	(5,001)	622,050	329,953	1,228,964
Profit for the year	-	-	-	-	-	-	-	-	-	126,607	20,126	146,733
Other comprehensive income for the year	-	-	283,538	(327,950)	3,944	-	-	854	-	-	829	(38,785)
Total comprehensive income for the year	-	-	283,538	(327,950)	3,944	-	-	854	-	126,607	20,955	107,948
Dividends declared (Note 17)	-	-	-	-	-	-	-	-	-	(44,002)	-	(44,002)
Appropriations to general reserves	-	-	-	-	-	-	13,961	-	-	(13,961)	-	-
Disposal of equity investments at fair value through other comprehensive income	-	-	(1,835)	997	(2,265)	-	-	-	-	3,103	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(13,178)	(13,178)
Acquisition of subsidiaries	-	-	-	-	(16,607)	-	-	-	-	-	32,842	16,235
Equity transactions with non-controlling interests	-	5,867	-	-	7	-	-	-	-	-	(8,547)	(2,673)
Contributions from non-controlling interests	-	-	-	-	-	-	-	-	-	-	33	33
Key Employee Share Purchase Plan (Note 38)	-	-	-	-	(17)	-	-	-	-	-	-	(17)
Long-term Service Plan (Note 39)	-	-	-	-	(3,042)	-	-	-	-	-	-	(3,042)
Other equity instruments issued/redeemed by subsidiaries	-	-	-	-	-	-	-	-	-	-	13,562	13,562
Others	-	-	-	-	390	-	-	-	-	-	492	882
As at 31 December 2024	18,210	129,606	477,602	(541,249)	(4,498)	12,164	144,314	3,655	(5,001)	693,797	376,112	1,304,712

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

(in RMB million)	Notes	2025	2024
Net cash flows from operating activities	53	658,632	382,474
Cash flows from investing activities			
Purchases of property and equipment, intangibles and other long-term assets		(8,355)	(6,678)
Proceeds from disposal of property and equipment, intangibles and other long-term assets, net		708	409
Proceeds from disposal of investments		3,229,275	2,007,272
Purchases of investments		(4,014,957)	(2,624,731)
Acquisition of subsidiaries, net		(949)	-
Disposal of subsidiaries, net		9,488	-
Interest received		163,151	145,533
Dividends received		61,686	61,944
Net cash flows used in investing activities		(559,953)	(416,251)
Cash flows from financing activities			
Capital injected into subsidiaries by non-controlling interests		76,739	38,252
Proceeds from bonds issued		878,243	891,175
Increase in assets sold under agreements to repurchase of insurance operations, net		230,683	156,749
Proceeds from borrowings		93,075	97,127
Repayment of borrowings		(1,083,496)	(1,038,128)
Interest paid		(21,094)	(17,762)
Dividends paid		(56,052)	(56,907)
Increase/(decrease) in insurance placements from banks and other financial institutions, net		4,199	(1,200)
Payment of shares purchased for Long-term Service Plan		(3,875)	(3,540)
Repayment of lease liabilities		(4,500)	(4,922)
Payment of redemption for other equity instruments by subsidiaries		(36,150)	(24,500)
Others		(2,384)	(5,393)
Net cash flows from financing activities		75,388	30,951
Net increase/(decrease) in cash and cash equivalents		174,067	(2,826)
Net foreign exchange differences		(2,888)	1,399
Cash and cash equivalents at the beginning of the year		479,045	480,472
Cash and cash equivalents at the end of the year	52	650,224	479,045

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

1. CORPORATE INFORMATION

Ping An Insurance (Group) Company of China, Ltd. (the “Company”) was registered in Shenzhen, the People’s Republic of China (the “PRC”) on 21 March 1988. The business scope of the Company includes investing in insurance enterprises, supervising and managing various domestic and overseas businesses of subsidiaries, conducting insurance funds investment, domestic and overseas insurance and other business approved by regulators. The Company and its subsidiaries are collectively referred to as the Group. The Group mainly provides integrated financial products and services and is engaged in life insurance, property and casualty insurance, trust, securities, banking and other businesses.

The registered office address of the Company is 47th, 48th, 109th, 110th, 111th and 112th Floors, Ping An Finance Center, No. 5033 Yitian Road, Futian District, Shenzhen, Guangdong Province, China.

These consolidated financial statements are presented in millions of Renminbi (“RMB”) unless otherwise stated.

2. MATERIAL ACCOUNTING POLICIES

(1) BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, amendments to IFRS Accounting Standards and interpretations issued by the International Accounting Standards Board, also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the applicable disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for some financial instruments, insurance contract assets or liabilities and reinsurance contract assets or liabilities.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

(2) ISSUED BUT NOT YET EFFECTIVE STANDARDS, AMENDMENTS AND INTERPRETATIONS

The Group has not adopted the following revised IFRS Accounting Standards that have been issued but are not yet effective.

Standards/Amendments	Content	Effective for annual periods beginning on or after
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2) ISSUED BUT NOT YET EFFECTIVE STANDARDS, AMENDMENTS AND INTERPRETATIONS (CONTINUED)

IFRS 18

IFRS 18 replaces IAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required.

In accordance with the requirements of IFRS 18, the Group initiated a dedicated implementation program in 2025. Multiple rounds of simulation testing, targeted training on the new standard, and enhancements to financial systems have been carried out to support the implementation. The Group's systems, business processes, and disclosure mechanisms are being refined to meet the presentation and disclosure requirements of IFRS 18, ensuring a smooth transition. The adoption of IFRS 18 is expected to result in presentation changes in the statement of profit or loss and disclosure changes in the notes.

Except for IFRS 18, these amendments are not expected to have any significant impact on the Group's financial statements.

(3) BUSINESS COMBINATIONS AND GOODWILL

Business combinations that are not under common control are accounted for using the acquisition method. The cost of an acquisition is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or a liability that is a financial instrument and within the scope of IFRS 9 is measured at fair value with changes in fair value either recognized in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IFRS 9, it is measured in accordance with the appropriate IFRS Accounting Standards. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the net identifiable assets acquired and liabilities assumed. If the sum of this consideration and the amount recognized for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognized in profit or loss as a gain on bargain purchase.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(3) BUSINESS COMBINATIONS AND GOODWILL (CONTINUED)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognized. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

(4) BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends, are eliminated on consolidation in full, unless the transaction provides evidence of an impairment of the transferred asset.

Total comprehensive income within a subsidiary is still attributed to the non-controlling interest even if it results in a deficit balance.

If the Group loses control over a subsidiary, it:

- (a) Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- (b) Derecognizes the carrying amount of any non-controlling interest;
- (c) Derecognizes the cumulative translation differences recorded in equity;
- (d) Recognizes the fair value of the consideration received;
- (e) Recognizes the fair value of any investment retained;
- (f) Recognizes any surplus or deficit in profit or loss; and
- (g) Reclassifies the Group's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(5) SUBSIDIARIES

A subsidiary is an entity (including structured entities) over which the Company has control. The Company controls an entity when the Company has power over an entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

(6) STRUCTURED ENTITIES

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, and the relevant activities are directed by means of contractual or related arrangements.

The Group determines whether it is an agent or a principal in relation to those structured entities in which the Group acts as an asset manager on management's judgement. If an asset manager is agent, it acts primarily on behalf of others and so does not control the structured entity. It may be principal if it acts primarily for itself, and therefore controls the structured entity.

The Group has determined that all of its fund products, trust products, debt investment plans, equity investment plans and asset funding plans, which are not controlled by the Group, are unconsolidated structured entities. Fund products, trust products, equity investment plans and asset funding plans are managed by affiliated or unaffiliated trust companies or asset managers and invest the funds raised in bonds, stocks and loans or equities of other companies. Debt investment plans are managed by affiliated or unaffiliated asset managers and its major investment objectives are infrastructure funding projects. Fund products, trust products, debt investment plans, equity investment plans and asset funding plans finance their operations by issuing beneficiary certificates which entitle the holders to agreed stake according to contractual terms in the respective fund products', trust products', debt investment plans', equity investment plans' and asset funding plans' income.

The Group holds beneficiary certificates in its fund products, trust products, debt investment plans, equity investment plans and asset funding plans.

(7) ASSOCIATES

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of post-acquisition profit or loss is recognized in the income statement, and its share of post-acquisition movements in other comprehensive income is recognized 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 equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Unrealized gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealized losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(7) ASSOCIATES (CONTINUED)

The financial statements of the associates are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize impairment losses on the Group's investments in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the income statement.

Upon loss of significant influence over the associate, the Group measures and recognizes any remaining investment at its fair value. Any differences between the carrying amount of the associate upon loss of significant influence and the fair value of the remaining investment, as well as the gain on disposal of the associates, are recognized in profit or loss.

The results of associates are included in the Group's income statement to the extent of dividends received and receivable. The Group's investments in associates are treated as non-current assets and are stated at cost less any impairment losses.

(8) JOINT VENTURES

The Group has assessed the nature of its joint ventures and determined them to be joint ventures. The Group has rights to the net assets of these joint ventures. The Group's investments in its joint ventures are accounted for using the equity method of accounting, less any impairment losses. Refer to Note 2.(7) for details of the equity method of accounting.

(9) FOREIGN CURRENCIES

These financial statements are presented in RMB, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognized in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss on change arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognized in other comprehensive income or profit or loss is also recognized in profit or loss and other comprehensive income, respectively).

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(9) FOREIGN CURRENCIES (CONTINUED)

The functional currency of most of overseas subsidiaries is the Hong Kong dollar. At the end of the reporting period, the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their income statements are translated into RMB at the average exchange rate for the year. The resulting exchange differences are recognized in other comprehensive income and accumulated in the exchange differences on translation of foreign operations reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in the income statement.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates for their functional and currencies ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rate for the year.

(10) CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash on hand, demand deposits, current accounts with the Central Bank and short term highly liquid investments including assets purchased under reverse repurchase agreements and others which are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired.

(11) FINANCIAL ASSETS

Recognition

The Group shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument.

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

Classification and measurement

The Group classifies its financial assets in the following measurement categories, which depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows:

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

The Group determines the classification of debt investments according to its business model and the contractual cash flow characteristics of the financial assets. 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. Otherwise, the classification of debt investments will depend on the business model provided the fair value option is not elected. Investments in equity instruments are classified as FVPL in general, except those designated as at FVOCI.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(11) FINANCIAL ASSETS (CONTINUED)

Classification and measurement (Continued)

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds, etc. 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:

- (a) **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at FVPL are measured at amortized cost. Interest income from these financial assets is included in the interest revenue using the effective interest rate method. Any gain or loss arising from derecognition or impairment is recognized directly in profit or loss. Such assets held by the Group mainly include cash and amounts due from banks and other financial institution, balances with the Central Bank, accounts receivable, finance lease receivable, financial assets at AC, loans and advances to customers measured at AC, etc.
- (b) **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, and that are not designated at FVPL 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 recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Interest income from these financial assets is included in the interest revenue using the effective interest rate method. Such assets held by the Group mainly include debt financial assets at FVOCI and loans and advances to customers measured at FVOCI, etc.
- (c) **FVPL:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. The gains or losses from fair value changes on the debt investments measured at FVPL are recognized in profit or loss. The Group also irrevocably designate financial assets at fair value through profit or loss if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases.

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, representing a return on such investments, continue to be recognized in profit or loss when the Group's right to receive payments is established.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(11) FINANCIAL ASSETS (CONTINUED)

Impairment

Expected credit loss refers to the weighted average amount of credit loss of financial instruments based on the probability of default. Credit loss refers to the difference between all contractual cash flows that are due to the entity in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and FVOCI, and with the exposure arising from loan commitments and financial guarantee contracts that are not accounted for as “insurance contracts”. A number of significant judgements are required in measuring the expected credit loss (“ECL”), such as:

- (a) Choosing appropriate models and assumptions for the measurement of ECL including exposure at default (EAD), probability of default (PD), loss given default (LGD), etc.;
- (b) Determining criteria for significant changes in credit risk;
- (c) Forward-looking information.

For the financial instruments subject to ECL measurement, the Group assesses the significant increase in credit risk since initial recognition or whether an instrument is considered to be credit impaired, outlines a “three-stage” model expected credit loss models are established and staging definition are set for each of these financial assets class. Incorporating forward-looking information, expected credit losses for financial assets are recognized into the different stages and measured the impairment provisions respectively.

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 are measured at an amount equal to the 12-month expected credit losses 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 (“SICR”) 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 are measured based on expected credit losses 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 are measured based on expected credit losses on lifetime basis.

For the financial instruments at Stage 1 and Stage 2, the interest income is calculated based on its gross carrying amount (i.e., amortized cost) before adjusting for impairment provision using the effective interest method. For the financial instruments at 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. Financial assets that are originated or purchased credit impaired are financial assets that are impaired at the time of initial recognition, and the impairment provision for these assets is the expected credit loss for the entire lifetime since initial recognition as purchased or originated credit-impaired financial assets.

The Group recognizes or reverses the impairment provision through profit or loss. For debt instruments measured at FVOCI, impairment gains or losses are included in the net impairment losses on financial instruments and correspondingly reduce the accumulated changes in fair value included in the other comprehensive income reserves of equity.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(11) FINANCIAL ASSETS (CONTINUED)

Impairment (Continued)

For account receivables, the Group refers to historical experience of credit loss, combines with current situation and forward-looking information, formulate the lifetime expected credit loss of the financial assets.

For loan commitments' the loss allowance is recognized as a provision. However, for contracts that include both a loan and an undrawn commitment and the Group cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognized together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognized as a provision.

Derecognition

Financial assets are derecognized when:

- (a) the contractual rights to receive the cash flows from the financial assets have expired;
- (b) they have been transferred and the Group transfers substantially all the risks and rewards of ownership;
- (c) they have been transferred and the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

When the equity financial assets measured at FVOCI are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to retained profits. When the other financial assets are derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

(12) FINANCIAL LIABILITIES

At initial recognition, the Group classifies a financial liability at fair value through profit or loss or other financial liabilities. 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. Transaction costs of financial liabilities carried at FVPL are expensed in profit or loss.

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

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(12) FINANCIAL LIABILITIES (CONTINUED)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and other financial liabilities designated as such at initial recognition. Financial liabilities held for trading are the financial liabilities that:

- (a) are incurred principally for the purpose of repurchasing in the near term;
- (b) on initial recognition are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking;
- (c) are derivatives (except for a derivative that is a designated and effective hedging instrument or a financial guarantee contract).

The above financial liabilities are subsequently measured at fair value. All the realized and unrealized gains/(losses) are recognized in profit or loss.

The Group may, at initial recognition, designate a financial liability as at fair value through profit or loss when one of the following criteria is met:

- (a) it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases;
- (b) a group of financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel;
- (c) a contract contains one or more embedded derivatives, with the host being not an asset within the scope of IFRS 9, and the embedded derivative(s) do(es) significantly modify the cash flows.

Once designated as financial liabilities at fair value through profit or loss at initial recognition, the financial liabilities shall not be reclassified to other financial liabilities in subsequent periods. Financial liabilities designated at FVPL are subsequently measured at fair value. Any changes in fair value are recognized in profit or loss, except for changes in fair value arising from changes in the Group's own credit risk which are recognized in other comprehensive income. Changes in fair value due to changes in the Group's own credit risk are not subsequently reclassified to profit or loss upon derecognition of the liabilities.

Other financial liabilities

The Group measures other financial liabilities subsequently at amortized cost, using the effective interest method. Other financial liabilities of the Group mainly include customer deposits and payables to brokerage customers, short-term borrowings, long-term borrowings and bonds payable, etc.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(12) FINANCIAL LIABILITIES (CONTINUED)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss, which incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. The Group initially measures such contracts at fair value. The fair value at inception is likely to equal the premium received. This amount is recognized rateably over the period of the contract in fees and commission income. Subsequently, the liabilities arising from the financial guarantee contracts are measured at the higher of premium received on the initial recognition less income recognized in accordance with the principles of IFRS 15, and the amount of impairment provision calculated as described in Note 2.(11) -impairment.

Apart from the above financial guarantee contracts issued by the Group's banking operations and loan related operations which are accounted for under IFRS 9, the Group has also regarded certain financial guarantee contracts as insurance contracts.

Convertible bonds

The Group issues convertible bonds with the terms determining whether they contain both liabilities and equity components. If the convertible bonds issued only contain liability components and embedded derivatives, and the conversion option of convertible bonds exhibits characteristics of an embedded derivative, it is separated from its liability component. On initial recognition, the derivative component of the convertible bonds is measured at fair value and presented as part of derivative financial instruments. Any excess of proceeds over the amount initially recognized as the derivative component is recognized as the liability component. Transaction costs are apportioned between the liability and derivative components of the convertible bonds based on the allocation of proceeds to the liability and derivative components when the instruments are initially recognized. The portion of the transaction costs relating to the liability component is recognized initially as part of the liability. The portion relating to the derivative component is recognized immediately in the statement of profit or loss.

(13) DERIVATIVE FINANCIAL INSTRUMENTS

The Group's derivative financial instruments mainly include interest rate swaps, forward currency contracts and swap transaction, credit swap and stock index futures, etc. Such derivative financial instruments are initially recognized at fair value on the date of which the related derivative contracts are entered into and are subsequently measured at fair value. All derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Except for those related to hedge accounting, the gains or losses from fair value changes of derivatives are recognized in profit or loss.

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host-with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(13) DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

If a hybrid contract contains a host that is not an asset within the scope of IFRS 9, an embedded derivative shall be separated from the host and accounted for as a derivative if, and only if:

- (a) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host;
- (b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- (c) the hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss (i.e., a derivative that is embedded in the hybrid contract at fair value through profit or loss is not separated).

For the above assets, the Group may bifurcate the embedded derivative and measured it at fair value through profit or loss, or designate the entire hybrid instrument to be measured at fair value through profit or loss.

(14) FAIR VALUE OF FINANCIAL INSTRUMENTS

For financial instruments where there is active market, the fair value is determined by quoted prices in active markets. For financial instruments where there is no active market, the fair value is determined by using valuation techniques. Such techniques should be appropriate in the circumstances for which sufficient data is available, and the inputs should be consistent with the objective of estimating the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions, and maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Such techniques include using recent prices in arm's length transactions, reference to the current market value of another instrument which is substantially the same, discounted cash flow analysis and/or option pricing models. For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate for similar instruments. Certain financial instruments, including derivative financial instruments, are valued using pricing models that consider, among other factors, contractual and market prices, correlation, time value of money, credit risk, yield curve volatility factors and/or prepayment rates of the underlying positions. The use of different pricing models and assumptions could produce materially different estimates of fair values.

Determining whether to classify financial instruments into level 3 of the fair value hierarchy is generally based on the significance of the unobservable factors involved in valuation methodologies.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(15) OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized 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.

(16) ASSETS PURCHASED UNDER REVERSE REPURCHASE AGREEMENTS AND ASSETS SOLD UNDER REPURCHASE AGREEMENTS

Assets sold under repurchase agreements continue to be recognized but a liability is recognized and presented as “assets sold under agreements to repurchase” for the proceeds from selling such assets. The Group may be required to provide additional collateral based on the fair value of the underlying assets and such non-cash collateral assets continue to be recognized on the balance sheet. The difference between the selling price and repurchasing price is recognized as interest expense over the term of the agreement using the effective interest method.

The amounts advanced under these agreements are recognized and presented as “financial assets purchased under reverse repurchase agreements”. The Group may not take physical possession of assets purchased under such agreements. In the event of default by the counterparty to repurchase the assets, the Group has the right to the underlying assets. The difference between the purchasing price and reselling price is recognized as interest income over the term of the agreement using the effective interest method.

Sale of assets under repurchase agreements and purchase of assets under reverse repurchase agreements conducted in the bank and securities businesses are included in the operating activities of consolidated statement of cash flows and sale of assets under repurchase agreements and purchase of assets under reverse repurchase agreements conducted in the insurance business are included in the financing and investing activities of consolidated statement of cash flows.

(17) FINANCE LEASE RECEIVABLE AND UNEARNED FINANCE INCOME

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. At the commencement of the lease term, the Group recognizes the minimum lease payments receivable by the Group, the initial direct costs and the unguaranteed residual value in the finance lease receivable. The difference between (a) the aggregate of the minimum lease payments, the unguaranteed residual value and the initial direct costs and (b) the aggregate of their present values is recognized as unearned finance lease income. Finance lease receivable net of unearned finance lease income which represents the Group's net investment in the finance lease is presented as finance lease receivable in the consolidated statement of financial position. Unearned finance lease income is allocated over the lease term based on a pattern reflecting a constant periodic return on the Group's net investment in the finance lease, and is recognized as “other revenues and other gains”.

The impairment provision measurement and derecognition of finance lease receivable are complied with the basic accounting policy of the financial assets (Note 2.(11)). The Group incorporates forward-looking information in estimating the expected credit loss for finance lease receivable. The Group derecognizes finance lease receivables when the rights to receive cash flows from the finance lease have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Refer to Note 13 and Note 23 for details.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(18) PRECIOUS METALS

The Group's precious metals represent gold and other precious metals. Precious metals that are not related to the Group's precious metals trading activities are initially measured at acquisition cost and subsequently measured at the lower of cost and net recoverable amount. Precious metals acquired by the Group for trading purposes are initially measured at fair value and subsequent changes in fair value are recorded in income statement.

(19) INVESTMENT PROPERTIES

Investment properties are interests in land and buildings that are held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost, which is the fair value of the consideration given to acquire them, including transaction costs. Subsequently, all investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is computed on a straight-line basis, after taking into account the estimated residual value (0% to 10% of original cost), over the estimated useful lives. The estimated useful lives of investment properties vary from 15 to 40 years.

The useful life and depreciation methods are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from the individual investment properties.

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

Transfers to, or from, investment properties are made when, and only when, there is evidence of a change in use or the investment property is sold.

(20) PROPERTY AND EQUIPMENT

Property and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the income statement in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalized as an additional cost of that asset or as a replacement.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(20) PROPERTY AND EQUIPMENT (CONTINUED)

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 principal assumptions used for this purpose are as follows:

	Estimated residual values	Estimated useful lives
Leasehold improvements	-	Over the shorter of economic useful lives and terms of the leases
Buildings	0% - 10%	15 - 40 years
Equipment, furniture and fixtures	0% - 17%	2 - 15 years
Motor vehicles	0% - 15%	3 - 25 years

The useful lives and depreciation methods are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from the items of property and equipment.

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

(21) CONSTRUCTION IN PROGRESS

Construction in progress mainly represents costs incurred in the construction of building premises, as well as the cost of equipment pending installation, less any impairment losses.

No provision for depreciation is made on construction in progress until such time the relevant assets are completed and ready for use.

(22) INTANGIBLE ASSETS (OTHER THAN GOODWILL)

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 as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized on the straight-line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(22) INTANGIBLE ASSETS (OTHER THAN GOODWILL) (CONTINUED)

Core deposits

Core deposits are accounts that a financial institution expects to maintain for an extended period of time due to ongoing business relationships. The intangible asset value associated with core deposits reflects the present value of additional cash flow resulted from the use of the deposits at a lower cost alternative source of funding in the future periods.

Expressway operating rights

Expenditures on acquiring the expressway operating rights are capitalized as intangible assets and subsequently amortized on the straight-line basis over the contract terms.

Prepaid land premiums

Prepaid land premiums are prepayments for land under PRC law for fixed periods. Prepaid land premiums are initially stated at cost and subsequently amortized on the straight-line basis over the lease terms. All lands related to the Group's prepaid land premiums are located in Mainland China.

Trademarks

Trademarks are initially stated at cost and subsequently amortized on the straight-line basis over the estimated useful lives.

The estimated useful lives of intangible assets are set as below:

	Estimated useful lives
Expressway operating rights	20 – 30 years
Prepaid land premiums	26 – 50 years, indefinite
Core deposits	5 years, 20 years
Trademarks	10 – 40 years, indefinite
Software and others (including patents and know-how, customer relationships and contract rights, etc.)	2 – 40 years

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(23) FORECLOSED ASSETS

Foreclosed assets are initially recognized at fair value. The difference between the initial fair value and the sum of the related loan principal, interest receivable and impairment provision is taken into the income statement. At the end of the reporting period, the foreclosed assets are measured at the lower of their carrying value and net recoverable amount. When the carrying value of the foreclosed assets is higher than the net recoverable amount, a provision for the decline in value of foreclosed assets is recognized as impairment losses in the income statement.

(24) INVENTORIES

The Group's inventories comprise raw materials, product in progress, finished goods, other supplemental materials, etc. and lands purchased for property development by real estate subsidiaries. Inventory is initially measured at cost which includes purchasing cost, processing cost and other costs which made the inventory to the present place and condition.

The actual cost of inventory is priced based on moving weighted average method.

At the end of the reporting period, inventory is measured at the lower of its cost and net realizable value. If the net realizable value is lower than cost, inventory impairment provisions are allotted.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and related taxes. Estimates of net recoverable amount are based on the most reliable evidence available at the time the estimates are made, also taking into consideration the purpose for which the inventory is held and the influence of events after the end of the reporting period.

Inventory impairment provisions should be accrued when the cost of individual inventory item is higher than its net realizable value.

After allotting inventory impairment provisions, if the influencing factors of previous inventory impairment provisions have disappeared, and hence the net realizable value of the inventories is higher than their cost, the previous written down amount should be recovered and the reversed amount which is within the amount of original allotted inventory impairment provisions should be included in current profit and loss.

(25) IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date whether there is an indication that a non-financial asset other than deferred tax assets may be impaired. If any such indication exists, or when annual impairment testing for a non-financial asset is required, the Group makes an estimate of the asset's recoverable amount. A non-financial asset's recoverable amount is the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. Where the carrying amount of a non-financial asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to disposal, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(25) IMPAIRMENT OF NON-FINANCIAL ASSETS (CONTINUED)

For non-financial assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the Group makes an estimate of the recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such a reversal is recognized in the income statement.

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units), to which the goodwill relates. The recoverable amount is the higher of its fair value less costs to disposal and its value-in-use, determined on an individual asset (or cash-generating unit) basis, unless the individual asset (or cash-generating unit) does not generate cash flows that are largely independent from those of other assets or groups of assets (or groups of cash-generating units). Impairment losses recognized in relation to goodwill are not reversed for subsequent increases in its recoverable amount.

Intangible assets with indefinite useful lives are tested for impairment annually at each year end either individually or at the cash-generating unit level, as appropriate.

(26) INSURANCE GUARANTEE FUND

The Group calculates the insurance guarantee fund based on the sum of benchmark rate and risk differential rate for the year:

- (a) Benchmark rate: 0.8% of the consideration received for property insurance, short-term health insurance and accident insurance; 0.3% of the consideration received for life insurance, long-term health insurance and annuities; including 0.05% of the consideration received for investment-linked insurance.
- (b) Risk differential rate: based on the result of the solvency integrated risk rating.

No additional provision is required for Ping An Life Insurance Company of China, Ltd. ("Ping An Life"), Ping An Annuity Insurance Company of China, Ltd. ("Ping An Annuity") and Ping An Health Insurance Company of China, Ltd. ("Ping An Health Insurance"), when the accumulated insurance guarantee fund balances of life insurance industry reach 1% of the industry total assets. For Ping An Property & Casualty Insurance Company of China, Ltd. ("Ping An Property & Casualty"), no additional provision is required when the accumulated balance of property and casualty insurance industry reaches 6% of the industry total assets.

The consideration received used in the calculation of the insurance guarantee fund is the amount agreed in the insurance policies, excluding VAT.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS

(27.1) Definition of insurance contract

Insurance contract is a contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Insured event is an uncertain future event covered by an insurance contract that creates insurance risk. Insurance risk is the risk, other than financial risk, transferred from the holder of a contract to the issuer.

The Group applies International Financial Reporting Standard 17 *Insurance Contracts* ("IFRS 17") to:

- (a) insurance contracts, including reinsurance contracts, the Group issues;
- (b) reinsurance contracts the Group holds;
- (c) insurance contracts the Group acquired in a transfer of insurance contracts or a business combination;
- (d) investment contracts with discretionary participation features the Group issues.

Reinsurance contract is an insurance contract issued by the reinsurer to compensate the cedent for claims arising from one or more insurance contracts issued by the cedent.

Investment contract with discretionary participation features is a financial instrument that provides a particular investor with the contractual right to receive, as a supplement to an amount not subject to the discretion of the issuer, additional amounts:

- (a) that are expected to be a significant portion of the total contractual benefits;
- (b) the timing or amount of which are contractually at the discretion of the issuer; and
- (c) that are contractually based on the returns on specified items.

Insurance contract with direct participation features is an insurance contract that meet the following conditions at inception:

- (a) the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- (b) the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- (c) the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Reinsurance contracts issued and reinsurance contracts held cannot be insurance contracts with direct participation features.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.2) Identification of insurance contract

The Group assesses the significance of insurance risk contract by contract. A contract is an insurance contract only if it transfers significant insurance risk. A contract that meets the definition of an insurance contract remains an insurance contract until all rights and obligations are extinguished (i.e., discharged, cancelled or expired), unless the contract is derecognized because of a contract modification.

Below assessments are performed to determine whether the insurance risk is significant:

- (a) Insurance risk is significant if, and only if, an insured event could cause the Group to pay additional amounts that are significant in any single scenario that has commercial substance, even if the insured event is extremely unlikely, or even if the expected probability-weighted present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract. The additional amounts refer to the present value of amounts that exceed those that would be payable if no insured event had occurred. Those additional amounts include claims handling and assessment costs.
- (b) In addition, a contract transfers significant insurance risk only if there is a scenario that has commercial substance in which the Group has a possibility of a loss on a present value basis. However, even if a reinsurance contract does not expose the issuer to the possibility of a significant loss, that contract is deemed to transfer significant insurance risk if it transfers to the reinsurer substantially all the insurance risk relating to the reinsured portions of the underlying insurance contracts.

(27.3) Combination of insurance contracts

A set or series of insurance contracts with the same or a related counterparty may achieve, or be designed to achieve, an overall commercial effect. In order to report the substance of such contracts, the Group treats the set or series of contracts as a whole.

(27.4) Separating components from an insurance contract

An insurance contract may contain more components. The Group separates the following non-insurance components from such contracts:

- (a) embedded derivatives that should be separated in accordance with IFRS 9;
- (b) distinct investment components, except for those that can meet the definition of investment contract with discretionary participation features;
- (c) promises to transfer distinct goods or services other than insurance contract services.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.4) Separating components from an insurance contract (Continued)

Investment component is the amounts that an insurance contract requires the Group to repay to a policyholder in all circumstances, regardless of whether an insured event occurs. An investment component is distinct if, and only if, both the following conditions are met:

- (a) the investment component and the insurance component are not highly interrelated. An investment component and an insurance component are highly interrelated if, and only if:
 - (i) the Group is unable to measure one component without considering the other. Thus, if the value of one component varies according to the value of the other, the two components are highly interrelated; or
 - (ii) the policyholder is unable to benefit from one component unless the other is also present. Thus, if the lapse or maturity of one component in a contract causes the lapse or maturity of the other, the two components are highly interrelated; and
- (b) a contract with equivalent terms is sold, or could be sold, separately in the same market or the same jurisdiction, either by entities that issue insurance contracts or by other parties.

Insurance contract services are the services that the Group provides to a policyholder of an insurance contract, including: coverage for an insured event (insurance coverage); for insurance contracts without direct participation features, the generation of an investment return for the policyholder (investment-return service); and for insurance contracts with direct participation features, the management of underlying items on behalf of the policyholder (investment-related service). The Group separates from an insurance contract a promise to transfer distinct goods or services other than insurance contract services to a policyholder. For the purpose of separation, the Group does not consider activities that the Group must undertake to fulfil a contract unless the Group transfers a good or service other than insurance contract services to the policyholder as those activities occur. A good or service other than an insurance contract service promised to a policyholder is distinct if the policyholder can benefit from the good or service either on its own or together with other resources readily available to the policyholder. A good or service other than an insurance contract service that is promised to the policyholder is not distinct if: the cash flows and risks associated with the good or service are highly interrelated with the cash flows and risks associated with the insurance components in the contract; and the Group provides a significant service in integrating the good or service with the insurance components.

After the separation of any cash flows related to embedded derivatives and distinct investment component, the Group attributes the remaining cash flows to insurance component (including unseparated embedded derivatives, non-distinct investment component and promises to transfer goods or services other than insurance contract services which are not distinct) and promises to transfer distinct goods or services other than insurance contract services.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.5) Level of aggregation of insurance contracts

The Group identifies portfolios of insurance contracts. A portfolio comprises contracts subject to similar risks and managed together. The Group divides portfolios of insurance contracts into groups of insurance contracts and applies the recognition and measurement requirements to the groups of insurance contracts. Insurance contracts issued more than one year apart are not included in the same group. The Group determines the group to which contracts belong by considering individual contracts. If the Group has reasonable and supportable information to conclude that a set of contracts will all be in the same group, the Group may measure the set of contracts to determine the group.

The Group divides a portfolio of insurance contracts issued into a minimum of:

- (a) a group of contracts that are onerous at initial recognition, if any;
- (b) a group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently, if any; and
- (c) a group of the remaining contracts in the portfolio, if any.

(27.6) Recognition of insurance contracts

The Group recognizes a group of insurance contracts it issues from the earliest of the following:

- (a) the beginning of the coverage period of the group of contracts;
- (b) the date when the first payment from a policyholder in the group becomes due; and
- (c) for a group of onerous contracts, when the group becomes onerous.

For individual contract that meet one of the criteria set out above, the Group determines the group to which it belongs at initial recognition and does not reassess the composition of the groups subsequently. Coverage period is the period during which the Group provides insurance contract services.

The Group recognizes an asset for insurance acquisition cash flows paid or payable before the related group of insurance contracts is recognized. The Group allocates insurance acquisition cash flows to groups of insurance contracts using a systematic and rational method. Insurance acquisition cash flows are cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. The Group derecognizes an asset for insurance acquisition cash flows when the insurance acquisition cash flows are included in the measurement of the related group of insurance contracts. At the end of each reporting period, the Group assesses the recoverability of an asset for insurance acquisition cash flows if facts and circumstances indicate the asset may be impaired. If the Group identifies an impairment loss, the Group adjusts the carrying amount of the asset and recognizes the impairment loss in profit or loss. The Group recognizes in profit or loss a reversal of some or all of an impairment loss previously recognized and increase the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.7) Measurement of insurance contracts

(27.7.1) General model

Measurement on initial recognition

On initial recognition, the Group shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The contractual service margin represents the unearned profit the Group will recognize as it provides insurance contract services under the insurance contracts in the group. The fulfilment cash flows comprise:

- (a) estimates of future cash flows;
- (b) an adjustment to reflect the time value of money and the financial risks related to the future cash flows; and
- (c) a risk adjustment for non-financial risk.

Risk adjustment for non-financial risk is the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the Group fulfils insurance contracts. The fulfilment cash flows do not reflect the non-performance risk of the Group.

When the Group estimates the future cash flows at a higher level of aggregation, the Group allocates the resulting fulfilment cash flows to individual groups of contracts. The estimates of future cash flows shall:

- (a) be unbiased probability-weighted mean;
- (b) be consistent with observable market prices for market variables;
- (c) be current – the estimates shall reflect conditions existing at the measurement date, including assumptions at that date about the future;
- (d) be explicit – the Group shall estimate the cash flows separately from the adjustment for the time value of money and financial risk, unless the most appropriate measurement technique combines these estimates.

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- (a) the Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or
- (b) the Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contains the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and the pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.7) Measurement of insurance contracts (Continued)

(27.7.1) General model (Continued)

Measurement on initial recognition (Continued)

The Group uses appropriate discount rate to adjust the estimates of future cash flows to reflect the time value of money and the financial risks related to those cash flows, to the extent that the financial risks are not included in the estimates of cash flows. The discount rates applied to the estimates of the future cash flows shall:

- (a) reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts;
- (b) be consistent with observable current market prices for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts, and exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts.

The Group adjusts the estimate of the present value of the future cash flows to reflect the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

The Group calculates the total amount of below items on initial recognition of a group of insurance contracts:

- (a) the fulfilment cash flows;
- (b) the derecognition at the date of initial recognition of any asset for insurance acquisition cash flows and any other asset or liability previously recognized for cash flows related to the group of contracts;
- (c) any cash flows arising from the contracts in the group at that date.

If the total amount represents net cash inflows, the Group recognizes it as contract service margin. If the total amount represents net cash outflows, the Group recognizes a loss in profit or loss.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.7) Measurement of insurance contracts (Continued)

(27.7.1) General model (Continued)

Subsequent measurement

The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises the fulfilment cash flows related to future service allocated to the group at that date and the contractual service margin of the group at that date. The liability for incurred claims comprises the fulfilment cash flows related to past service allocated to the group at that date.

For insurance contracts without direct participation features, the carrying amount of the contractual service margin of a group of contracts at the end of the reporting period equals the carrying amount at the start of the reporting period adjusted for:

- (a) the effect of any new contracts added to the group;
- (b) interest accreted on the carrying amount of the contractual service margin during the reporting period, measured at the discount rates determined at the date of initial recognition of a group of contracts, applied to nominal cash flows that do not vary based on the returns on any underlying items;
- (c) the changes in fulfilment cash flows relating to future service, except that such increases in the fulfilment cash flows exceed the carrying amount of the contractual service margin, giving rise to a loss; or except that such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage;
- (d) the effect of any currency exchange differences on the contractual service margin;
- (e) the amount recognized as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the contractual service margin remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period.

The Group recognizes the reduction in the liability for remaining coverage because of services provided in the period as insurance revenue. The Group recognizes the increase in the liability for incurred claims because of claims and expenses incurred in the period and any subsequent changes in fulfilment cash flows relating to incurred claims and incurred expenses as insurance service expenses. Insurance revenue and insurance service expenses presented in profit or loss has excluded any investment components.

The Group determines insurance service expenses related to insurance acquisition cash flows in a systematic way on the basis of the passage of time. The Group recognizes the same amount as insurance revenue to reflect the portion of the premiums that relate to recovering those cash flows.

The Group recognizes the change in the liability for remaining coverage and the liability for incurred claims because of the effect of the time value of money and the effect of financial risk as insurance finance income or expenses.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.7) Measurement of insurance contracts (Continued)

(27.7.1) General model (Continued)

Subsequent measurement (Continued)

The Group makes accounting policy choices to portfolios of insurance contracts between:

- (a) including insurance finance income or expenses for the period in profit or loss; or
- (b) disaggregating insurance finance income or expenses for the period to include in profit or loss an amount determined by a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of contracts, the difference between the insurance finance income or expenses and the total insurance finance income or expenses for the period is included in other comprehensive income.

When applying IAS 21 *The Effects of Changes in Foreign Exchange Rates* to a group of insurance contracts that generate cash flows in a foreign currency, the Group treats the group of contracts, including the contractual service margin, as a monetary item. The Group includes exchange differences on changes in the carrying amount of groups of insurance contracts in the statement of profit or loss, unless they relate to changes in the carrying amount of groups of insurance contracts included in other comprehensive income for insurance finance income or expenses, in which case they are included in other comprehensive income.

(27.7.2) Measurements for insurance contract with direct participation features (Variable Fee Approach)

The Group assesses whether an insurance contract can meet the definition of insurance contracts with direct participation features by using its expectations at inception of the contract and does not perform reassessment afterwards.

Insurance contracts with direct participation features are contracts under which the Group's obligation to the policyholder is the net of:

- (a) the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- (b) a variable fee that the Group will deduct from (a) in exchange for the future service provided by the insurance contract, comprising:
 - (i) the amount of the Group's share of the fair value of the underlying items; less
 - (ii) fulfilment cash flows that do not vary based on the returns on underlying items.

For insurance contracts with direct participation features, the carrying amount of the contractual service margin of a group of contracts at the end of the reporting period equals the carrying amount at the start of the reporting period adjusted for:

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.7) Measurement of insurance contracts (Continued)

(27.7.2) Measurements for insurance contract with direct participation features (Variable Fee Approach) (Continued)

- (a) the effect of any new contracts added to the group.
- (b) the change in the amount of the Group's share of the fair value of the underlying items, except to the extent that:
 - (i) if the Group mitigates the effect of financial risk using derivatives or reinsurance contracts held, when meets certain conditions, the Group may choose to recognize insurance finance income or expenses for the period in profit or loss to reflect some or all of the changes in the effect of the time value of money and financial risk on the amount of the Group's share of the underlying items. However, if the Group chooses to disaggregate insurance finance income or expenses of such reinsurance contracts held between profit or loss and other comprehensive income, the insurance finance income or expenses mentioned above should also be disaggregated accordingly;
 - (ii) the decrease in the amount of the Group's share of the fair value of the underlying items exceeds the carrying amount of the contractual service margin, giving rise to a loss; or
 - (iii) the increase in the amount of the Group's share of the fair value of the underlying items is allocated to the loss component of the liability for remaining coverage.
- (c) the changes in fulfilment cash flows relating to future service and do not vary based on the returns on underlying items, except to the extent that:
 - (i) if the Group mitigates the effect of financial risk using derivatives, reinsurance contracts held or non-derivative financial instruments measured at fair value through profit or loss, when meets certain conditions, the Group may choose to recognize insurance finance income or expenses for the period in profit or loss to reflect some or all of the changes in the effect of the time value of money and financial risk on the fulfilment cash flows. However, if the Group chooses to disaggregate insurance finance income or expenses of such reinsurance contracts held between profit or loss and other comprehensive income, the insurance finance income or expenses mentioned above should also be disaggregated accordingly;
 - (ii) such increases in the fulfilment cash flows exceed the carrying amount of the contractual service margin, giving rise to a loss; or
 - (iii) such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage.

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For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.7) Measurement of insurance contracts (Continued)

(27.7.2) Measurements for insurance contract with direct participation features (Variable Fee Approach) (Continued)

- (d) the effect of any currency exchange differences arising on the contractual service margin.
- (e) the amount recognized as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the contractual service margin remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period.

For insurance contracts with direct participation features that the Group holds the underlying items, the Group makes the accounting policy choice of disaggregating insurance finance income or expenses for the period between profit or loss and other comprehensive income, includes in profit or loss an amount that exactly match the income or expenses included in profit or loss for the underlying items, resulting in the net of the separately presented items being nil.

(27.7.3) Measurements for onerous insurance contracts

If a group of insurance contracts is onerous at the date of initial recognition, or if additional loss caused by contracts added to the group of onerous contracts, the Group recognizes a loss as insurance service expenses in profit or loss for the net outflow for the group of onerous contracts, resulting in the carrying amount of the liability for remaining coverage for the group being equal to the fulfilment cash flows.

A group of insurance contracts becomes onerous (or more onerous) on subsequent measurement if meets one of the following conditions, the Group recognizes a loss as insurance service expenses in profit or loss and increases the liability for remaining coverage:

- (a) the amount of unfavourable changes relating to future service in the fulfilment cash flows allocated to the group arising from changes in estimates of future cash flows and the risk adjustment for non-financial risk exceed the carrying amount of the contractual service margin;
- (b) for a group of insurance contracts with direct participation features, the decrease in the amount of the Group's share of the fair value of the underlying items exceed the carrying amount of the contractual service margin.

After the Group has recognized a loss on an onerous group of insurance contracts, the Group allocates below changes of the liability for remaining coverage on a systematic basis between the loss component of the liability for remaining coverage and the liability for remaining coverage excluding the loss component:

- (a) estimates of the present value of future cash flows for claims and expenses released from the liability for remaining coverage because of incurred insurance service expenses;
- (b) changes in the risk adjustment for non-financial risk recognized in profit or loss because of the release from risk; and
- (c) insurance finance income or expenses.

Any amounts allocated to the loss component of the liability for remaining coverage shall not be recognized as insurance revenue.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.7) Measurement of insurance contracts (Continued)

(27.7.3) Measurements for onerous insurance contracts (Continued)

After the Group has recognized a loss on an onerous group of insurance contracts, the subsequent measurements are:

- (a) for any subsequent increases relating to future service in fulfilment cash flows allocated to the group arising from changes in estimates of future cash flows and the risk adjustment for non-financial risk, and any subsequent decreases in the amount of the Group's share of the fair value of the underlying items, the Group recognizes a loss as insurance service expenses in profit or loss and increases the liability for remaining coverage;
- (b) for any subsequent decreases relating to future service in fulfilment cash flows allocated to the group arising from changes in estimates of future cash flows and the risk adjustment for non-financial risk, and any subsequent increases in the amount of the Group's share of the fair value of the underlying items, the Group reverses the insurance service expenses in profit or loss and decreases the loss component of the liability for remaining coverage until that component is reduced to zero, the Group adjusts the contractual service margin only for the excess of the decrease over the amount allocated to the loss component.

(27.7.4) Premium Allocation Approach

The Group simplifies the measurement of a group of insurance contracts using the premium allocation approach if, and only if, at the inception of the group:

- (a) the Group reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the group that would not differ materially from the one that would be produced applying general model, unless the Group expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for remaining coverage during the period before a claim is incurred; or
- (b) the coverage period of each contract in the group is one year or less.

For contracts issued to which the Group applies the premium allocation approach, the Group assumes no contracts in the portfolio are onerous at initial recognition, unless facts and circumstances indicate otherwise.

Using the premium allocation approach, on initial recognition, the carrying amount of the liability for remaining coverage is the premiums received at initial recognition, minus any insurance acquisition cash flows at that date, and plus or minus any amount arising from the derecognition at that date of any asset for insurance acquisition cash flows and any other asset or liability previously recognized for cash flows related to the group of contracts.

At the end of each subsequent reporting period, the carrying amount of the liability for remaining coverage is the carrying amount at the start of the reporting period plus the premiums received in the period, minus insurance acquisition cash flows, plus any amounts relating to the amortization of insurance acquisition cash flows recognized as insurance service expenses in the reporting period, plus any adjustment to a financing component, minus the amount recognized as insurance revenue for services provided in that period, and minus any investment component paid or transferred to the liability for incurred claims.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.7) Measurement of insurance contracts (Continued)

(27.7.4) Premium Allocation Approach (Continued)

The Group adjusts the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using the discount rates determined on initial recognition. The Group is not required to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk if, at initial recognition, the Group expects that the time between providing each part of the services and the related premium due date is no more than a year.

If at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, to the extent that the fulfilment cash flows exceed the carrying amount of the liability for remaining coverage, the Group recognizes a loss as insurance service expenses in profit or loss and increase the liability for remaining coverage.

The Group measures the liability for incurred claims for the group of insurance contracts at the fulfilment cash flows relating to incurred claims and other related expenses. The Group is not required to adjust future cash flows for the time value of money and the effect of financial risk if those cash flows are expected to be paid or received in one year or less from the date the claims are incurred. The Group would also not include in the fulfilment cash flows mentioned above any such adjustment.

When the Group applies the premium allocation approach, insurance revenue for the period is the amount of expected premium receipts (excluding any investment component and adjusted to reflect the time value of money and the effect of financial risk) allocated to the period. The Group allocates the expected premium receipts to each period of insurance contract services 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, then on the basis of the expected timing of incurred insurance service expenses.

(27.8) Recognition and measurement for reinsurance contracts held

In addition to the requirements for insurance contracts set out above, the recognition and measurement for reinsurance contracts held are modified as follows. The requirements of measurements for onerous insurance contracts are not applicable for reinsurance contracts held.

(27.8.1) Recognition for reinsurance contracts held

The Group divides portfolios of reinsurance contracts held into a minimum of:

- (a) a group of contracts that there is a net gain at initial recognition, if any;
- (b) a group of contracts that at initial recognition have no significant possibility of becoming to have net gain subsequently, if any; and
- (c) a group of the remaining contracts in the portfolio, if any.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.8) Recognition and measurement for reinsurance contracts held (Continued)

(27.8.1) Recognition for reinsurance contracts held (Continued)

The Group recognizes a group of reinsurance contracts held from the earlier of the following:

- (a) the beginning of the coverage period of the group of reinsurance contracts held; and
- (b) the date the Group recognizes an onerous group of underlying insurance contracts.

If a group of reinsurance contracts held provide proportionate coverage, the Group recognizes such group of reinsurance contracts held from the earlier of the following:

- (a) the later date of the beginning of the coverage period of the group of reinsurance contracts held and the date that any underlying insurance contract is initially recognized; and
- (b) the date the Group recognizes an onerous group of underlying insurance contracts.

(27.8.2) Measurement for reinsurance contracts held

On initial recognition, the Group measures a group of reinsurance contracts held at the total of the fulfilment cash flows and the contractual service margin. The contractual service margin represents the net cost or net gain the Group will recognize as it receives insurance contract services from the reinsurer.

The Group uses consistent assumptions to measure the estimates of the present value of the future cash flows for the group of reinsurance contracts held and the estimates of the present value of the future cash flows for the group of underlying insurance contracts. In addition, the Group includes in the estimates of the present value of the future cash flows for the group of reinsurance contracts held the effect of any risk of non-performance by the issuer of the reinsurance contract.

The Group determines the risk adjustment for non-financial risk so that it represents the amount of risk being transferred by the holder of the group of reinsurance contracts to the issuer of those contracts.

On initial recognition for a group of reinsurance contracts held, the Group calculates the sum of:

- (a) the fulfilment cash flows;
- (b) the amount derecognized at that date of any asset or liability previously recognized for cash flows related to the group of reinsurance contracts held;
- (c) any cash flows arising at that date; and
- (d) loss-recovery component of assets for remaining coverage of reinsurance contracts held.

The Group recognizes any net cost or net gain of the above total amounts as a contractual service margin. If the net cost relates to events that occurred before the purchase of the group of reinsurance contracts held, the Group recognizes such a cost immediately in profit or loss as an expense.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.8) Recognition and measurement for reinsurance contracts held (Continued)

(27.8.2) Measurement for reinsurance contracts held (Continued)

If the reinsurance contract held is entered into before or at the same time as the onerous underlying insurance contracts are recognized, when the Group recognizes a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to a group, the Group recognizes a loss-recovery component of the asset for remaining coverage for such groups of reinsurance contracts held by multiplying:

- (a) the loss recognized on the underlying insurance contracts; and
- (b) the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held.

The Group adjusts the same amount calculated above to contractual service margin and recognizes as amount recovered from reinsurer in profit or loss.

The Group adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts. The carrying amount of the loss-recovery component does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held.

The Group measures the contractual service margin at the end of the reporting period for a group of reinsurance contracts held as the carrying amount determined at the start of the reporting period, adjusted for:

- (a) the effect of any new contracts added to the group;
- (b) interest accreted on the carrying amount of the contractual service margin, measured at the discount rates determined at the date of initial recognition of a group of contracts, to nominal cash flows that do not vary based on the returns on any underlying items;
- (c) the loss-recovery component of the asset for remaining coverage for such groups of reinsurance contracts held, and reversals of a loss-recovery component recognized to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held;
- (d) the changes in the fulfilment cash flows relating to future service, except that such change results from a change in fulfilment cash flows allocated to a group of underlying insurance contracts that does not adjust the contractual service margin for the group of underlying insurance contracts; or except that such change results from onerous contracts, if the Group measures a group of underlying insurance contracts applying the premium allocation approach;
- (e) the effect of any currency exchange differences arising on the contractual service margin;
- (f) the amount recognized in profit or loss because of services received in the period, determined by the allocation of the contractual service margin remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period of the group of reinsurance contracts held.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.8) Recognition and measurement for reinsurance contracts held (Continued)

(27.8.2) Measurement for reinsurance contracts held (Continued)

The Group recognizes the reduction in the asset for remaining coverage because of insurance contract services received from the reinsurer in the period as allocation of reinsurance premiums paid. The Group recognizes the increase in the asset for incurred claims because of claims and expenses that are expected to be reimbursed in the period and any subsequent related changes in fulfilment cash flows as amount recovered from reinsurer. The Group treats amounts from the reinsurer that it expects to receive that are not contingent on claims of the underlying contracts as the reduction to the allocation of reinsurance premiums paid. Allocation of reinsurance premiums paid and amount recovered from reinsurer presented in profit or loss has excluded any investment components.

The Group uses the premium allocation approach to simplify the measurement of a group of reinsurance contracts held, if at the inception of the group:

- (a) the Group reasonably expects the resulting measurement would not differ materially from the result of not applying the premium allocation approach set out above, unless the Group expects significant variability in the fulfilment cash flows that would affect the measurement of the asset for remaining coverage during the period before a claim is incurred; or
- (b) the coverage period of each contract in the group of reinsurance contracts held is one year or less.

(27.9) Investment contracts with discretionary participation features

In addition to the requirements for insurance contracts set out above, the recognition and measurement for investment contract with discretionary participation features are modified as follows:

- (a) the date of initial recognition is the date the Group becomes party to the contract.
- (b) the contract boundary is modified so that cash flows are within the contract boundary if they result from a substantive obligation of the Group to deliver cash at a present or future date. The Group has no substantive obligation to deliver cash if the Group has the practical ability to set a price for the promise to deliver the cash that fully reflects the amount of cash promised and related risks.
- (c) the allocation of the contractual service margin is modified so that the Group recognizes the contractual service margin over the duration of the group of contracts in a systematic way that reflects the transfer of investment services under the contract.

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2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.10) Modification and derecognition

If the terms of an insurance contract are modified, the Group derecognizes the original contract and recognizes the modified contract as a new contract, if, and only if, any of the conditions below are satisfied:

- (a) if the modified terms had been included at contract inception:
 - (i) the modified contract would have been excluded from the scope of IFRS 17;
 - (ii) the Group would have separated different components from the host insurance contract, resulting in a different insurance contract to which IFRS 17 would have applied;
 - (iii) the modified contract would have had a substantially different contract boundary; or
 - (iv) the modified contract would have been included in a different group of contracts.
- (b) the original contract met the definition of an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
- (c) the Group applied the premium allocation approach to the original contract, but the modifications mean that the contract no longer meets the eligibility criteria for that approach.

If a contract modification meets none of the conditions above, the Group treats changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

The Group derecognizes an insurance contract when it is extinguished, i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled. The Group derecognizes an insurance contract from within a group of contracts by applying the following requirements:

- (a) the fulfilment cash flows allocated to the group are adjusted to eliminate the present value of the future cash flows and risk adjustment for non-financial risk relating to the rights and obligations that have been derecognized from the group;
- (b) the contractual service margin of the group is adjusted; and
- (c) the number of coverage units for expected remaining insurance contract services is adjusted.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(27) INSURANCE CONTRACTS (CONTINUED)

(27.10) Modification and derecognition (Continued)

When the Group derecognizes an insurance contract because it transfers the contract to a third party or derecognizes an insurance contract and recognizes a new contract, the Group applies the following requirements:

- (a) adjusts the contractual service margin of the group from which the contract has been derecognized, for the difference between (i) and either (ii) for contracts transferred to a third party or (iii) for contracts derecognized due to modification:
 - (i) the change in the carrying amount of the group of insurance contracts resulting from the derecognition of the contract.
 - (ii) the premium charged by the third party.
 - (iii) the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.
- (b) measures the new contract recognized assuming that the Group received the premium described in (a) (iii) at the date of the modification.

If the Group derecognizes an insurance contract because it transfers the contract to a third party or derecognizes an insurance contract due to modification, the Group reclassifies to profit or loss as a reclassification adjustment any remaining amounts for the group that were previously recognized in other comprehensive income, unless for insurance contracts with direct participation features that the Group holds the underlying items.

(28) PROVISIONS

A provision is recognized when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. When the effect of discounting is material, the amount recognized is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation.

Except for contingent considerations deriving from or contingent liabilities assumed in business combinations and the provision recognized for the loss allowance of off-balance sheet credit exposure, contingent liabilities are recognized as provisions if the following conditions are met:

- (a) An entity has a present obligation as a result of a past event;
- (b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) A reliable estimate can be made of the amount of the obligation.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(28) PROVISIONS (CONTINUED)

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period with the consideration of risks, uncertainties and the present value. Provisions shall be reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

The Group incorporates forward-looking information in estimating the expected credit loss for loan commitments and financial guarantee contracts. Refer to Note 13 and Note 47 for details.

(29) REVENUE RECOGNITION

The Group's main revenue is recognized on the following bases:

Insurance revenue

The Group recognizes insurance revenue as it provides insurance contract services under groups of insurance contracts.

For insurance contracts not measured under the premium allocation approach, insurance revenue comprises the relevant amount arising from changes of the liability for remaining coverage that relate to services for which the Group expects to receive consideration, excludes investment components, and the amortization of insurance acquisition cash flows, the details are as follows:

- (a) Amounts relating to the changes in the liability for remaining coverage:
 - (i) expected insurance service expenses incurred in the period;
 - (ii) change in the risk adjustment for non-financial risk;
 - (iii) amount of contractual service margin recognized for services provided in the period;
 - (iv) other amounts, such as experience adjustments for premium receipts that relate to current or past service, if any.
- (b) For insurance acquisition cash flows recovery, the Group allocates a portion of premiums related to the recovery in a systematic way based on the passage of time over the expected coverage of a group of contracts. The allocated amount is recognized as insurance revenue with the same amount recognized as insurance service expenses.

For insurance contracts measured under the premium allocation approach, the Group recognizes insurance revenue for the period based on the passage of time by allocating expected premium receipts to each period of service. However, when the expected pattern of release from risk during the coverage period differs significantly from the passage of time, the premium receipts are allocated based on the expected pattern of incurred insurance service expenses.

Interest income

Interest income for interest bearing financial instruments, is recognized in the income statement using the effective interest rate method. When a financial asset is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(29) REVENUE RECOGNITION (CONTINUED)

Fees and commission income of non-insurance operations

The fees and commission income of non-insurance operations from a diverse range of services it provides to its customers are recognized when the control of services is transferred to customers. Fee income can be divided into the following main categories:

Fee income earned from services that are provided over a certain period of time

Fees earned from the provision of services over a period of time are accrued over that period. These fees include investment fund administration fees, custodian fees, fiduciary fees, credit related fees, asset management fees, portfolio and other management fees, advisory fees, post-origination service fees, etc.

Fee income from providing transaction services

Fees arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement of the acquisition of shares or other securities, or the purchase or sale of businesses, or the execution of loan agreements between funding partners and borrowers, are recognized on the completion of the underlying transaction and the control of services is transferred to customers. Fees or components of fees that are linked to a certain performance are recognized after fulfilling the corresponding criteria. These fees may include underwriting fees, corporate finance fees, brokerage fees and loan enablement fees.

Dividend income

Dividend income is recognized when the right to receive dividend payment is established.

Expressway toll fee income

Expressway toll fee income is recognized upon the completion of the performance obligation of services.

Sale of goods

Revenue from the sale of goods is recognized when control of the goods has been transferred. Control of goods or services refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the goods or services.

The amount of revenue from the sale of goods shall be measured by the transaction price, which is allocated to each performance obligation. The transaction price is the amount of consideration to be entitled in exchange for transferring promised goods to a customer. The Group considers the terms of the contract and its customary business practices to determine the transaction price. When determining the transaction price, the Group considers the effects of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer.

The part with unconditional rights is recognized as a receivable by the Group, while the rest is recognized as contracts assets. And the impairment provisions of receivables and contracts assets are recognized based on ECL. If the consideration received or receivable from the contract exceeds the performance completed, the excess part would be recognized as contracts liabilities. The Group presents the net amount by the offsetting between contracts assets and contracts liabilities under one contact.

(30) LEASES

Leases refer to a contract in which the lessor transfers the right to use the assets to the lessee for a certain period of time to obtain the consideration. Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases.

Notes to the Consolidated Financial Statements

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2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(30) LEASES (CONTINUED)

As lessor of operating leases

Where the Group is the lessor, assets leased by the Group under operating leases are included in investment properties and rentals receivable under such operating leases are credited to the income statement on the straight-line basis over the lease terms. Contingent rents are recognized as profit or loss in the period in which they are earned.

Group as a lessee

The Group mainly leases buildings as right-of-use assets. The Group applies the lease recognition exemption to short-term leases and leases of low-value assets, and does not recognize the right-of-use assets and lease liabilities. Lease payments on short-term leases and leases of low-value assets are recognized as costs of asset or expenses on a straight-line basis over the lease term. Except for lease applying lease recognition exemption, leases are recognized as a right-of-use asset at the date at which the lease begins, lease liabilities are initial measured at the present value of the lease payments that have not been paid. Lease payments include fixed payments, variable lease payment based on an index or a rate, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and payments of penalties for terminating the lease, etc. The variable lease payments determined on a certain percentage of sales are not included in the lease payments and are recognized in profit or loss when incurred.

Right-of-use assets are initial measured at cost comprising 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 deduct any lease incentives receivable. The right-of-use asset is depreciated over the asset's useful life on a straight-line basis if the Group can reasonably determine the ownership of the assets at the end of the lease term; The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term if the ownership of the assets is uncertain at the end of the lease term. When the recoverable amount is lower than the carrying amount of the right-of-use asset, the Group reduces its carrying amount to the recoverable amount.

(31) EMPLOYEE BENEFITS

Pension obligations

The employees of the Group are mainly covered by various defined contribution pension plans. The Group makes and accrues contributions on a monthly basis to the pension plans, and relevant government authorities are responsible for the pension liability to retired employees. The Group is unable to forfeit any payments made, which are expensed as incurred. The Group has no other significant legal or constructive obligations for retirement benefits beyond the said contributions.

Housing benefits

The employees of the Group are entitled to participate in various government-sponsored housing funds. The Group contributes 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.

Medical benefits

The Group makes monthly contributions for medical benefits to the local authorities in accordance with the relevant local regulations for the employees. The Group's liability in respect of employee medical benefits is limited to the contributions payable in each period.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(32) SHARE-BASED PAYMENT

Equity-settled share-based payment transactions

The Group operates an equity-settled, share-based compensation plan, under which the Group receives services from employees as consideration for equity instruments.

The total amount to be expensed is determined by reference to the fair value of the shares granted, which includes the impact of market performance conditions (for example, an entity's share price) but excludes the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period) and includes the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time). The Group estimates the number of total shares expected to vest taking into consideration of service and non-market performance conditions. Based on number of shares expected to vest, related cost or expense is recognized over the vesting period according to fair value of the shares granted on granted date.

At the end of each reporting period, the Group revises its estimates of the number of options and awarded shares that are expected to vest based on the non-marketing performance and service conditions. It recognizes the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The Company settles with the awardees under the share purchase scheme upon vesting.

(33) TAX

Income tax comprises current and deferred tax. Income tax is recognized in the income statement, or in other comprehensive income or in equity if it relates to items that are recognized in the same or a different period directly in other comprehensive income or in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- (a) when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- (b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(33) TAX (CONTINUED)

Deferred tax assets are recognized for all deductible temporary differences, the carry-forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized, except:

- (a) when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- (b) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 tax asset to be utilized. Conversely, previously unrecognized deferred tax assets are reassessed by the end of each reporting period and are recognized to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(34) DIVIDENDS

When the final dividends proposed by the directors have been approved by the shareholders and declared, they are recognized as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognized immediately as a liability when they are proposed and declared.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(35) RELATED PARTIES

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

Or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same Group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(36) SEGMENT REPORTING

For management purposes, the Group is organized into operating segments based on the internal organization structure, management requirements and internal reporting. The reportable segments are determined and disclosed based on operating segments and the presentation is consistent with the information reported to the Board of Directors.

Operating segments refer to the Group's component that satisfies the following conditions:

- (a) The component produces income and expenses in its daily operation;
- (b) The management of the Company regularly assesses the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment;
- (c) The Group is able to obtain the accounting information such as the financial position, operating results and cash flows of the component.

Two or more operating segments can be merged as one if they have similar characteristics and satisfy certain conditions.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Group makes estimates and judgements that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities in these financial statements. Estimates and judgements are continually assessed based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Group's accounting policies, management has made the following judgements and accounting estimation, which have the significant effect on the amounts recognized in the financial statements.

(1) FAIR VALUE OF FINANCIAL INSTRUMENTS DETERMINED USING VALUATION TECHNIQUES

Fair value, in the absence of an active market, is estimated by using valuation techniques, applying currently applicable and sufficiently available data, and the valuation techniques supported by other information, mainly include market approach and income approach, reference to the recent arm's length transactions, current market value of another instrument which is substantially the same, and by using the discounted cash flow analysis and option pricing models.

When using valuation techniques to determine the fair value of financial instruments, the Group would choose the input value in consistent with market participants, considering the transactions of related assets and liabilities. All related observable market parameters are considered in priority, including interest rate, foreign exchange rate, commodity prices and share prices or index. When related observable parameters are unavailable or inaccessible, the Group uses unobservable parameters and makes estimates for credit risk, market volatility and liquidity adjustments.

Using different valuation techniques and parameter assumptions may lead to significant difference of fair value estimation.

(2) CLASSIFICATION OF FINANCIAL ASSETS

The judgements in determining the classification of financial assets include the analysis of business models and the contractual cash flows characteristics.

An entity's business model refers to how an entity manages its financial assets in order to generate cash flows. That is, the entity's business model determines whether cash flows are arising from collecting contractual cash flows, selling financial assets or both. The business model of managing financial assets is not determined by a single factor or activity. Instead, the entity should consider all relevant evidence available when making the assessment. Relevant evidence mainly includes, but not limited to, how the cash flow of the group of assets is collected, how the performance of the group of assets is reported to key management personnel, and how the risk of group of assets is being assessed and managed.

The contractual cash flows characteristics of financial assets refer to the cash flow attributes of the financial assets reflecting the economic characteristics of the relevant financial assets (i.e., whether the contractual cash flows generated by the relevant financial assets on a specified date solely represents the payments of principal and interest). The principal amount refers to the fair value of the financial asset at initial recognition. The principal amount may change throughout the lifetime of the financial assets due to prepayment or other reasons. The interest includes the time value of money, the credit risk associated with the outstanding principal amount for a specific period, other basic lending credit risks, and the consideration of costs and profits.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(3) MEASUREMENT OF THE EXPECTED CREDIT LOSSES

The measurement of the expected credit losses for financial assets measured at amortized cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour. Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in Note 49.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- (a) Determining criteria for significant increase in credit risk;
- (b) Choosing appropriate models and assumptions for the measurement of ECL;
- (c) Establishing the number and relative weightings of forward-looking scenarios for each type of product and the associated ECL; and
- (d) Establishing groups of similar financial assets for the purposes of measuring ECL.

(4) LEVEL OF AGGREGATION AND RECOGNITION OF GROUP OF INSURANCE CONTRACTS

For contracts issued to which the Group does not apply the premium allocation approach, the judgements exercised in determining whether contracts are onerous on initial recognition or those that have no significant possibility of becoming onerous subsequently are:

- (a) based on the likelihood of changes in assumptions which, if they occurred, would result in the contracts becoming onerous; and
- (b) using information about profitability estimation for the relevant group of products.

(5) ELIGIBILITY FOR THE PREMIUM ALLOCATION APPROACH AND THE VARIABLE FEE APPROACH

The Group assesses the eligibility for the premium allocation approach and the variable fee approach when measures a group of insurance contracts on initial recognition, based on the characteristics of the insurance contracts and applicable facts and circumstances.

(6) DETERMINATION OF COVERAGE UNIT

The Group allocates the contractual service margin at the end of the period equally to each coverage unit provided in the current period and expected to be provided in the future, and recognizes as insurance revenue in each period. The Group identifies the coverage units of a group of insurance contracts in each period. The number of coverage units in a group is the quantity of insurance contract services provided by the contracts in the group, determined by considering the quantity of the benefits provided and the expected coverage period.

In assessing the quantity of services provided by insurance contracts, the Group considers the terms and benefit features of the contracts, based on the service pattern of insurance coverage, investment-return service and investment-related service, as applicable. For contracts providing multiple services, the Group determines the relative weighting of each service based on related factors, including the expected maximum benefits, investment component, etc.

Expected coverage period is derived based on the consideration of the contract terms and estimates used when measures fulfilment cash flows, including mortality rates, morbidity rates, lapse rate, etc.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(7) ESTIMATION OF THE FULFILMENT CASH FLOWS OF INSURANCE CONTRACTS

At the end of the reporting period, when measuring the insurance contract liabilities, the Group needs to make a reasonable estimate of the present value of the fulfilment cash flows within the boundary of insurance contract, based on information currently available at the end of the reporting period, and considers the risk adjustment for non-financial risk.

The main assumptions used in measuring the fulfilment cash flows include discount rates, insurance incident occurrence rates, lapse rates, expense assumption, policy dividend assumptions, claim ratios, risk adjustment for non-financial risk, etc.

(a) Discount rates

For the estimated fulfilment cash flows that do vary based on the returns on underlying items and those that do not, the Group determines discount rates applying the bottom-up approach, which means the discount rates are determined by base rate curve with comprehensive premium in consideration of the time value of money. The comprehensive premium is added by considering taxation impacts, the liquidity and other relevant factors. The current discount rate assumption for the measurement as at 31 December 2025 ranged from 1.71% to 4.60% (31 December 2024: 1.49% to 4.60%).

The discount rate assumptions are affected by the future macro-economy, capital market, investment channels of insurance funds, investment strategy, etc., and therefore subject to uncertainty.

(b) Insurance incident occurrence rates

The Group uses reasonable estimates, based on market and actual experience and expected future development trends, in deriving assumptions of mortality rates, morbidity rates, disability rates, etc.

The assumption of mortality rates is based on the Group's prior experience data on mortality rates, estimates of current and future expectations, the industrial benchmark and the understanding of the China insurance market. The assumption of mortality rates is presented as a percentage of "China Life Insurance Mortality Table (2010-2013)", which is the industry standard for life insurance in China. The assumption of morbidity rates is determined based on the industrial benchmark, the Group's assumptions used in product pricing, experience data of morbidity rates, and estimates of current and future expectation. The assumptions of mortality and morbidity rates are affected by factors such as changes in lifestyles of national citizens, social development, and improvement of medical treatment, and hence subject to uncertainty.

(c) Lapse rates

The Group uses reasonable estimates, based on actual experience and future development trends, in deriving lapse rate assumptions. The assumptions of lapse rates are determined by reference to different pricing interest rates, product categories and sales channels.

(d) Expense assumption

The Group uses reasonable estimates, based on an expense study and future development trends, in deriving expense assumptions. If the future expense level becomes sensitive to inflation, the Group will consider the inflation factor as well in determining expense assumptions. The expense assumptions include assumptions of insurance acquisition cash flows, policy administration and maintenance costs, and claim handling costs.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(7) ESTIMATION OF THE FULFILMENT CASH FLOWS OF INSURANCE CONTRACTS (CONTINUED)

(e) Policy dividend assumptions

The Group uses reasonable estimates, based on expected investment returns of participating insurance accounts, participating dividend policy, policyholders' reasonable expectations, etc. in deriving policy dividend assumptions. As at 31 December 2025, policyholder dividend assumption was determined based on 75% (31 December 2024: 75%) of the interest and mortality surplus for individual participating business.

(f) Claim ratios

The Group uses reasonable estimates, based on historical claim development experience and claims paid, with consideration of adjustments to company policies like underwriting policies, level of premium rates, claim management and the changing trends of external environment such as macroeconomic, regulations, and legislation, in deriving claim development factors and claim ratios.

(g) Risk adjustment for non-financial risk

The Group uses the confidence level, confidence level conversion to determine the risk adjustment for non-financial risk. As at 31 December 2025, the risk adjustment for non-financial risk of insurance contracts and reinsurance contracts held was determined based on the confidence level of 75% (31 December 2024: 75%).

(8) DETERMINATION OF CONTROL OVER THE STRUCTURED ENTITIES

To determine whether the Group controls the structured entities of which the Group acts as an asset manager, management applies judgement based on all relevant fact and circumstance to determine whether the Group is acting as the principal or agent for the structured entities. If the Group is acting as the principal, it has control over the structured entities. In assessing whether the Group is acting as the principal, the Group considers factors such as scope of the asset manager's decision-making authority, rights held by other parties, remuneration to which it is entitled, and exposure to variable returns results from its additional involvement with structured entities. The Group will perform reassessment once the fact and circumstance changes leading to changes in above factors.

For further disclosure in respect of the maximum risk exposure of unconsolidated structured entities of the Group, see Note 49.(8).

Notes to the Consolidated Financial Statements

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4. SCOPE OF CONSOLIDATION

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below:

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽ⁱ⁾	Registered/ authorized capital (RMB unless otherwise stated)
Ping An Life ⁽ⁱⁱ⁾	Shenzhen, Corporation	Life insurance, Shenzhen	99.54%	-	99.54%	36,002,643,171
Ping An Property & Casualty	Shenzhen, Corporation	Property and casualty insurance, Shenzhen	99.55%	-	99.55%	21,000,000,000
Ping An Bank Co., Ltd. ⁽ⁱⁱ⁾ ("Ping An Bank")	Shenzhen, Corporation	Banking, Shenzhen	49.56%	8.40%	58.00%	19,405,918,198
Ping An Trust Co., Ltd. ("Ping An Trust")	Shenzhen, Corporation	Investment and trust, Shenzhen	99.88%	-	99.88%	13,000,000,000
Ping An Securities Co., Ltd. ("Ping An Securities")	Shenzhen, Corporation	Securities investment and brokerage, Shenzhen	40.96%	55.59%	96.62%	13,800,000,000
Ping An Annuity	Shanghai, Corporation	Annuity insurance, Shanghai	94.20%	5.77%	100.00%	11,603,419,173
Ping An Asset Management Co., Ltd.	Shanghai, Corporation	Asset management, Shanghai	98.67%	1.33%	100.00%	1,500,000,000
Ping An Health Insurance	Shanghai, Corporation	Health insurance, Shanghai	74.38%	0.63%	75.01%	4,616,577,790
China Ping An Insurance Overseas (Holdings) Limited	Hong Kong, Corporation	Investment holding, Hong Kong	100.00%	-	100.00%	HKD7,085,000,000
China Ping An Insurance (Hong Kong) Company Limited	Hong Kong, Corporation	Property and casualty insurance, Hong Kong	-	100.00%	100.00%	HKD490,000,000
Ping An International Financial Leasing Co., Ltd. ("Ping An Financial Leasing")	Shanghai, Corporation	Financial leasing, Shanghai	69.44%	30.56%	100.00%	14,500,000,000
Ping An of China Asset Management (Hong Kong) Company Limited	Hong Kong, Corporation	Asset management, Hong Kong	-	100.00%	100.00%	HKD395,000,000
Shenzhen Ping An Innovation Capital Investment Co., Ltd.	Shenzhen, Corporation	Investment holding, Shenzhen	-	99.88%	100.00%	4,000,000,000
Ping An Trendwin Capital Management Co., Ltd.	Shanghai, Corporation	Investment consulting, Shanghai	-	99.76%	100.00%	100,000,000
Ping An Real Estate Co., Ltd. ("Ping An Real Estate")	Shenzhen, Corporation	Property management and investment management, Shenzhen	-	99.63%	100.00%	21,160,523,628

4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below (Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽¹⁾	Registered/ authorized capital (RMB unless otherwise stated)
Ping An Technology (Shenzhen) Co., Ltd.	Shenzhen, Corporation	IT services, Shenzhen	37.66%	62.34%	100.00%	5,310,315,757
Shenzhen Ping An Finserve Co., Ltd.	Shenzhen, Corporation	IT and business process outsourcing services, Shenzhen	-	100.00%	100.00%	598,583,070
Ping An E-wallet Electronic Commerce Company Limited ("Ping An E-wallet")	Shenzhen, Corporation	Internet service, Shenzhen	-	77.14%	78.63%	1,000,000,000
eLink Commerce Company Limited	Hong Kong, Corporation	Money service, Hong Kong	-	99.89%	100.00%	HKD25,124,600
Shenzhen Wanlitong Network Information Technology Co., Ltd. ⁽ⁱⁱⁱ⁾	Shenzhen, Corporation	Custom loyalty service, Shenzhen	-	77.14%	100.00%	100,000,000
Shenzhen Ping An Commercial Property Investment Co., Ltd. ("Ping An Commercial Property Investment")	Shenzhen, Corporation	Property leasing and property management, Shenzhen	-	99.53%	99.99%	1,810,000,000
Ping An Futures Co., Ltd.	Shenzhen, Corporation	Futures brokerage, Shenzhen	-	96.64%	100.00%	721,716,042
Shenzhen Ping An Real Estate Investment Co., Ltd.	Shenzhen, Corporation	Real estate investment and management, Shenzhen	-	100.00%	100.00%	1,310,000,000
Shanghai Pingpu Investment Co., Ltd.	Shanghai, Corporation	Investment management, Shanghai	-	99.54%	100.00%	9,130,500,000
Anseng Investment Company Limited	British Virgin Islands, Corporation	Project investment, British Virgin Islands	-	99.54%	100.00%	USD50,000
Shenzhen Ping An Financial Technology Consulting Co., Ltd. ("Ping An Financial Technology")	Shenzhen, Corporation	Corporation management advisory services, Shenzhen	100.00%	-	100.00%	30,406,000,000
Ping An Tradition International Money Broking Company Ltd.	Shenzhen, Corporation	Currency brokerage, Shenzhen	-	66.92%	67.00%	50,000,000
Pingan Haofang (Shanghai) E-commerce Co., Ltd.	Shanghai, Corporation	Property agency, Shanghai	-	100.00%	100.00%	1,930,000,000
Ping An Wealthtone Investment Management Co., Ltd.	Shenzhen, Corporation	Asset management, Shenzhen	-	68.11%	100.00%	800,000,000

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below (Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽¹⁾	Registered/ authorized capital (RMB unless otherwise stated)
Ping An Fund Management Company Limited	Shenzhen, Corporation	Fund raising and distribution, Shenzhen	-	68.11%	68.19%	1,300,000,000
Shenzhen Ping An Financial Center Development Company Ltd.	Shenzhen, Corporation	Property leasing and property management, Shenzhen	-	99.54%	100.00%	6,688,870,000
Ping An Insurance Sales Services Co., Ltd.	Shenzhen, Corporation	Sales agency of insurance, Shenzhen	-	66.85%	100.00%	515,000,000
Ping An Chuang Zhan Insurance Sales & Service Co., Ltd.	Guangzhou, Corporation	Insurance agent, Shenzhen	-	99.55%	100.00%	50,000,000
Reach Success International Limited	British Virgin Islands, Corporation	Project investment, British Virgin Islands	-	99.54%	100.00%	USD50,000
Jade Reach Investments Limited	British Virgin Islands, Corporation	Project investment, British Virgin Islands	-	99.54%	100.00%	USD50,000
Shenyang Shengping Investment Management Co., Ltd.	Shenyang, Corporation	Property management and investment management, Shenyang	-	99.54%	100.00%	269,000,000
Tongxiang Ping An Investment Co., Ltd.	Jiaxing, Corporation	Investment management, Jiaxing	-	99.63%	100.00%	500,000,000
Ping An Commercial Factoring Co., Ltd.	Shanghai, Corporation	Commercial factoring, Shanghai	-	100.00%	100.00%	2,700,000,000
Shanxi Changjin Expressway Co., Ltd.	Taiyuan, Corporation	Expressway operation, Jincheng	-	59.72%	60.00%	750,000,000
Shanxi Jinjiao Expressway Co., Ltd.	Taiyuan, Corporation	Expressway operation, Jincheng	-	59.72%	60.00%	504,000,000
Ping An Caizhi Investment Management Company Limited	Shenzhen, Corporation	Equity investment, Shenzhen	-	96.55%	100.00%	300,000,000
Ping An Securities (Hong Kong) Holdings Company Limited	Hong Kong, Corporation	Investment holding, Hong Kong	-	96.55%	100.00%	HKD663,514,734
Ping An Securities (Hong Kong) Futures Company Limited	Hong Kong, Corporation	Futures brokerage, Hong Kong	-	96.55%	100.00%	HKD20,000,000

4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below (Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽¹⁾	Registered/ authorized capital (RMB unless otherwise stated)
Ping An of China Capital (Hong Kong) Company Limited	Hong Kong, Corporation	Investment management, Hong Kong	-	96.55%	100.00%	HKD20,000,000
Ping An Securities (Hong Kong) Company Limited	Hong Kong, Corporation	Securities investment and brokerage, Hong Kong	-	96.55%	100.00%	HKD440,000,000
Shanghai Lufax Fund Sales Co., Ltd.	Shanghai, Corporation	Fund sales, Shanghai	-	95.43%	100.00%	20,000,000
Fuer Insurance Broker Co., Ltd.	Shanghai, Corporation	Insurance brokerage service, Shanghai	-	99.54%	100.00%	50,000,000
Beijing Shuangronghui Investment Co., Ltd.	Beijing, Corporation	Property leasing, Beijing	-	99.54%	100.00%	256,323,143
Chengdu Ping An Property Investment Co., Ltd.	Chengdu, Corporation	Real estate investment and management, Chengdu	-	99.54%	100.00%	540,000,000
Hangzhou Pingjiang Investment Co., Ltd.	Hangzhou, Corporation	Real estate development and management, Hangzhou	-	99.54%	100.00%	1,430,000,000
Beijing Jingxinlize Investment Co., Ltd. ⁽ⁱⁱⁱ⁾	Beijing, Corporation	Investment management, Beijing	-	99.54%	100.00%	1,039,000,000
Anbon Allied Investment Company Limited	Hong Kong, Corporation	Real estate investment and management, United Kingdom	-	99.54%	100.00%	GBP90,000,160
Talent Bronze Limited	Hong Kong, Corporation	Real estate investment and management, United Kingdom	-	99.54%	100.00%	GBP133,000,000
Ping An Pioneer Capital Co., Ltd.	Shenzhen, Corporation	Financial products and equity investment, Shenzhen	-	96.55%	100.00%	1,000,000,000
Shenzhen Pingke Information Consulting Co., Ltd.	Shenzhen, Corporation	Management consulting, Shenzhen	-	100.00%	100.00%	5,092,341,943
Beijing Jingping Shangdi Investment Co., Ltd.	Beijing, Corporation	Property leasing, Beijing	-	99.54%	100.00%	45,000,000

Notes to the Consolidated Financial Statements

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4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below
(Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽¹⁾	Registered/ authorized capital (RMB unless otherwise stated)
Guangzhou Xinping Property Investment Co., Ltd.	Guangzhou, Corporation	Property leasing, Guangzhou	-	99.54%	100.00%	50,000,000
Shanghai Jahwa (Group) Company Ltd. ("Shanghai Jahwa")	Shanghai, Corporation	Production and sale of consumer chemicals, Shanghai	-	99.54%	100.00%	5,268,261,000
Shanghai Jahwa United Co., Ltd. ⁽ⁱⁱⁱ⁾	Shanghai, Corporation	Industry, Shanghai	-	51.88%	52.24%	672,225,980
Falcon Vision Global Limited	British Virgin Islands, Corporation	Investment management, Shanghai	-	99.54%	100.00%	USD50,000
Shanghai Zean Investment Management Company Limited	Shanghai, Corporation	Property leasing, Shanghai	-	99.54%	100.00%	3,660,000,000
PA Dragon LLC	USA, Corporation	Logistics and real estate, USA	-	99.54%	100.00%	USD143,954,940
Shanghai Gezhouba Yangming Property Co., Ltd.	Shanghai, Corporation	Real estate development and management, Shanghai	-	99.54%	100.00%	20,000,000
Shanghai Jinyao Investment Management Co., Ltd. ⁽ⁱⁱⁱ⁾	Shanghai, Corporation	Investment management, Shanghai	-	99.07%	100.00%	450,000,000
Shanghai Pingxin Asset Management Co., Ltd.	Shanghai, Corporation	Asset management, Shanghai	-	100.00%	100.00%	1,010,000,000
Shenzhen Qianhai Credit Service Centre Co., Ltd.	Shenzhen, Corporation	Credit information services, Shenzhen	-	100.00%	100.00%	345,075,000
Pingan Real Estate Capital Limited	Hong Kong, Corporation	Investment platform, Hong Kong	-	99.63%	100.00%	2,536,129,600
Shenzhen Pulian Consulting Co., Ltd.	Shenzhen, Corporation	Investment consulting, Shenzhen	-	100.00%	100.00%	100,000,000

4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below (Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽¹⁾	Registered/ authorized capital (RMB unless otherwise stated)
An Ke Technology Company Limited	Hong Kong, Corporation	Investment management and investment consulting, Hong Kong	-	100.00%	100.00%	USD582,996,000
Ping An Pay Technology Service Co., Ltd.	Shenzhen, Corporation	Internet service, Shenzhen	-	77.14%	100.00%	680,000,000
Ping An Pay Electronic Payment Co., Ltd.	Shanghai, Corporation	Fund settlement for using bank card, Shanghai	-	77.14%	100.00%	489,580,000
Tongxiang Anhao Investment Management Co., Ltd.	Jiaxing, Corporation	Investment management, Jiaxing	-	99.82%	100.00%	300,000,000
Ping An Infrastructure Investment Fund Management Co., Ltd.	Shenzhen, Corporation	Investment management, Shenzhen	-	98.02%	99.00%	1,000,000,000
Ping An Fortune Management Co., Ltd.	Shanghai, Corporation	Consulting services, Shanghai	-	100.00%	100.00%	100,000,000
Shenzhen Ping An Evergreen Investment Development Holding Co., Ltd.	Shenzhen, Corporation	Investment consulting, Shenzhen	-	100.00%	100.00%	1,500,100,000
Ping An International Financial Leasing (Tianjin) Co., Ltd. ⁽ⁱⁱⁱ⁾	Tianjin, Corporation	Financial leasing, Tianjin	-	100.00%	100.00%	12,000,000,000
Shenzhen Anpu Development Co., Ltd.	Shenzhen, Corporation	Logistics and warehousing, Shenzhen	-	79.63%	80.00%	5,625,000,000
Ping An Securities (Hong Kong) Asset Management Company Limited	Hong Kong, Corporation	Asset management, Hong Kong	-	96.55%	100.00%	HKD10,000,000
Helios P.A. Company Limited	Hong Kong, Corporation	Project investment, Hong Kong	-	99.54%	100.00%	USD677,161,910
Ping An Urban-Tech (Shenzhen) Co., Ltd.	Shenzhen, Corporation	IT services, Shenzhen	-	89.47%	100.00%	258,234,363
Shenzhen Ping An Chuangke Investment Management Co., Ltd.	Shenzhen, Corporation	Investment management, Shenzhen	-	99.82%	100.00%	100,000,000

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4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below
(Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽¹⁾	Registered/ authorized capital (RMB unless otherwise stated)
Shenzhen Anchuang Investment Management Co., Ltd.	Shenzhen, Corporation	Investment management, Shenzhen	-	99.82%	100.00%	100,000,000
Lianxin (Shenzhen) Investment Management Co., Ltd.	Shenzhen, Corporation	Investment management, Shenzhen	-	99.73%	100.00%	5,100,000,000
Mayborn Group Limited	United Kingdom, Corporation	Infant products, United Kingdom	-	51.88%	100.00%	GBP1,154,873
Jiaxing Ping An Cornerstone I Equity Investment Management Co., Ltd.	Jiaxing, Corporation	Investment management, Shanghai	-	99.54%	100.00%	1,000,000
Ping An Wealth Management Co., Ltd.	Shenzhen, Corporation	Asset management, Shenzhen	-	57.96%	100.00%	5,000,000,000
Shenzhen Shengjun Investment Management Co., Ltd.	Shenzhen, Corporation	Investment management, Shenzhen	-	99.73%	100.00%	5,000,000
Overseas W.H. Investment Company Limited	Cayman Islands, Corporation	Investment holding, Cayman Islands	-	100.00%	100.00%	USD4,459,442,233
Shenzhen Pingjia Investment Management Co., Ltd.	Shenzhen, Corporation	Investment platform, Shenzhen	-	99.82%	100.00%	5,000,000
Chongqing Youshengda Real Estate Consulting Co., Ltd.	Chongqing, Corporation	Real estate consulting, Chongqing	-	99.54%	100.00%	12,537,286,000
Hangzhou Xiaoshan Ping An Cornerstone II Equity Investment Co., Ltd.	Hangzhou, Corporation	Investment management, Shanghai	-	99.54%	100.00%	9,090,082
Shenzhen Hengchuang Enterprise Management Co., Ltd.	Shenzhen, Corporation	Investment platform, Shenzhen	-	99.64%	100.00%	5,000,000
Global Voyager Fund (HK) Company Limited	Hong Kong, Corporation	Asset management, Hong Kong	-	100.00%	100.00%	USD15,476,983
Ping An Securities (Hong Kong) Insurance Brokers Limited	Hong Kong, Corporation	Insurance brokerage, Hong Kong	-	96.55%	100.00%	HKD1,000,000
Ping An Commodities Trading Co., Ltd.	Shenzhen, Corporation	Commodity trade, Shenzhen	-	96.64%	100.00%	1,000,000,000

4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below (Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽¹⁾	Registered/ authorized capital (RMB unless otherwise stated)
Shanghai Raffles Kaixuan Commercial Management Service Co., Ltd.	Shanghai, Corporation	Property leasing and property management, Shanghai	-	69.68%	70.00%	2,208,601,418
Shanghai Huaqing Real Estate Management Co., Ltd.	Shanghai, Corporation	Property leasing and property management, Shanghai	-	59.72%	60.00%	USD30,000,000
Beijing Xinjie Real Estate Development Co., Ltd.	Beijing, Corporation	Property leasing and property management, Beijing	-	69.68%	70.00%	USD24,500,000
Chengdu Raffles City Industry Co., Ltd.	Chengdu, Corporation	Property leasing and property management, Chengdu	-	69.68%	70.00%	USD217,700,000
Raffles City (Hangzhou) Real Estate Development Co., Ltd.	Hangzhou, Corporation	Property leasing and property management, Hangzhou	-	69.68%	70.00%	USD299,740,000
Ningbo Xinyin Business Management Service Co., Ltd.	Ningbo, Corporation	Property leasing and property management, Ningbo	-	69.68%	70.00%	800,000,000
Beijing Jinkunlize Property Co., Ltd.	Beijing, Corporation	Property leasing and property management, Beijing	-	99.54%	100.00%	3,380,000,000
New Founder (Beijing) Enterprise Management Development Co., Ltd.	Beijing, Corporation	Corporation management, Beijing	-	99.54%	100.00%	50,000,000
New Founder Development Holding Co., Ltd. ("New Founder Group")	Zhuhai, Corporation	Investment and technical services, Beijing	-	66.20%	66.51%	7,250,000,000
Founder Securities Co., Ltd. ("Founder Securities")	Changsha, Corporation	Securities brokerage, Changsha	-	19.00%	28.71%	8,232,101,395
PKU Healthcare Management Co., Ltd.	Zhuhai, Corporation	Hospital management, Beijing	-	66.20%	100.00%	3,000,000,000
Founder Cifco Futures Co., Ltd.	Beijing, Corporation	Futures brokerage, Beijing	-	17.57%	92.44%	1,005,000,000

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4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below (Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽¹⁾	Registered/ authorized capital (RMB unless otherwise stated)
Founder Financing Securities Co., Ltd.	Beijing, Corporation	Securities underwriting and sponsorship, Beijing	-	19.00%	100.00%	1,400,000,000
Shanghai Jifeng Investment Management Co., Ltd.	Shanghai, Corporation	Investment management, Shanghai	-	17.57%	100.00%	500,000,000
Beijing Founder Fubon Crown Asset Management Co., Ltd.	Beijing, Corporation	Customer-specific asset management, Beijing	-	12.68%	100.00%	130,000,000
Founder Securities (Hong Kong) Limited	Hong Kong, Corporation	Securities trading and consulting, Hong Kong	-	19.00%	100.00%	HKD410,000,000
Founder Asset Management (Hong Kong) Limited	Hong Kong, Corporation	Asset management, Hong Kong	-	19.00%	100.00%	HKD22,000,000
Founder Fubon Fund Management Co., Ltd.	Beijing, Corporation	Fund raising and distribution, Beijing	-	12.68%	66.70%	660,000,000
Lufax Holding Ltd ("Lufax Holding")	Cayman Islands, Corporation	Investment holding, Shanghai	-	66.85%	66.85%	USD100,000
Ping An Consumer Finance Co., Ltd. ("Ping An Consumer Finance")	Shanghai, Corporation	Consumer finance business, Shanghai	30.00%	46.79%	100.00%	5,000,000,000
Ping An Rongyi (Jiangsu) Financing Guarantee Co., Ltd.	Nanjing, Corporation	Financing guarantee service, Nanjing	-	66.85%	100.00%	USD3,109,801,102
Gem Alliance Limited	Cayman Islands, Corporation	Intermediate holding, Cayman Islands	-	66.85%	100.00%	USD1,828,535,620
Harmonious Splendor Limited	Hong Kong, Corporation	Intermediate holding, Hong Kong	-	66.85%	100.00%	USD2,165,088,878
Ping An Puhui Enterprise Management Co., Ltd.	Shenzhen, Corporation	Enterprise management service, Shenzhen	-	66.85%	100.00%	9,435,425,000
Shenzhen Ping An Rongyi Investment Consulting Co., Ltd.	Shenzhen, Corporation	Investment consulting service, Shenzhen	-	66.85%	100.00%	1,251,363,637
Ping An Rongyi (Heilongjiang) Information Service Co., Ltd.	Harbin, Corporation	Information technology service, Harbin	-	66.85%	100.00%	1,000,000,000

4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below (Continued):

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Proportion of ordinary shares directly held by the Company (%)	Proportion of ordinary shares indirectly held by the Company (%)	Proportion of votes (%) ⁽ⁱ⁾	Registered/ authorized capital (RMB unless otherwise stated)
PAO Bank Limited ⁽ⁱⁱⁱ⁾	Hong Kong, Corporation	Digital banking, Hong Kong	-	66.85%	100.00%	HKD2,700,000,000
Heilongjiang Jinlianyuntong Small Loan Co., Ltd. ⁽ⁱⁱⁱ⁾	Harbin, Corporation	Lending service, Harbin	-	66.85%	100.00%	10,000,000,000
Ping An Healthcare and Technology Company Limited ^(iv) ("Ping An Health")	Cayman Islands, Corporation	Investment holding, Shanghai	-	53.71%	53.71%	USD50,000
Ping An Dian Chuang International Financial Leasing Co., Ltd. ^(iv)	Shanghai, Corporation	Financial leasing, operating leasing, and commercial factoring business, Shanghai	-	67.79%	100.00%	2,500,000,000
Hengyi Chiyong (Shenzhen) Asset Management Co., Ltd. ^(iv)	Shenzhen, Corporation	Private securities investment fund management services, Shenzhen	-	99.99%	100.00%	300,000,000
Ping An Health Insurance Agency Co., Ltd. ^(iv)	Guangzhou, Corporation	Sales agency of insurance, Guangzhou	-	60.10%	100.00%	50,000,000
Ping An International Commercial Factoring (Tianjin) Co., Ltd. ^(iv)	Tianjin, Corporation	Commercial factoring, Tianjin	-	67.79%	100.00%	550,000,000
Shenzhen Kechuang Insurance Assessment Co., Ltd. ^(iv)	Shenzhen, Corporation	Insurance assessment, Shenzhen	-	100.00%	100.00%	4,000,000
Beijing Mei An Insurance-Sales Agent Co., Ltd. ^(iv)	Beijing, Corporation	Insurance agent, Beijing	-	100.00%	100.00%	50,000,000
Beijing Jinyongtai Insurance Broker Co., Ltd. ^(iv)	Beijing, Corporation	Insurance brokerage, Beijing	-	100.00%	100.00%	50,000,000
OneConnect Financial Technology Co., Ltd. ^(iv) ("OneConnect")	Cayman Islands, Corporation	Investment platform, Shenzhen	-	100.00%	100.00%	USD11,700
HealthKonnnect Medical and Health Technology Management Company Limited ^(iv) ("Ping An HealthKonnnect")	Cayman Islands, Corporation	IT services, Shanghai	-	67.79%	67.79%	USD9,293

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4. SCOPE OF CONSOLIDATION (CONTINUED)

(1) Particulars of the Company's principal subsidiaries as at 31 December 2025 are set out below (Continued):

Notes:

- (i) The proportion of ordinary shares, as shown in the above table, is the sum product of direct holding by the Company and indirect holding by a multiplication of the proportion of shares held in each holding layer. The proportion of votes is the sum product of the proportion of votes held directly by the Company and indirectly via subsidiaries controlled by the Company.
- (ii) For the year ended 31 December 2025, Ping An Bank's profit attributable to its non-controlling interest was RMB17,922 million (2024: RMB18,712 million), the dividend paid to its non-controlling interest was RMB6,886 million (2024: RMB10,207 million). As at 31 December 2025, Ping An Bank's equity attributable to its non-controlling interest was RMB278,091 million (31 December 2024: RMB237,016 million). Ping An Bank's summarized financial information is disclosed in "segment reporting" under the "Banking" segment.
- (iii) The registered capitals of these subsidiaries were changed in 2025.
- (iv) The subsidiaries were incorporated into the scope of consolidation in 2025.

The Company and its subsidiaries are subject to the Company Law as well as various listing requirements, where applicable. Capital or asset transactions between the Company and its subsidiaries might be subject to regulatory requirements. Certain of the Company's subsidiaries are subject to regulatory capital requirements. As such, there are restrictions on the Group's ability to access or use the assets of these subsidiaries or use them to settle the liabilities of these subsidiaries. Please refer to Note 49.(7) for detailed disclosure on the relevant regulatory capital requirements.

(2) As at 31 December 2025, the Group consolidated the following principal structured entities:

Name	Attributable equity interest	Paid-in capital (RMB)	Principal activities
Ping An Asset Xinxiang No.28 Assets Management	99.53%	16,099,417,368	Investment in wealth management products
Ping An Asset Xinxiang No.19 Assets Management	99.52%	5,796,817,641	Investment in wealth management products
Ping An Asset Xinxiang No.5 Assets Management	99.55%	32,012,893	Investment in wealth management products
Ping An Asset Xinxiang No.20 Assets Management	99.52%	5,186,753,003	Investment in wealth management products
Ping An Asset Xinxiang No.18 Assets Management	99.52%	5,417,175,675	Investment in wealth management products
Ping An Fund – Ping An Life Fixed Income No. 1 MOM Single Asset Management Plan	99.54%	1,947,209,639	Investment in wealth management products
Ping An Fund – Ping An Life Equity No. 2 MOM Single Asset Management Plan	99.54%	16,692,487,515	Investment in wealth management products

4. SCOPE OF CONSOLIDATION (CONTINUED)

(2) As at 31 December 2025, the Group consolidated the following principal structured entities (Continued):

Name	Attributable equity interest	Paid-in capital (RMB)	Principal activities
Ping An Fund – Ping An Life Fixed Income No. 3 MOM Single Asset Management Plan	99.54%	8,547,137,852	Investment in wealth management products
Ping An Asset Chuangying No.19 Assets Management	98.34%	381,674,995	Investment in wealth management products
Ping An Asset Xinxiang No.56 Assets Management	99.54%	16,693,170,088	Investment in wealth management products
Ping An Asset Qiushi No.64 Assets Management	99.54%	14,135,794,553	Investment in wealth management products
Ping An Asset Qiushi No.37 Assets Management	99.54%	18,766,591,786	Investment in wealth management products
Ping An Asset Qiushi No.38 Assets Management	99.54%	18,817,784,178	Investment in wealth management products
Hengyi Select Private Securities Investment Fund	99.54%	17,020,000,000	Investment in wealth management products
Ping An Asset Hexu No.3 Assets Management	99.54%	19,629,383,951	Investment in wealth management products
Ping An Asset Hexu No.4 Assets Management	99.54%	19,629,383,951	Investment in wealth management products
Ping An Asset Kaiyang No.2 Assets Management	99.54%	20,684,462,232	Investment in wealth management products
Ping An Asset Kaiyang No.5 Assets Management	99.54%	39,257,126,908	Investment in wealth management products
Ping An Asset Xiahe No.21 Assets Management	99.54%	37,068,263,261	Investment in wealth management products

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5. SEGMENT REPORTING

The segment businesses are separately presented as the insurance segment, the banking segment, the asset management segment, the finance enablement segment and the other businesses, based on the products and service offerings. The insurance segment is divided into the life and health insurance and the property and casualty insurance segment which are in line with the nature of products, risk and asset portfolios. The types of products and services from which reportable segments derive revenue are listed below:

- The life and health insurance segment offers a comprehensive range of life insurance products to individual and corporate customers, including term, whole-life, endowment, annuity, investment-linked, universal life and health care and medical insurance, reflecting performance summary of Ping An Life, Ping An Annuity and Ping An Health Insurance⁽ⁱ⁾;
- The property and casualty insurance segment offers a wide variety of insurance products to individual and corporate customers, including auto insurance, non-auto insurance, accident and health insurance, reflecting performance of Ping An Property & Casualty;
- The banking segment undertakes loan and intermediary business with corporate customers and retail customers as well as wealth management and credit card services with individual customers, reflecting performance of Ping An Bank;
- The asset management segment provides trust products services, brokerage services, trading services, investment banking services, investment management services, finance lease business and other asset management services, reflecting performance summary of Ping An Trust, Ping An Securities, Ping An Asset Management Co., Ltd. and Ping An Financial Leasing and the other asset management subsidiaries;
- The finance enablement segment provides various financial and daily-life services through internet platforms such as financial transaction information service platform, health care service platform, reflecting performance summary of the finance enablement subsidiaries.

Except for the above business segments, the other segments did not have a material impact on the Group's operating outcome, and as such are not separately presented.

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

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

During 2025 and 2024, revenue from the Group's top five customers accounted for less than 1% of the total revenue for the year.

(i) The company holds a total direct and indirect shareholding of 75.01%, while DISCOVERY LIMITED holds a shareholding of 24.99%.

5. SEGMENT REPORTING (CONTINUED)

The segment analysis as at 31 December 2025 and for the year then ended is as follows:

(in RMB million)	Life and health insurance	Property and casualty insurance	Banking	Asset management	Finance enablement	Other businesses and elimination	Total
Insurance revenue	220,391	338,912	-	-	-	199	559,502
Interest revenue from banking operations	-	-	169,863	-	438	(597)	169,704
Fees and commission revenue from non-insurance operations	8,767	-	27,240	13,527	5,505	(2,804)	52,235
Including: Inter-segment fees and commission revenue from non-insurance operations	-	-	1,429	349	953	(2,731)	-
Interest revenue from non-banking operations	103,678	6,935	-	8,393	16,848	(56)	135,798
Including: Inter-segment interest revenue from non-banking operations	103	37	-	634	245	(1,019)	-
Investment income	137,125	8,026	18,010	1,526	768	(10,911)	154,544
Including: Inter-segment investment income	1,569	172	10	26	5	(1,782)	-
Share of profits and losses of associates and joint ventures	1,522	(1,579)	-	(836)	(722)	(3,189)	(4,804)
Other revenues and other gains	33,573	1,296	589	32,039	26,854	(21,006)	73,345
Including: Inter-segment other revenues	8,474	(159)	7	4,604	6,500	(19,426)	-
Including: Non-operating gains	327	255	32	11	74	(8)	691
Total revenue	505,056	353,590	215,702	54,649	49,691	(38,364)	1,140,324

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

5. SEGMENT REPORTING (CONTINUED)

The segment analysis as at 31 December 2025 and for the year then ended is as follows (Continued):

(in RMB million)	Life and health insurance	Property and casualty insurance	Banking	Asset management	Finance enablement	Other businesses and elimination	Total
Insurance service expenses	(132,639)	(320,380)	-	-	-	(249)	(453,268)
Allocation of reinsurance premiums paid	(3,353)	(13,006)	-	-	-	261	(16,098)
Less: Amount recovered from reinsurer	2,214	8,992	-	-	-	(174)	11,032
Net insurance finance expenses for insurance contracts issued	(176,077)	(3,879)	-	-	-	(22)	(179,978)
Less: Net reinsurance finance income for reinsurance contracts held	47	276	-	-	-	13	336
Interest expenses on banking operations	-	-	(81,842)	-	(174)	974	(81,042)
Fees and commission expenses on non-insurance operations	(2,191)	-	(3,346)	(3,239)	-	73	(8,703)
Net impairment losses on financial assets and other assets	(5,296)	(1,756)	(40,567)	(12,147)	(16,543)	1,900	(74,409)
Including: Loan impairment losses, net	-	-	(46,411)	-	(8,521)	194	(54,738)
Including: Impairment losses on investment assets	(5,162)	(858)	6,901	(8,155)	(7,103)	582	(13,795)
Including: Impairment losses on receivables and others	(134)	(898)	(1,057)	(3,992)	(919)	1,124	(5,876)
Foreign exchange gains/(losses)	(367)	(63)	960	(53)	(85)	226	618
General and administrative expenses	(22,976)	(2,541)	(39,467)	(14,466)	(21,460)	14,694	(86,216)
Changes in insurance premium reserves	-	(198)	-	-	-	-	(198)
Interest expenses on non-banking operations	(9,100)	(948)	-	(8,277)	(3,501)	217	(21,609)
Including: Financial costs	(2,940)	(351)	-	(7,223)	(2,425)	251	(12,688)
Including: Interest expenses on assets sold under agreements to repurchase and placements from banks and other financial institutions	(6,160)	(597)	-	(1,054)	(1,076)	(34)	(8,921)
Other expenses	(31,897)	(1,290)	(281)	(14,065)	(7,339)	9,673	(45,199)
Total expenses	(381,635)	(334,793)	(164,543)	(52,247)	(49,102)	27,586	(954,734)
Profit before tax	123,421	18,797	51,159	2,402	589	(10,778)	185,590
Income tax	(11,092)	(4,200)	(8,526)	(5,402)	2,486	(555)	(27,289)
Profit for the year	112,329	14,597	42,633	(3,000)	3,075	(11,333)	158,301
- Attributable to owners of the parent	108,723	14,531	24,711	(3,785)	3,192	(12,594)	134,778

5. SEGMENT REPORTING (CONTINUED)

The segment analysis as at 31 December 2025 and for the year then ended is as follows (Continued):

(in RMB million)	Life and health insurance	Property and casualty insurance	Banking	Asset management	Finance enablement	Other businesses and elimination	Total
Cash and amounts due from banks and other financial institutions	557,203	48,068	421,553	181,118	52,726	(70,801)	1,189,867
Balances with the Central Bank and statutory deposits for insurance operations	10,859	4,521	250,168	-	-	-	265,548
Accounts receivable	3,426	20	-	33,252	7,716	(736)	43,678
Reinsurance contract assets	4,692	21,102	-	-	-	(279)	25,515
Finance lease receivable	-	-	-	241,943	16,299	(40)	258,202
Loans and advances to customers	-	-	3,320,386	-	102,291	(13,603)	3,409,074
Financial assets at fair value through profit or loss	1,546,689	162,134	765,101	157,203	48,855	33,345	2,713,327
Financial assets at amortized cost	196,310	187,925	781,961	225,337	783	(121,747)	1,270,569
Debt financial assets at fair value through other comprehensive income	2,972,090	36,037	163,904	38,557	6,182	14,665	3,231,435
Equity financial assets at fair value through other comprehensive income	565,255	50,684	4,727	1,549	92	(12,757)	609,550
Investments in associates and joint ventures	124,739	11,070	-	42,449	423	(37,430)	141,251
Others	400,174	40,366	217,977	70,847	19,733	(8,642)	740,455
Segment assets	6,381,437	561,927	5,925,777	992,255	255,100	(218,025)	13,898,471

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5. SEGMENT REPORTING (CONTINUED)

The segment analysis as at 31 December 2025 and for the year then ended is as follows (Continued):

(in RMB million)	Life and health insurance	Property and casualty insurance	Banking	Asset management	Finance enablement	Other businesses and elimination	Total
Due to banks and other financial institutions	20,679	-	842,274	340,136	74,991	(173,471)	1,104,609
Assets sold under agreements to repurchase	468,168	30,886	80,856	61,588	1,527	522	643,547
Accounts payable	4,607	107	-	785	937	(645)	5,791
Insurance contract liabilities	5,053,125	307,761	-	-	-	24	5,360,910
Reinsurance contract liabilities	-	537	-	-	-	-	537
Customer deposits and payables to brokerage customers	82,436	-	3,633,569	138,149	9,457	(54,365)	3,809,246
Bonds payable	88,138	16,165	544,534	174,765	2,928	27,131	853,661
Others	147,190	60,263	273,360	192,654	62,429	(31,714)	704,182
Segment liabilities	5,864,343	415,719	5,374,593	908,077	152,269	(232,518)	12,482,483
Segment equity	517,094	146,208	551,184	84,178	102,831	14,493	1,415,988
- Attributable to owners of the parent	421,127	145,543	273,093	69,969	66,006	24,681	1,000,419
Other segment information:							
Capital expenditures	7,414	1,347	4,073	761	1,717	38	15,350
Depreciation and amortization	9,773	1,343	4,994	1,018	1,305	(594)	17,839
Total other non-cash expenses charged to consolidated results	5,296	1,756	40,567	12,147	16,543	(1,900)	74,409

As at 31 December 2025, the total accumulated changes in the fair value and credit risks provision of debt financial assets at fair value through other comprehensive income, and insurance finance expenses for insurance contracts issued in other comprehensive income that may be reclassified subsequently to profit or loss, net of tax, of Life and health insurance segment is negative RMB106,397 million (31 December 2024: negative RMB74,289 million).

5. SEGMENT REPORTING (CONTINUED)

The segment analysis as at 31 December 2024 and for the year then ended is as follows:

(in RMB million)	Life and health insurance	Property and casualty insurance	Banking	Asset management	Finance enablement	Other businesses and elimination	Total
Insurance revenue	223,302	328,146	-	-	-	(262)	551,186
Interest revenue from banking operations	-	-	198,380	-	113	(532)	197,961
Fees and commission revenue from non-insurance operations	6,843	-	27,844	10,170	2,997	(2,068)	45,786
Including: Inter-segment fees and commission revenue from non-insurance operations	(3)	-	1,274	252	484	(2,007)	-
Interest revenue from non-banking operations	99,899	6,781	-	11,361	7,636	(2,050)	123,627
Including: Inter-segment interest revenue from non-banking operations	133	23	-	2,534	138	(2,828)	-
Investment income	114,697	11,431	27,765	(984)	13,725	(5,560)	161,074
Including: Inter-segment investment income	1,641	10	(4)	32	1	(1,680)	-
Share of profits and losses of associates and joint ventures	2,852	(1,034)	-	(1,234)	(662)	(3,401)	(3,479)
Other revenues and other gains	34,080	1,132	548	29,005	18,995	(18,569)	65,191
Including: Inter-segment other revenues	9,370	360	19	3,146	5,315	(18,210)	-
Including: Non-operating gains	581	216	37	31	54	(7)	912
Total revenue	481,673	346,456	254,537	48,318	42,804	(32,442)	1,141,346

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5. SEGMENT REPORTING (CONTINUED)

The segment analysis as at 31 December 2024 and for the year then ended is as follows (Continued):

(in RMB million)	Life and health insurance	Property and casualty insurance	Banking	Asset management	Finance enablement	Other businesses and elimination	Total
Insurance service expenses	(134,628)	(314,356)	-	-	-	(118)	(449,102)
Allocation of reinsurance premiums paid	(3,694)	(11,762)	-	-	-	764	(14,692)
Less: Amount recovered from reinsurer	2,222	9,231	-	-	-	(362)	11,091
Net insurance finance expenses for insurance contracts issued	(166,339)	(6,287)	-	-	-	(36)	(172,662)
Less: Net reinsurance finance income for reinsurance contracts held	85	847	-	-	-	28	960
Interest expenses on banking operations	-	-	(104,953)	-	(55)	960	(104,048)
Fees and commission expenses on non-insurance operations	(1,915)	-	(3,732)	(2,255)	-	61	(7,841)
Net impairment losses on financial assets and other assets	(22,284)	(1,469)	(49,428)	(13,056)	(6,799)	277	(92,759)
Including: Loan impairment losses, net	-	-	(52,924)	-	(3,321)	-	(56,245)
Including: Impairment losses on investment assets	(13,071)	(475)	4,383	(7,976)	(2,949)	274	(19,814)
Including: Impairment losses on receivables and others	(9,213)	(994)	(887)	(5,080)	(529)	3	(16,700)
Foreign exchange gains/(losses)	94	22	880	(407)	(35)	(174)	380
General and administrative expenses	(20,125)	(1,973)	(42,061)	(13,729)	(16,995)	10,831	(84,052)
Changes in insurance premium reserves	-	(356)	-	-	-	-	(356)
Interest expenses on non-banking operations	(6,273)	(700)	-	(13,614)	(1,808)	2,990	(19,405)
Including: Financial costs	(4,037)	(122)	-	(12,326)	(1,808)	3,018	(15,275)
Including: Interest expenses on assets sold under agreements to repurchase and placements from banks and other financial institutions	(2,236)	(578)	-	(1,288)	-	(28)	(4,130)
Other expenses	(30,467)	(1,172)	(505)	(12,751)	(3,749)	10,279	(38,365)
Total expenses	(383,324)	(327,975)	(199,799)	(55,812)	(29,441)	25,500	(970,851)
Profit before tax	98,349	18,481	54,738	(7,494)	13,363	(6,942)	170,495
Income tax	(6,252)	(3,460)	(10,230)	(3,620)	(78)	(122)	(23,762)
Profit for the year	92,097	15,021	44,508	(11,114)	13,285	(7,064)	146,733
- Attributable to owners of the parent	93,025	14,952	25,796	(11,899)	12,907	(8,174)	126,607

5. SEGMENT REPORTING (CONTINUED)

The segment analysis as at 31 December 2024 and for the year then ended is as follows (Continued):

(in RMB million)	Life and health insurance	Property and casualty insurance	Banking	Asset management	Finance enablement	Other businesses and elimination	Total
Cash and amounts due from banks and other financial institutions	414,177	40,832	402,763	145,067	62,101	(46,913)	1,018,027
Balances with the Central Bank and statutory deposits for insurance operations	12,000	4,399	265,552	-	5	-	281,956
Accounts receivable	3,440	19	-	30,776	2,489	(718)	36,006
Reinsurance contract assets	6,860	20,475	-	-	-	(1,251)	26,084
Finance lease receivable	-	-	-	210,176	-	-	210,176
Loans and advances to customers	-	-	3,294,053	-	111,509	(13,725)	3,391,837
Financial assets at fair value through profit or loss	1,338,512	182,567	629,571	155,026	37,781	33,617	2,377,074
Financial assets at amortized cost	170,245	156,075	785,075	189,315	3,361	(71,621)	1,232,450
Debt financial assets at fair value through other comprehensive income	2,926,430	23,196	176,655	50,458	1,156	9,042	3,186,937
Equity financial assets at fair value through other comprehensive income	331,155	31,822	5,773	684	49	(12,990)	356,493
Investments in associates and joint ventures	138,169	25,797	-	53,881	19,072	(51,405)	185,514
Others	313,932	33,937	209,828	67,616	33,157	(3,197)	655,273
Segment assets	5,654,920	519,119	5,769,270	902,999	270,680	(159,161)	12,957,827

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5. SEGMENT REPORTING (CONTINUED)

The segment analysis as at 31 December 2024 and for the year then ended is as follows (Continued):

(in RMB million)	Life and health insurance	Property and casualty insurance	Banking	Asset management	Finance enablement	Other businesses and elimination	Total
Due to banks and other financial institutions	32,374	–	589,627	289,133	51,198	(124,149)	838,183
Assets sold under agreements to repurchase	225,802	42,415	131,181	60,826	502	1,566	462,292
Accounts payable	5,396	150	–	1,304	854	(833)	6,871
Insurance contract liabilities	4,703,643	282,048	–	–	–	(896)	4,984,795
Reinsurance contract liabilities	–	569	–	–	–	–	569
Customer deposits and payables to brokerage customers	66,616	–	3,592,313	102,230	3,934	(54,926)	3,710,167
Bonds payable	72,235	10,111	695,200	165,356	–	24,140	967,042
Others	133,391	47,152	266,107	187,943	76,972	(28,369)	683,196
Segment liabilities	5,239,457	382,445	5,274,428	806,792	133,460	(183,467)	11,653,115
Segment equity	415,463	136,674	494,842	96,207	137,220	24,306	1,304,712
– Attributable to owners of the parent	334,468	135,854	257,826	79,452	86,841	34,159	928,600
Other segment information:							
Capital expenditures	5,572	730	3,809	598	1,631	341	12,681
Depreciation and amortization	9,571	1,388	5,631	1,101	1,890	(470)	19,111
Total other non-cash expenses charged to consolidated results	22,284	1,469	49,428	13,056	6,799	(277)	92,759

6. INSURANCE REVENUE

(in RMB million)	2025	2024
Insurance contracts not measured under the premium allocation approach		
Insurance revenue relating to the changes in the liability for remaining coverage		
Amount of contractual service margin recognized in profit or loss	68,763	71,814
Change in the risk adjustment for non-financial risk	6,884	7,624
Expected insurance service expenses incurred in the period	74,635	80,470
Others	(553)	(71)
Amortization of insurance acquisition cash flows	48,840	49,095
Subtotal	198,569	208,932
Insurance contracts measured under the premium allocation approach	360,933	342,254
	559,502	551,186

(in RMB million)	2025	2024
Contracts under the fair value approach	19,576	19,799
Contracts under the modified retrospective approach	123,884	139,057
Other contracts	416,042	392,330
	559,502	551,186

7. NET INTEREST INCOME FROM BANKING OPERATIONS

(in RMB million)	2025	2024
Interest revenue from banking operations		
Due from the Central Bank	3,120	3,438
Due from and placements with banks and other financial institutions and financial assets purchased under reverse repurchase agreements	8,892	10,194
Loans and advances to customers	130,260	153,787
Financial investments	27,432	30,542
Subtotal	169,704	197,961
Interest expenses on banking operations		
Due to the Central Bank	1,941	2,778
Due to and placements from banks and other financial institutions and assets sold under agreements to repurchase	7,917	12,900
Customer deposits	59,059	71,802
Bonds payable	12,125	16,568
Subtotal	81,042	104,048
Net interest income from banking operations	88,662	93,913

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8. INTEREST REVENUE FROM NON-BANKING OPERATIONS

(in RMB million)	2025	2024
Financial assets at amortized cost	46,168	37,546
Debt financial assets at fair value through other comprehensive income	89,630	86,081
	135,798	123,627

9. NET FEES AND COMMISSION INCOME FROM NON-INSURANCE OPERATIONS

(in RMB million)	2025	2024
Fees and commission revenue from non-insurance operations		
Brokerage commission	16,272	11,407
Underwriting commission	968	815
Trust service fees	659	618
Fees and commission from the banking business	25,811	26,570
Others	8,525	6,376
Subtotal	52,235	45,786
Fees and commission expenses on non-insurance operations		
Brokerage commission	4,202	2,930
Fees and commission on the banking business	3,346	3,732
Others	1,155	1,179
Subtotal	8,703	7,841
Net fees and commission income from non-insurance operations	43,532	37,945

10. INVESTMENT INCOME

(in RMB million)	2025	2024
Net investment income	101,340	92,259
Realized gains	63,583	2,311
Unrealized gains/(losses)	(10,379)	66,504
Total investment income	154,544	161,074

(1) NET INVESTMENT INCOME

(in RMB million)	2025	2024
Financial assets at fair value through profit or loss	61,494	63,214
Equity financial assets at fair value through other comprehensive income	32,590	21,567
Operating lease income from investment properties	7,256	7,478
	101,340	92,259

(2) REALIZED GAINS/(LOSSES)

(in RMB million)	2025	2024
Financial instruments at fair value through profit or loss	59,324	(26,831)
Debt financial assets at fair value through other comprehensive income	1,221	3,596
Financial assets at amortized cost	1,473	693
Derivative financial instruments	(331)	3,644
Gains on disposals of loans and advances at fair value through other comprehensive income	3,037	3,393
Precious metal transactions investment gains	483	475
Investment in subsidiaries, associates and joint ventures	(1,954)	15,695
Gains on debt restructuring	330	1,646
	63,583	2,311

(3) UNREALIZED GAINS/(LOSSES)

(in RMB million)	2025	2024
Financial assets at fair value through profit or loss		
Bonds	(21,960)	23,497
Funds	13,697	25,096
Stocks	7,089	20,081
Wealth management investments, debt schemes and other investments	(4,936)	5,731
Financial liabilities at fair value through profit or loss	3,562	(1,546)
Derivative financial instruments	(7,831)	(6,355)
	(10,379)	66,504

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11. OTHER REVENUES AND OTHER GAINS

(in RMB million)	2025	2024
Sales revenue	24,504	25,577
Expressway toll fee	831	803
Annuity management fee	2,234	1,733
Management fee and consulting fee income	7,486	6,129
Finance lease income	20,072	17,850
Others	18,218	13,099
	73,345	65,191

12. INSURANCE SERVICE EXPENSES

(in RMB million)	2025	2024
Claims and other expenses	325,299	316,890
Amortization of insurance acquisition cash flows	120,292	122,027
Losses on onerous contracts and reversal of those losses	7,677	10,185
	453,268	449,102

13. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

(in RMB million)	2025	2024
Accounts receivable	1,003	462
Loans and advances to customers	54,738	56,245
Debt financial assets at fair value through other comprehensive income	3,481	1,224
Financial assets at amortized cost	2,274	16,952
Finance lease receivable	2,088	1,683
Placements with banks and other financial institutions	(261)	221
Credit commitments	6,688	(3,576)
Due from banks and other financial institutions	(165)	(242)
Others	2,233	12,613
	72,079	85,582

14. NET IMPAIRMENT LOSSES ON OTHER ASSETS

(in RMB million)	2025	2024
Investments in associates and joint ventures	1,301	4,420
Others	1,029	2,757
	2,330	7,177

15. PROFIT BEFORE TAX

(1) PROFIT BEFORE TAX IS ARRIVED AT AFTER CHARGING THE FOLLOWING ITEMS:

(in RMB million)	2025	2024
General and administrative expenses (Note 15.(2))	86,216	84,052
Other expenses (Note 15.(3))	45,199	38,365
Net impairment losses on financial assets (Note 13)	72,079	85,582
Net impairment losses on other assets (Note 14)	2,330	7,177

(2) GENERAL AND ADMINISTRATIVE EXPENSES

(in RMB million)	2025	2024
Employee costs	86,987	81,442
Including: Wages, salaries and bonuses	65,580	61,291
Retirement benefits, social security contributions and welfare benefits	19,320	18,264
Property and equipment costs	16,215	17,717
Including: Depreciation of property and equipment	4,658	5,435
Amortization of intangible assets	2,594	2,781
Depreciation of right-of-use assets	3,927	4,137
Operation expenses and regulatory charges	58,091	56,799
Administrative costs	2,707	2,628
Taxes and surcharges	3,764	3,579
Others	6,352	7,547
Including: Audit fee	280	130
	174,116	169,712
Less: Expenses directly attributable to insurance contracts		
Insurance acquisition cash flows recognized in liabilities for remaining coverage	(51,866)	(51,290)
Amounts recognized in insurance service expenses	(36,034)	(34,370)
	(87,900)	(85,660)
	86,216	84,052

(3) OTHER EXPENSES

(in RMB million)	2025	2024
Cost of sales	15,634	14,471
Depreciation of investment properties	5,014	4,632
Interest expenses on finance lease operations	7,478	6,971
Others	17,073	12,291
	45,199	38,365

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16. INCOME TAX

(in RMB million)	2025	2024
Current income tax	22,940	25,297
Deferred income tax	4,349	(1,535)
	27,289	23,762

Certain subsidiaries enjoy tax preferential treatments. These subsidiaries are not material to the Group. Except for those subsidiaries enjoying tax preferential treatments, the applicable corporate income tax rate of the Group for 2025 was 25%.

The amendments to IAS 12 introduce a temporary mandatory exemption from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two Model Rules published by the Organization for Economic Co-operation and Development. The Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates effective for the financial year beginning 1 January 2024. The Group has adopted the amendments to IAS 12 and the temporary mandatory exemptions.

According to the rules of Pillar Two legislation, low-tax jurisdictions with effective tax rate below 15% may have a top-up tax impact. There are differences in the computation of effective tax rate between Pillar Two legislation and IFRS Accounting Standards.

The Group has performed an assessment of the potential impact of the Pillar Two legislation. Based on the assessment, the Group should benefit from the transitional safe harbour for most of the affected jurisdictions in which the Group operates in 2025. Among the remaining affected jurisdictions, the Group does not expect a material exposure to Pillar Two income taxes. The Group continues to follow and evaluate the potential impact of the Pillar Two legislation on future financial performance.

Reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate of 25% (2024: 25%) is as follows:

(in RMB million)	2025	2024
Profit before tax	185,590	170,495
Tax at the applicable tax rate of 25% (2024: 25%)	46,398	42,624
Expenses not deductible for tax	5,690	6,563
Income not subject to tax	(34,161)	(35,272)
Adjustments in respect of current income tax of previous years	1	242
Others	9,361	9,605
Income tax per consolidated income statement	27,289	23,762

Taxes for taxable income attained from outside of the PRC are measured at the tax rates under local and PRC law, regulations and conventions. The income tax credited by the Group is verified by official tax bureau.

17. DIVIDENDS

(in RMB million)	2025	2024
2024 final dividend declared in 2025 – RMB1.62 (2023 final dividend declared in 2024 – RMB1.50) per ordinary share ⁽ⁱ⁾	29,334	27,161
2025 interim dividend – RMB0.95 (2024 interim dividend -RMB0.93) per ordinary share ⁽ⁱⁱ⁾	17,202	16,840

- (i) On 19 March 2025, the Board of Directors of the Company approved the Profit Distribution Plan of the Company for 2024, agreeing to declare a cash dividend in the amount of RMB1.62 (tax inclusive) per share. The total amount of the cash dividend for 2024 was RMB29,334 million (tax inclusive).
- On 13 May 2025, the above profit distribution plan was approved by the shareholders of the Company at the annual general meeting.
- (ii) On 26 August 2025, the Board of Directors of the Company approved the Profit Distribution Plan of the Company for Interim Dividend of 2025, and declared an interim cash dividend of RMB0.95 (tax inclusive) per share. The total amount of the cash dividend was RMB17,202 million (tax inclusive).
- (iii) On 26 March 2026, the Board of Directors of the Company approved the Profit Distribution Plan of the Company for 2025, and declared a final cash dividend of RMB1.75 (tax inclusive) per share. The actual total amount of final dividend distribution is subject to the total number of shares that will be entitled to the dividend distribution on the record date. The total amount of the final dividend distribution in 2025 is RMB31,688,373,491.25 (tax inclusive) based on a total of 18,107,641,995 shares entitled to the dividend distribution as of 31 December 2025, which was not recognized as a liability as at 31 December 2025.

18. EARNINGS PER SHARE

(1) BASIC

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Group.

	2025	2024
Profit attributable to owners of the parent (in RMB million)	134,778	126,607
Weighted average number of ordinary shares in issue (million shares)	17,556	17,693
Basic earnings per share (in RMB)	7.68	7.16

Weighted average number of ordinary shares in issue (million shares)	2025	2024
Issued ordinary shares as at 1 January	18,210	18,210
Weighted average number of shares held by the Key Employee Share Purchase Plan	(28)	(27)
Weighted average number of shares held by the Long-term Service Plan	(523)	(387)
Weighted average number of the treasury shares cancelled	(34)	-
Weighted average number of shares held by the treasury share	(69)	(103)
Weighted average number of ordinary shares in issue	17,556	17,693

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18. EARNINGS PER SHARE (CONTINUED)

(2) DILUTED

Diluted earnings per share was computed by dividing the adjusted profit attributable to owners of the parent based on assuming conversion of all dilutive potential shares for the year by the adjusted weighted average number of ordinary shares in issue. The shares granted by the Company under the Key Employee Share Purchase Plan (Note 38) and Long-term Service Plan (Note 39) have a potential dilutive effect on the earnings per share. As the inclusion of potential ordinary shares from the convertible bonds would be anti-dilutive, it is not included in the calculation of diluted earnings per share in 2025.

	2025	2024
Earnings (in RMB million)		
Profit attributable to owners of the parent	134,778	126,607
Weighted average number of ordinary shares (million shares)		
Weighted average number of ordinary shares in issue	17,556	17,693
Adjustments for:		
Assumed vesting of Key Employee Share Purchase Plan	28	27
Assumed vesting of Long-term Service Plan	523	387
Weighted average number of ordinary shares for diluted earnings per share in issue (million shares)	18,107	18,107
Diluted earnings per share (in RMB)	7.44	6.99

19. CASH AND AMOUNTS DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

(in RMB million)	31 December 2025	31 December 2024
Cash on hand	4,059	3,424
Term deposits	368,616	289,752
Due from banks and other financial institutions	544,197	457,913
Placements with banks and other financial institutions	272,995	266,938
	1,189,867	1,018,027

Details of placements with banks and other financial institutions are as follows:

(in RMB million)	31 December 2025	31 December 2024
Measured at amortized cost		
Placements with banks	44,563	53,296
Placements with other financial institutions	229,325	214,798
Gross	273,888	268,094
Less: Provision for impairment losses	(893)	(1,156)
Net	272,995	266,938

As at 31 December 2025, cash and amounts due from banks and other financial institutions of RMB25,833 million (31 December 2024: RMB18,001 million) were restricted from use.

As at 31 December 2025, cash and amounts due from overseas amounted to RMB35,325 million (31 December 2024: RMB50,219 million).

20. BALANCES WITH THE CENTRAL BANK

(in RMB million)	31 December 2025	31 December 2024
Statutory reserve deposits with the Central Bank for banking operations	181,426	202,900
Including: Statutory reserve deposits with the Central Bank for banking operations – RMB	178,914	201,126
Statutory reserve deposits with the Central Bank for banking operations – foreign currencies	2,512	1,774
Surplus reserve deposits with the Central Bank	68,324	61,078
Fiscal deposits with the Central Bank	418	1,574
	250,168	265,552

In accordance with relevant regulations, subsidiaries of the Group engaged in bank operations are required to place mandatory reserve deposits with the People's Bank of China for customer deposits in both local currency and foreign currencies. As at 31 December 2025, the mandatory deposits are calculated at 5.5% (31 December 2024: 6.0%) of customer deposits denominated in RMB and 4.0% (31 December 2024: 4.0%) of customer deposits denominated in foreign currencies. Mandatory reserve deposits are not available for use by the Group in its day-to-day operations.

21. FINANCIAL ASSETS PURCHASED UNDER REVERSE REPURCHASE AGREEMENTS

Classified by collateral:

(in RMB million)	31 December 2025	31 December 2024
Bonds	170,739	81,745
Bills	10,622	7,878
Stocks and others	2,446	2,536
Gross	183,807	92,159
Less: Provision for impairment losses	(310)	(319)
Net	183,497	91,840

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22. DERIVATIVE FINANCIAL INSTRUMENTS

(in RMB million)	31 December 2025			
	Assets		Liabilities	
	Nominal amount	Fair value	Nominal amount	Fair value
Interest rate swaps	3,275,720	13,228	4,127,079	13,999
Currency forwards and swaps	900,428	11,694	886,388	11,001
Conversion rights of convertible bonds	-	-	35,227	16,271
Gold derivative instruments	36,709	3,372	31,453	3,771
Stock index options	2,548	113	12,855	300
Stock index swaps	3,114	86	2,660	204
Others	20,929	1,509	29,677	1,316
	4,239,448	30,002	5,125,339	46,862

(in RMB million)	31 December 2024			
	Assets		Liabilities	
	Nominal amount	Fair value	Nominal amount	Fair value
Interest rate swaps	2,838,377	25,637	4,456,949	26,549
Currency forwards and swaps	1,362,940	39,188	1,343,689	37,376
Conversion rights of convertible bonds	-	-	25,159	7,871
Gold derivative instruments	47,478	1,391	51,080	1,377
Stock index options	9,748	527	2,579	144
Stock index swaps	4,717	419	2,373	294
Others	13,478	1,536	21,149	1,326
	4,276,738	68,698	5,902,978	74,937

23. FINANCE LEASE RECEIVABLE

(in RMB million)	31 December 2025	31 December 2024
Finance lease receivables, net of unrealized financial gains	263,791	215,040
Less: Provision for impairment losses	(5,589)	(4,864)
	258,202	210,176

The Group's finance lease receivables are the net amount offsetting the unrealized financial gains.

24. LOANS AND ADVANCES TO CUSTOMERS

(1) ANALYSED BY CORPORATE AND INDIVIDUAL

(in RMB million)

31 December 2025

31 December 2024

Measured at amortized cost

Corporate customers		
Loans	1,328,069	1,137,131
Individual customers		
Mortgage loans	355,148	326,098
Credit card receivables	405,442	434,997
Consumer loans	537,047	539,573
Business loans	538,517	582,298
Gross	3,164,223	3,020,097
Add: Interest receivable	9,120	9,647
Less: Provision for impairment losses	(89,572)	(97,187)
Net	3,083,771	2,932,557

Measured at fair value through other comprehensive income

Corporate customers		
Loans	215,339	273,551
Discounted bills	109,964	185,729
Subtotal	325,303	459,280
Carrying amount	3,409,074	3,391,837

As at 31 December 2025, discounted bills with a carrying amount of RMB110 million (31 December 2024: RMB6,584 million) were pledged for amounts due to the Central Bank.

As at 31 December 2025, the provision for impairment losses of loans and advances to customers measured at fair value through other comprehensive income was RMB416 million (31 December 2024: RMB957 million). Please refer to Note 24.(6).

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24. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

(2) ANALYSED BY INDUSTRY

(in RMB million)	31 December 2025	31 December 2024
Loans and advances to customers		
Agriculture, husbandry and fishery	3,682	3,179
Mining	32,895	24,418
Manufacturing	228,462	223,749
Energy	49,791	44,745
Transportation and communication	88,005	70,494
Wholesaling and retailing	133,764	142,938
Real estate	210,404	245,313
Social service, technology, culture and sanitary industries	421,307	330,109
Construction	81,534	65,974
Individual customers	1,836,154	1,882,966
Others	403,528	445,492
Gross	3,489,526	3,479,377
Add: Interest receivable	9,120	9,647
Less: Provision for impairment losses	(89,572)	(97,187)
Carrying amount	3,409,074	3,391,837

(3) ANALYSED BY TYPE OF COLLATERAL HELD

(in RMB million)	31 December 2025	31 December 2024
Unsecured	1,443,984	1,386,316
Guaranteed	337,982	290,046
Secured by collateral		
Secured by mortgages	1,216,250	1,274,540
Secured by monetary assets	381,346	342,746
Subtotal	3,379,562	3,293,648
Discounted bills	109,964	185,729
Gross	3,489,526	3,479,377
Add: Interest receivable	9,120	9,647
Less: Provision for impairment losses	(89,572)	(97,187)
Carrying amount	3,409,074	3,391,837

(4) AGING ANALYSIS OF PAST DUE LOANS BY PASS DUE DAYS

(in RMB million)	31 December 2025				Total
	Within 3 months	3 months to 1 year	1 to 3 years	More than 3 years	
Unsecured	16,521	8,008	471	75	25,075
Guaranteed	448	780	550	9	1,787
Secured by collateral					
Secured by mortgages	14,850	7,406	1,472	44	23,772
Secured by monetary assets	6,004	2,871	1,999	-	10,874
	37,823	19,065	4,492	128	61,508

24. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

(4) AGING ANALYSIS OF PAST DUE LOANS BY PASS DUE DAYS (CONTINUED)

(in RMB million)	31 December 2024				Total
	Within 3 months	3 months to 1 year	1 to 3 years	More than 3 years	
Unsecured	18,004	9,840	379	54	28,277
Guaranteed	807	684	444	3	1,938
Secured by collateral					
Secured by mortgages	19,062	9,520	584	584	29,750
Secured by monetary assets	3,367	2,239	317	–	5,923
	41,240	22,283	1,724	641	65,888

Past due loans refer to the loans with either principal or interest being past due by one day or more.

(5) ANALYSED BY REGION

(in RMB million)	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Eastern	827,311	23.71%	792,154	22.77%
Southern	663,511	19.01%	680,298	19.55%
Western	310,204	8.90%	304,678	8.76%
Northern	526,282	15.08%	525,982	15.12%
Head office	1,099,957	31.52%	1,126,385	32.37%
Overseas	62,261	1.78%	49,880	1.43%
Gross	3,489,526	100.00%	3,479,377	100.00%
Add: Interest receivable	9,120		9,647	
Less: Loan allowance	(89,572)		(97,187)	
Carrying amount	3,409,074		3,391,837	

(6) LOAN IMPAIRMENT PROVISION

(in RMB million)	2025	2024
Measured at amortized cost		
As at 1 January	97,187	97,353
Acquisitions of subsidiaries	–	7,299
Charge for the year	55,483	58,064
Write-off and transfer during the year	(80,160)	(83,490)
Recovery of loans written off previously	17,340	18,081
Unwinding of discount of impairment provisions recognized as interest income	(189)	(112)
Others	(89)	(8)
As at 31 December	89,572	97,187
Measured at fair value through other comprehensive income		
As at 1 January	957	2,692
Reversal for the year	(745)	(1,819)
Write-off and transfer during the year	(20)	(40)
Recovery of loans written off previously	224	124
As at 31 December	416	957
As at 31 December	89,988	98,144

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25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(in RMB million)	31 December 2025	31 December 2024
Bonds		
Government bonds	232,765	288,136
Finance bonds	588,034	545,284
Corporate bonds	85,201	134,872
Funds	640,852	507,934
Stocks	432,995	204,583
Preferred shares	15,633	23,193
Unlisted equity investments	137,228	136,962
Debt schemes	58,183	73,039
Wealth management and debt financing products	432,196	315,956
Other investments	90,240	147,115
Total	2,713,327	2,377,074
Listed	677,059	402,520
Unlisted	2,036,268	1,974,554
	2,713,327	2,377,074

26. FINANCIAL ASSETS AT AMORTIZED COST

(in RMB million)	31 December 2025	31 December 2024
Bonds		
Government bonds	885,064	899,265
Finance bonds	20,380	26,287
Corporate bonds	28,302	36,758
Debt schemes	10,183	15,415
Wealth management and debt financing products	155,093	129,066
Other investments	234,588	188,792
Gross	1,333,610	1,295,583
Less: Provisions for impairment losses	(63,041)	(63,133)
Net	1,270,569	1,232,450
Listed	97,333	59,846
Unlisted	1,173,236	1,172,604
	1,270,569	1,232,450

27. DEBT FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(in RMB million)	31 December 2025	31 December 2024
Bonds		
Government bonds	2,620,241	2,493,010
Finance bonds	362,548	410,742
Corporate bonds	83,453	95,586
Debt schemes	89,704	102,884
Wealth management investments	75,489	84,715
Total	3,231,435	3,186,937
Listed	722,809	398,075
Unlisted	2,508,626	2,788,862
	3,231,435	3,186,937

As at 31 December 2025, the total provision for impairment losses recognized in debt financial assets at fair value through other comprehensive income is RMB12,506 million (31 December 2024: RMB9,071 million).

28. EQUITY FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Equity financial assets at fair value through other comprehensive income comprise the following individual investments:

(in RMB million)	31 December 2025	31 December 2024
Stocks	548,109	267,082
Preferred shares	54,291	82,575
Other equity investments	7,150	6,836
Total	609,550	356,493
Listed	604,602	350,431
Unlisted	4,948	6,062
	609,550	356,493

For the equity investments which are not held for trading but for long-term investments, the Group has irrevocably elected to recognize them in this category at initial recognition.

In 2025, for the consideration of optimizing asset allocation and asset-liability management, the Group disposed of equity financial assets at fair value through other comprehensive income amounting to RMB47,963 million (2024: RMB23,259 million), and the net cumulative gains of RMB292 million (2024: net cumulative gains of RMB838 million) on disposal was transferred from other comprehensive income to retained profits.

The dividend income of equity financial assets at fair value through other comprehensive income recognized during the year are disclosed in Note 10(1).

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29. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The Group's investments in the principal associates and joint ventures as at 31 December 2025 are as follows:

	2025							
(in RMB million)	As at 1 January	Additional investment	Increase/ (decrease) in current year	As at 31 December	Provision balance as at 31 December	Change of provision in current year	Cash dividends in current year	Proportion of ordinary shares held by the Group (%) ⁽¹⁾
Associates								
Veolia Water (Kunming) Investment Co., Ltd. ("Veolia Kunming")	325	-	(9)	316	(37)	-	-	23.89%
Shanxi Taichang Expressway Co., Ltd. ("Shanxi Taichang")	1,189	-	(219)	970	-	-	337	29.86%
Beijing-Shanghai High-Speed Railway Equity Investment Scheme ("Beijing-Shanghai Railway")	4,582	-	(4,582)	-	-	-	-	-
Massive Idea Investments Limited	821	-	(43)	778	-	-	-	36.67%
Guangzhou Jinglun Property Development Co., Ltd.	164	-	(97)	67	-	-	82	39.93%
Ping An Health	14,776	-	(14,776)	-	-	-	-	-
Ping An HealthKconnect	3,641	-	(3,641)	-	-	-	-	-
OneConnect	1,994	-	(1,994)	-	-	-	-	-
Shenzhen China Merchants-Ping An Asset Management Co., Ltd.	1,165	-	16	1,181	-	-	-	38.82%
ZhongAn Online P&C Insurance Co., Ltd. ("ZhongAn Online")	2,109	-	125	2,234	-	-	-	8.90%
Beijing Beiqi Penglong Automobile Service Co., Ltd.	1,703	-	(32)	1,671	-	-	-	39.19%
China Yangtze Power Co., Ltd.	16,559	-	492	17,051	-	-	934	4.03%
China Traditional Chinese Medicine Holdings Co., Ltd.	2,505	-	(709)	1,796	(1,023)	(510)	48	11.94%
China Fortune Land Development Co., Ltd. ("China Fortune")	1,141	-	(1,141)	-	(9,796)	-	-	24.87%
China Jinmao Holding Group Co., Ltd.	3,529	-	(781)	2,748	(4,455)	(656)	49	13.17%
Vivid Synergy Limited	10,439	-	(258)	10,181	-	-	-	29.86%
Shanghai Yibin Property Co., Ltd.	13,318	-	(14)	13,304	-	-	-	41.81%
Guangzhou Futures Exchange Co., Ltd.	655	-	241	896	-	-	-	15.00%
Others	32,828	261	(4,327)	28,762	(1,888)	(135)	2,164	
Subtotal	113,443	261	(31,749)	81,955	(17,199)	(1,301)	3,614	
Joint ventures								
Beijing Zhaotai Property Development Co., Ltd.	1,291	-	7	1,298	-	-	-	24.95%
Wuhan DAJT Property Development Co., Ltd.	458	-	(155)	303	-	-	118	49.82%
Founder Meiji Yasuda Life Insurance Co., Ltd.	2,293	-	(433)	1,860	(957)	-	-	33.76%
Others	68,029	2,424	(14,618)	55,835	(68)	-	1,626	
Subtotal	72,071	2,424	(15,199)	59,296	(1,025)	-	1,744	
Total	185,514	2,685	(46,948)	141,251	(18,224)	(1,301)	5,358	

29. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The Group's investments in the principal associates and joint ventures as at 31 December 2024 are as follows:

	2024							
(in RMB million)	As at 1 January	Additional investment	Increase/ (decrease) in current year	As at 31 December	Provision balance as at 31 December	Change of provision in current year	Cash dividends in current year	Proportion of ordinary shares held by the Group (%) ⁽ⁱ⁾
Associates								
Veolia Kunming	305	-	20	325	(38)	-	-	23.88%
Shanxi Taichang	1,147	-	42	1,189	-	-	109	29.85%
Beijing-Shanghai Railway	9,493	-	(4,911)	4,582	-	-	209	60.87%
Massive Idea Investments Limited	1,102	-	(281)	821	-	-	-	36.66%
Guangzhou Jinglun Property Development Co., Ltd.	644	-	(480)	164	-	-	-	39.92%
Lufax Holding	52,465	-	(52,465)	-	-	-	-	-
Ping An Health	18,673	-	(3,897)	14,776	-	-	-	39.41%
Ping An HealthKconnect	3,236	-	405	3,641	-	-	-	40.35%
OneConnect	1,913	-	81	1,994	-	-	-	32.12%
Shenzhen China Merchants-Ping An Asset Management Co., Ltd.	992	-	173	1,165	-	-	-	38.81%
ZhongAn Online	2,008	-	101	2,109	-	-	-	10.21%
Beijing Beiqi Penglong Automobile Service Co., Ltd.	1,768	-	(65)	1,703	-	-	75	39.18%
China Yangtze Power Co., Ltd.	16,141	-	418	16,559	-	-	812	4.03%
China Traditional Chinese Medicine Holdings Co., Ltd.	2,905	-	(400)	2,505	(513)	(513)	-	11.94%
China Fortune	1,740	-	(599)	1,141	(9,820)	-	-	25.02%
China Jinmao Holding Group Co., Ltd.	5,606	-	(2,077)	3,529	(3,799)	(2,241)	49	13.18%
Ping An Consumer Finance	1,533	-	(1,533)	-	-	-	-	-
Vivid Synergy Limited	10,216	-	223	10,439	-	-	-	29.85%
Shanghai Yibin Property Co., Ltd.	13,329	-	(11)	13,318	-	-	-	41.80%
Guangzhou Futures Exchange Co., Ltd.	495	-	160	655	-	-	-	15.00%
Others	31,473	7,959	(6,604)	32,828	(1,803)	(840)	2,401	
Subtotal	177,184	7,959	(71,700)	113,443	(15,973)	(3,594)	3,655	
Joint ventures								
Beijing Zhaotai Property Development Co., Ltd.	1,278	-	13	1,291	-	-	-	24.95%
Wuhan DAJT Property Development Co., Ltd.	460	-	(2)	458	-	-	-	49.81%
Founder Meiji Yasuda Life Insurance Co., Ltd.	2,982	-	(689)	2,293	(957)	(758)	-	33.75%
Others	76,973	90	(9,034)	68,029	(68)	(68)	1,646	
Subtotal	81,693	90	(9,712)	72,071	(1,025)	(826)	1,646	
Total	258,877	8,049	(81,412)	185,514	(16,998)	(4,420)	5,301	

The Group has no significant contingent liabilities relating to the associates and joint ventures listed above.

Note i: The proportion of ordinary shares, as shown in the above table, is the multiplication of the proportion of shares held in each holding layer.

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30. STATUTORY DEPOSITS FOR INSURANCE OPERATIONS

(in RMB million)	31 December 2025	31 December 2024
Ping An Life	7,265	8,065
Ping An Property & Casualty	4,200	4,200
Ping An Annuity	2,322	2,322
Ping An Health Insurance	940	970
Others	8	13
Subtotal	14,735	15,570
Less: Provision for impairment losses	(3)	(4)
Add: Interest receivable	648	838
Total	15,380	16,404

Statutory deposits for insurance operations are placed with PRC national commercial banks in accordance with the *Insurance Law* and relevant regulations issued by regulatory authorities based on 20% of the registered capital for the insurance company subsidiaries and 5% of the registered capital for insurance sales agency subsidiaries within the Group, respectively. Statutory deposits for insurance operations can only be utilized to settle liabilities during liquidation of insurance companies, insurance sales agency companies and insurance brokerage companies.

31. INVESTMENT PROPERTIES

(in RMB million)

	2025	2024
Cost		
As at 1 January	151,022	147,669
Acquisition of subsidiaries	13,377	8,145
Additions	2,926	2,141
Transfer from/(to) property and equipment, net	1,592	(2,457)
Disposals of subsidiaries	(207)	(2,006)
Disposals	(1,243)	(2,470)
As at 31 December	167,467	151,022
Accumulated depreciation		
As at 1 January	31,111	26,215
Acquisition of subsidiaries	1,095	540
Charge for the year	5,014	4,632
Transfer from property and equipment, net	326	412
Disposals of subsidiaries	(107)	(216)
Disposals	(159)	(472)
As at 31 December	37,280	31,111
Impairment losses		
As at 1 January	753	48
Acquisition of subsidiaries	875	-
Charge for the year	300	705
Transfer from property and equipment, net	-	10
Disposals	-	(10)
As at 31 December	1,928	753
Net carrying amount		
As at 31 December	128,259	119,158
As at 1 January	119,158	121,406
Fair value		
As at 31 December	171,987	157,988
As at 1 January	157,988	162,654

The fair value of the investment properties as at 31 December 2025 were estimated by the Group, based on valuation performed by independent valuers. It falls under level 3 in the fair value hierarchy.

The rental income arising from investment properties for the year 2025 amounted to RMB7,256 million (2024: RMB7,478 million), which is included in net investment income.

As at 31 December 2025, investment properties with a carrying amount of RMB8,716 million (31 December 2024: RMB8,381 million) were pledged as collateral for long-term and short-term borrowings with a carrying amount of RMB5,210 million (31 December 2024: RMB5,670 million).

The Group was still in the process of applying for title certificates for certain investment properties with a carrying amount of RMB3,334 million as at 31 December 2025 (31 December 2024: RMB2,013 million).

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32. PROPERTY AND EQUIPMENT

	2025					
(in RMB million)	Leasehold improvements	Buildings	Equipment, furniture and fixtures	Motor vehicles	Construction in progress	Total
Cost						
As at 1 January	14,743	53,950	24,711	1,729	3,111	98,244
Acquisitions of subsidiaries	219	-	458	-	-	677
Additions	877	1,387	2,516	296	1,297	6,373
Transfer from/(to) construction in progress	260	3,177	2	-	(3,439)	-
Transfer to investment properties, net	-	(1,402)	-	-	(190)	(1,592)
Disposals of subsidiaries	(42)	(18)	(1,320)	(7)	-	(1,387)
Disposals	(736)	(680)	(2,757)	(174)	(147)	(4,494)
As at 31 December	15,321	56,414	23,610	1,844	632	97,821
Accumulated depreciation						
As at 1 January	12,417	16,345	19,194	1,079	-	49,035
Acquisitions of subsidiaries	193	-	378	-	-	571
Charge for the year	1,165	1,869	2,033	61	-	5,128
Transfer to investment properties, net	-	(326)	-	-	-	(326)
Disposals of subsidiaries	(38)	(4)	(1,147)	(5)	-	(1,194)
Disposals	(726)	(328)	(1,920)	(154)	-	(3,128)
As at 31 December	13,011	17,556	18,538	981	-	50,086
Impairment losses						
As at 1 January	-	239	325	40	2	606
Additions	-	397	44	-	-	441
Disposals	-	(77)	(167)	-	(2)	(246)
As at 31 December	-	559	202	40	-	801
Net carrying amount						
As at 31 December	2,310	38,299	4,870	823	632	46,934
As at 1 January	2,326	37,366	5,192	610	3,109	48,603

32. PROPERTY AND EQUIPMENT (CONTINUED)

	2024					
(in RMB million)	Leasehold improvements	Buildings	Equipment, furniture and fixtures	Motor vehicles	Construction in progress	Total
Cost						
As at 1 January	13,503	50,347	26,325	1,823	4,047	96,045
Acquisitions of subsidiaries	964	58	427	1	-	1,450
Additions	121	172	1,421	29	2,085	3,828
Transfer from/(to) construction in progress	328	1,692	61	-	(2,817)	(736)
Transfer from investment properties, net	-	2,457	-	-	-	2,457
Disposals of subsidiaries	(1)	(592)	(36)	(1)	-	(630)
Disposals	(172)	(184)	(3,487)	(123)	(204)	(4,170)
As at 31 December	14,743	53,950	24,711	1,729	3,111	98,244
Accumulated depreciation						
As at 1 January	10,514	14,999	18,836	1,124	-	45,473
Acquisitions of subsidiaries	916	9	368	1	-	1,294
Charge for the year	1,154	1,911	2,589	55	-	5,709
Transfer to investment properties, net	-	(412)	-	-	-	(412)
Disposals of subsidiaries	(1)	(92)	(33)	(1)	-	(127)
Disposals	(166)	(70)	(2,566)	(100)	-	(2,902)
As at 31 December	12,417	16,345	19,194	1,079	-	49,035
Impairment losses						
As at 1 January	-	67	61	43	-	171
Additions	-	182	288	-	2	472
Transfer to investment properties, net	-	(10)	-	-	-	(10)
Disposals	-	-	(24)	(3)	-	(27)
As at 31 December	-	239	325	40	2	606
Net carrying amount						
As at 31 December	2,326	37,366	5,192	610	3,109	48,603
As at 1 January	2,989	35,281	7,428	656	4,047	50,401

The Group was still in the process of applying for title certificates for its buildings with a carrying amount of RMB384 million as at 31 December 2025 (31 December 2024: RMB425 million).

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33. INTANGIBLE ASSETS

	2025						
(in RMB million)	Goodwill (i)	Expressway operating rights	Prepaid land premiums	Core deposits	Trademarks	Software and others	Total
Cost							
As at 1 January	44,436	5,129	40,462	15,103	10,100	18,192	133,422
Acquisitions of subsidiaries	-	-	1,434	-	183	1,822	3,439
Additions	2,320	-	142	-	15	861	3,338
Disposals of subsidiaries	-	-	(64)	-	(7,175)	(2,328)	(9,567)
Disposals	(7,706)	-	(54)	-	(48)	(237)	(8,045)
As at 31 December	39,050	5,129	41,920	15,103	3,075	18,310	122,587
Accumulated amortization							
As at 1 January	-	3,713	5,822	10,151	1,085	14,298	35,069
Acquisitions of subsidiaries	-	-	24	-	170	1,769	1,963
Charge for the year	-	186	1,106	756	107	1,332	3,487
Disposals of subsidiaries	-	-	(28)	-	(128)	(2,145)	(2,301)
Disposals	-	-	(13)	-	(47)	(195)	(255)
As at 31 December	-	3,899	6,911	10,907	1,187	15,059	37,963
Impairment losses							
As at 1 January	897	-	39	-	-	154	1,090
Additions	23	-	14	-	-	24	61
Disposals	-	-	-	-	-	(5)	(5)
As at 31 December	920	-	53	-	-	173	1,146
Net carrying amount							
As at 31 December	38,130	1,230	34,956	4,196	1,888	3,078	83,478
As at 1 January	43,539	1,416	34,601	4,952	9,015	3,740	97,263

33. INTANGIBLE ASSETS (CONTINUED)

	2024						
(in RMB million)	Goodwill (i)	Expressway operating rights	Prepaid land premiums	Core deposits	Trademarks	Software and others	Total
Cost							
As at 1 January	44,407	5,129	38,741	15,082	10,074	17,283	130,716
Acquisitions of subsidiaries	-	-	621	21	18	543	1,203
Additions	29	-	1,549	-	8	928	2,514
Disposals of subsidiaries	-	-	(41)	-	-	(63)	(104)
Disposals	-	-	(408)	-	-	(499)	(907)
As at 31 December	44,436	5,129	40,462	15,103	10,100	18,192	133,422
Accumulated amortization							
As at 1 January	-	3,524	4,646	9,394	990	12,745	31,299
Acquisitions of subsidiaries	-	-	53	-	-	275	328
Charge for the year	-	189	1,128	757	95	1,671	3,840
Disposals of subsidiaries	-	-	(5)	-	-	(2)	(7)
Disposals	-	-	-	-	-	(391)	(391)
As at 31 December	-	3,713	5,822	10,151	1,085	14,298	35,069
Impairment losses							
As at 1 January	291	-	-	-	-	48	339
Acquisitions of subsidiaries	-	-	-	-	-	64	64
Additions	606	-	39	-	-	67	712
Disposals of subsidiaries	-	-	-	-	-	(6)	(6)
Disposals	-	-	-	-	-	(19)	(19)
As at 31 December	897	-	39	-	-	154	1,090
Net carrying amount							
As at 31 December	43,539	1,416	34,601	4,952	9,015	3,740	97,263
As at 1 January	44,116	1,605	34,095	5,688	9,084	4,490	99,078

As at 31 December 2025, expressway operating rights with a carrying amount of RMB436 million (31 December 2024: RMB500 million) were pledged as collateral for long-term borrowings amounting to RMB109 million (31 December 2024: RMB137 million).

As at 31 December 2025, prepaid land premiums with a carrying amount of RMB873 million (31 December 2024: RMB943 million) were pledged as collateral for long-term borrowings amounting to RMB442 million (31 December 2024: RMB608 million).

As at 31 December 2025, the Group has no prepaid land premiums without title certificates (31 December 2024: nil).

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33. INTANGIBLE ASSETS (CONTINUED)

(I) GOODWILL

(in RMB million)	2025			
	As at 1 January	Increase	Decrease	As at 31 December
Ping An Bank	8,761	-	-	8,761
Jahwa Group ^[1]	4,614	51	-	4,665
Ping An Securities	328	-	-	328
Ping An Commercial Property Investment	66	-	-	66
Beijing Shuangronghui Investment Co., Ltd.	134	-	-	134
Shanghai Gezhouba Yangming Property Co., Ltd.	241	-	-	241
Ping An E-wallet	1,073	-	-	1,073
Autohome Inc.	5,265	-	(5,265)	-
TTP Car Inc.	2,438	-	(2,438)	-
New Founder Group	20,977	-	-	20,977
Ping An Health	-	2,269	-	2,269
Other	539	-	(3)	536
Total	44,436	2,320	(7,706)	39,050
Less: Impairment losses	(897)	(23)	-	(920)
Net carrying amount	43,539	2,297	(7,706)	38,130

(in RMB million)	2024			
	As at 1 January	Increase	Decrease	As at 31 December
Ping An Bank	8,761	-	-	8,761
Jahwa Group ^[1]	4,587	27	-	4,614
Ping An Securities	328	-	-	328
Ping An Commercial Property Investment	66	-	-	66
Beijing Shuangronghui Investment Co., Ltd.	134	-	-	134
Shanghai Gezhouba Yangming Property Co., Ltd.	241	-	-	241
Ping An E-wallet	1,073	-	-	1,073
Autohome Inc.	5,265	-	-	5,265
TTP Car Inc.	2,438	-	-	2,438
New Founder Group	20,977	-	-	20,977
Other	537	2	-	539
Total	44,407	29	-	44,436
Less: Impairment losses	(291)	(606)	-	(897)
Net carrying amount	44,116	(577)	-	43,539

33. INTANGIBLE ASSETS (CONTINUED)

(I) GOODWILL (CONTINUED)

When assessing the impairment of goodwill, the main valuation technique used to determine the recoverable amount of the groups of assets (or groups of cash-generating units) are Fair Value Less Cost to Sell and Present Value of Future Cash Flows.

Fair value is based on the fair value of stocks issued in the public market or applicable valuation techniques. The present value of future cash flows is based on business plans approved by management covering a five-year period and a risk adjusted discount rate. Cash flows beyond that period have been extrapolated using a steady growth rate and terminal value. Discount rates used by the Group range from 10% to 17% (2024: from 10% to 17%) and growth rates, where applicable, range from 2% to 18% (2024: from 2% to 20%) for 2025.

The Group's right-of-use assets include the above prepaid land premiums and right-of-use assets disclosed in Note 34.

[1] Jahwa Group comprises Shanghai Jahwa and its subsidiary, Mayborn Group Limited, etc.

34. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

RIGHT-OF-USE ASSETS

(in RMB million)	2025		
	Buildings	Others	Total
Cost			
As at 1 January	14,413	49	14,462
Additions	4,843	190	5,033
Disposals	(7,169)	(146)	(7,315)
As at 31 December	12,087	93	12,180
Accumulated depreciation			
As at 1 January	5,921	11	5,932
Charge for the year	4,190	20	4,210
Disposals	(6,287)	-	(6,287)
As at 31 December	3,824	31	3,855
Impairment provision			
As at 1 January	3	-	3
As at 31 December	3	-	3
Net carrying amount			
As at 31 December	8,260	62	8,322
As at 1 January	8,489	38	8,527

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34. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

RIGHT-OF-USE ASSETS (CONTINUED)

(in RMB million)	2024		Total
	Buildings	Others	
Cost			
As at 1 January	15,661	12	15,673
Additions	4,185	42	4,227
Disposals	(5,433)	(5)	(5,438)
As at 31 December	14,413	49	14,462
Accumulated depreciation			
As at 1 January	5,868	8	5,876
Charge for the year	4,925	5	4,930
Disposals	(4,872)	(2)	(4,874)
As at 31 December	5,921	11	5,932
Impairment provision			
As at 1 January	3	–	3
As at 31 December	3	–	3
Net carrying amount			
As at 31 December	8,489	38	8,527
As at 1 January	9,790	4	9,794

The Group's right-of-use assets include the above assets and prepaid land premiums disclosed in Note 33.

The amount recognized in the Consolidated Income Statement and the Consolidated Statement of Cash Flows for the year relating to the lease contracts are as follows:

(in RMB million)	2025	2024
Interest expense on lease liabilities	302	369
Expense relating to leases of low-value assets and short-term leases applied the simplified approach	609	578
Total cash outflows for lease	4,940	5,444

35. OTHER ASSETS

(in RMB million)	31 December 2025	31 December 2024
Other receivables	83,391	73,606
Foreclosed assets	4,700	5,116
Prepayments	2,717	2,709
Precious metals	47,172	12,736
Dividends receivable	6,306	4,494
Amounts in the processing clearance and settlement	9,351	6,370
Others	20,837	19,927
Gross	174,474	124,958
Less: Impairment provisions	(29,151)	(25,786)
Including: Other receivables	(25,473)	(21,507)
Foreclosed assets	(1,523)	(1,952)
Others	(2,155)	(2,327)
Net	145,323	99,172

36. SHARE CAPITAL

(million shares)	Domestic listed A shares, par value RMB1.00 per share	Overseas listed H shares, par value RMB1.00 per share	Total
31 December 2025	10,660	7,448	18,108
31 December 2024	10,762	7,448	18,210

In September 2025, the Company cancelled 102,592,612 A shares repurchased under the 2021 A Share Repurchase Plan, and the total share capital of the Company was changed from 18,210,234,607 shares to 18,107,641,995 shares.

37. RESERVES, RETAINED PROFITS AND NON-CONTROLLING INTERESTS

In accordance with the relevant regulations, general reserves should be set aside to cover catastrophic or other losses as incurred by companies operating in the insurance, banking, trust, securities, futures and fund businesses. The Group's respective entities engaged in such businesses would need to make appropriations for such reserves based on their respective year-end profit or risk assets. The companies operating in insurance should make appropriations for general reserves based on 10% of net profit; the company operating in banking should make appropriations based on 1.5% of risk assets; the companies operating in securities should make appropriations based on 10% of net profit; the company operating in trust should make appropriations based on 5% of trust claim reserves; the companies operating in futures should make appropriations based on 10% of net profit; and the companies operating in fund should make appropriations based on 10% of fund management fees as determined in accordance with PRC Accounting Standards, and based on the applicable PRC financial regulations, in their annual financial statements. Such reserves are not available for dividend distribution or transfer to share capital.

In accordance with the relevant regulations, the net profit after tax of the Company for profit distribution is deemed to be the lower of (i) the retained profits determined in accordance with PRC Accounting Standards and (ii) the retained profits determined in accordance with IFRS Accounting Standards.

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38. KEY EMPLOYEE SHARE PURCHASE PLAN

The Company has adopted a Key Employee Share Purchase Plan for the key employees (including executive directors and senior management) of the Company and its subsidiaries. Shares shall be vested to the key employees approved for participation in the plan, subject to the achievement of certain performance targets.

Movement of reserves relating to the Key Employee Share Purchase Plan is as follows:

(in RMB million)	Cost of shares held for Key Employee Share Purchase Plan	Value of employee services	Total
As at 1 January 2025	(1,223)	806	(417)
Purchased ⁽ⁱ⁾	(605)	-	(605)
Share-based compensation expenses ⁽ⁱⁱ⁾	-	519	519
Exercised	547	(547)	-
Expired	89	-	89
As at 31 December 2025	(1,192)	778	(414)

(in RMB million)	Cost of shares held for Key Employee Share Purchase Plan	Value of employee services	Total
As at 1 January 2024	(1,261)	861	(400)
Purchased ⁽ⁱ⁾	(584)	-	(584)
Share-based compensation expenses ⁽ⁱⁱ⁾	-	509	509
Exercised	564	(564)	-
Expired	58	-	58
As at 31 December 2024	(1,223)	806	(417)

(i) During the period from 20 March 2025 to 17 June 2025, 11,379,524 ordinary A shares were purchased from the market. The average price of shares purchased was RMB53.19 per share. The total purchasing cost was RMB605 million (transaction expenses included).

During the period from 13 May 2024 to 13 June 2024, 13,606,921 ordinary A shares were purchased from the market. The average price of shares purchased was RMB42.89 per share. The total purchasing cost was RMB584 million (transaction expenses included).

(ii) The share-based compensation expenses of the Key Employee Share Purchase Plan and the total value of employee services were RMB519 million during 2025 (2024: RMB509 million).

38. KEY EMPLOYEE SHARE PURCHASE PLAN (CONTINUED)

(iii) Movement of shares relating to the Key Employee Share Purchase Plan is as follows (refer to Note 54.(3) for details about directors):

Type	Unvested as at 1 January 2025 ^[1]	Addition during the year ^[2]	Vested during the year ^[3]	Unvested as at 31 December 2025 ^[4]
Directors	4,695,534	2,205,937	2,226,415	4,675,056
The five highest paid individuals	126,225	95,815	54,191	167,849
Other employees	22,146,020	9,076,701	9,763,662	19,506,722

- [1] This includes: A-shares purchased during the period from 18 March 2022 to 25 March 2022, with an average purchase price of RMB47.56 per share; A-shares purchased during the period from 16 March 2023 to 23 March 2023, with an average purchase price of RMB46.13 per share; A-shares purchased during the period from 13 May 2024 to 13 June 2024, with an average purchase price of RMB42.89 per share.
- [2] During the period from 20 March 2025 to 17 June 2025, A shares were purchased with an average purchase price of RMB53.19 per share. The closing price of the domestic listed A shares on the trading day before the period of purchase was RMB54.07 per share. The lock-up period of the relevant shares is from 20 June 2025 to 19 June 2026. One-third of the shares under the Key Employee Share Purchase Plan will be unlocked each year and vested in batches to employees after the lock-up period according to rules of the Key Employee Share Purchase Plan, if employees achieve the requirements of the Company's performance indicators (including compliant operation indicators, risk management indicators, economic efficiency indicators, and social responsibility indicators).
- [3] The weighted average price of the domestic listed A shares on the trading day before the vesting date was RMB55.37 per share.
- [4] This includes: A-shares purchased during the period from 16 March 2023 to 23 March 2023, with an average purchase price of RMB46.13 per share; A-shares purchased during the period from 13 May 2024 to 13 June 2024, with an average purchase price of RMB42.89 per share; A-shares purchased during the period from 20 March 2025 to 17 June 2025, with an average purchase price of RMB53.19 per share.
- [5] From 1 January 2025 to 31 December 2025, the number of shares lapsed under the Key Employee Share Purchase Plan (excluding directors and the five highest paid individuals) reached 1,952,337; there was no share cancellation under the Key Employee Share Purchase Plan.
- [6] The relevant shares are locked for one year from the purchasing date; one-third of the shares will be unlocked each year and vested in batches to employees after the lock-up period according to rules of the Key Employee Share Purchase Plan.

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39. LONG-TERM SERVICE PLAN

The Company has adopted a Long-term Service Plan for the employees of the Company and its subsidiaries. Shares shall be vested to the employees participated in the Long-term Service Plan, subject to the confirmation of their applications made when they retire from the Company.

Movement of reserves relating to the Long-term Service Plan is as follows:

(in RMB million)	Cost of shares held for Long-term Service Plan	Value of employee services	Total
As at 1 January 2025	(24,808)	1,871	(22,937)
Purchased ⁽ⁱ⁾	(3,875)	-	(3,875)
Share-based compensation expenses ⁽ⁱⁱ⁾	-	643	643
Exercised	43	(43)	-
Expired	30	-	30
As at 31 December 2025	(28,610)	2,471	(26,139)

(in RMB million)	Cost of shares held for Long-term Service Plan	Value of employee services	Total
As at 1 January 2024	(21,324)	1,429	(19,895)
Purchased ⁽ⁱ⁾	(3,540)	-	(3,540)
Share-based compensation expenses ⁽ⁱⁱ⁾	-	498	498
Exercised	56	(56)	-
As at 31 December 2024	(24,808)	1,871	(22,937)

(i) From 27 August 2025 to 15 September 2025, 74,615,000 ordinary H shares were purchased from the market. The average price of shares purchased was RMB51.87 per share. The total purchasing cost was RMB3,875 million (transaction expenses included).

From 23 August 2024 to 20 September 2024, 106,896,000 ordinary H shares were purchased from the market. The average price of shares purchased was HKD35.85 per share. The total purchasing cost was RMB3,540 million (transaction expenses included).

(ii) The share-based compensation expenses and the total value of employee services of the Long-term Service Plan were RMB643 million during 2025 (2024: RMB498 million).

39. LONG-TERM SERVICE PLAN (CONTINUED)

(iii) Movement of shares relating to the Long-term Service Plan is as follows (refer to Note 54.(3) for details about directors):

Type	Unvested as at 1 January 2025 ^[1]	Addition during the year ^[2]	Vested during the year ^[3]	Unvested as at 31 December 2025 ^[4]
Directors	5,996,861	1,367,001	–	7,363,862
The five highest paid individuals	379,401	96,267	–	475,668
Other employees	450,716,673	114,533,556	637,791	564,169,344

- [1] This includes: A-shares purchased during the period from 7 May 2019 to 14 May 2019, with an average purchase price of RMB79.10 per share; A-shares purchased during the period from 24 February 2020 to 28 February 2020, with an average purchase price of RMB80.15 per share; A-shares purchased during the period from 26 April 2021 to 29 April 2021, with an average purchase price of RMB72.92 per share; A-shares purchased during the period from 18 March 2022 to 25 March 2022, with an average purchase price of RMB47.56 per share; A-shares purchased during the period from 16 March 2023 to 23 March 2023, with an average purchase price of RMB46.06 per share; H-shares purchased during the period from 23 August 2024 to 20 September 2024, with an average purchase price of HKD35.85 per share.
- [2] During the period from 27 August 2025 to 15 September 2025, H shares were purchased with an average purchase price of RMB51.87 per share. The closing price of the domestic listed H shares on the trading day before the period of purchase was HKD57.45 per share. Shares shall be vested to the employees when they retire from the Company, and the number of shares eligible for vesting is determined according to their performance. From 1 January 2025 to 31 December 2025, there was a share conversion, resulting in a decrease of 29,738,490 A shares and an increase of 36,874,500 H shares, under the Long-term Service Plan. The number of addition during the year has been adjusted due to this conversion.
- [3] The weighted average price of the domestic listed A shares on the trading day before the vesting date was RMB54.22 per share. The weighted average price of the domestic listed H shares on the trading day before the vesting date was HKD52.32 per share.
- [4] This includes: A-shares purchased during the period from 7 May 2019 to 14 May 2019, with an average purchase price of RMB79.10 per share; A-shares purchased during the period from 24 February 2020 to 28 February 2020, with an average purchase price of RMB80.15 per share; A-shares purchased during the period from 26 April 2021 to 29 April 2021, with an average purchase price of RMB72.92 per share; A-shares purchased during the period from 18 March 2022 to 25 March 2022, with an average purchase price of RMB47.56 per share; A-shares purchased during the period from 16 March 2023 to 23 March 2023, with an average purchase price of RMB46.06 per share; H-shares purchased during the period from 23 August 2024 to 20 September 2024, with an average purchase price of HKD35.85 per share; H-shares purchased during the period from 27 August 2025 to 15 September 2025, with an average purchase price of RMB51.87 per share.
- [5] From 1 January 2025 to 31 December 2025, the number of shares lapsed under the Long-term Service Plan reached 443,094; there was no share cancellation under the Long-term Service Plan.
- [6] Shares shall be vested to the employees participating in the Long-term Service Plan, subject to the confirmation of their applications made and the payment of relevant taxes when they retire from the Company.

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40. TREASURY SHARES

(in RMB million)	31 December 2024	Additions	Disposals	31 December 2025
Treasury shares	5,001	-	(5,001)	-

41. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

(in RMB million)	31 December 2025	31 December 2024
Deposits from other banks and financial institutions	646,458	534,371
Due to the Central Bank	223,537	86,110
Short-term borrowings	84,520	95,662
Long-term borrowings	150,094	122,040
	1,104,609	838,183

42. ASSETS SOLD UNDER AGREEMENTS TO REPURCHASE

(in RMB million)	31 December 2025	31 December 2024
Bonds	641,538	460,757
Others	2,009	1,535
	643,547	462,292

As at 31 December 2025, bonds with a carrying amount of RMB341,902 million (31 December 2024: RMB393,290 million) were pledged as collateral for financial assets sold under agreements to repurchase resulted from repurchase transactions entered into by the Group in the inter-bank market. The collaterals are restricted from trading during the period of the repurchase transactions.

As at 31 December 2025, the carrying amount of bonds deposited in the collateral pool was RMB775,187 million (31 December 2024: RMB269,941 million). The collaterals are restricted from trading during the period of the repurchase transactions. The Group can withdraw the exchange-traded bonds from the collateral pool in short time provided that the value of the bonds is no less than the balance of related repurchase transactions.

For bonds repurchase transactions through stock exchange, the Group is required to deposit certain exchange traded bonds and/or bonds transferred under new pledged repurchase transactions with fair value converted at a standard rate pursuant to stock exchange's regulation no less than the balance of related repurchase transactions into a collateral pool.

43. INSURANCE CONTRACT LIABILITIES

(1) THE ANALYSIS OF LIABILITIES FOR REMAINING COVERAGE AND LIABILITIES FOR INCURRED CLAIMS IS AS FOLLOWS:

(in RMB million)	2025								
	Contracts not measured under the premium allocation approach				Contracts measured under the premium allocation approach				
	Liabilities for remaining coverage				Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Liabilities for incurred claims	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	Total
Net insurance contract liabilities as at 1 January	4,615,977	9,282	69,416	4,694,675	131,643	5,698	147,500	5,279	290,120
Including: Insurance contract liabilities	4,615,977	9,282	69,416	4,694,675	131,643	5,698	147,500	5,279	290,120
Insurance revenue	(198,569)	-	-	(198,569)	(360,933)	-	-	-	(360,933)
Incurred claims and other expenses	-	(1,619)	70,229	68,610	-	(4,869)	291,679	3,495	290,305
Amortization of insurance acquisition cash flows	48,840	-	-	48,840	71,452	-	-	-	71,452
Losses on onerous contracts and reversal of those losses	-	3,067	-	3,067	-	4,610	-	-	4,610
Changes to liabilities for incurred claims	-	-	(8,645)	(8,645)	-	-	(22,058)	(2,913)	(24,971)
Insurance service expenses	48,840	1,448	61,584	111,872	71,452	(259)	269,621	582	341,396
Insurance service result	(149,729)	1,448	61,584	(86,697)	(289,481)	(259)	269,621	582	(19,537)
Insurance finance expenses	105,294	259	174	105,727	2,062	1	1,989	72	4,124
Total changes in the statement of comprehensive income	(44,435)	1,707	61,758	19,030	(287,419)	(258)	271,610	654	(15,413)
Investment components	(228,379)	-	228,379	-	(4,512)	-	4,512	-	-
Premiums received	608,907	-	-	608,907	391,351	-	-	-	391,351
Insurance acquisition cash flows	(44,152)	-	-	(44,152)	(70,429)	-	-	-	(70,429)
Claims and other expenses paid	-	-	(236,103)	(236,103)	-	-	(259,513)	-	(259,513)
Other cash flows	5,965	-	-	5,965	(20,582)	-	-	-	(20,582)
Total cash flows	570,720	-	(236,103)	334,617	300,340	-	(259,513)	-	40,827
Other movements	47,055	-	(48,888)	(1,833)	(113)	-	(999)	(1)	(1,113)
Net insurance contract liabilities as at 31 December	4,960,938	10,989	74,562	5,046,489	139,939	5,440	163,110	5,932	314,421
Including: Insurance contract liabilities	4,960,938	10,989	74,562	5,046,489	139,939	5,440	163,110	5,932	314,421

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43. INSURANCE CONTRACT LIABILITIES (CONTINUED)

(1) THE ANALYSIS OF LIABILITIES FOR REMAINING COVERAGE AND LIABILITIES FOR INCURRED CLAIMS IS AS FOLLOWS (CONTINUED):

(in RMB million)	2024								
	Contracts not measured under the premium allocation approach				Contracts measured under the premium allocation approach				
	Liabilities for remaining coverage				Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Liabilities for incurred claims	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	Total
Net insurance contract liabilities as at 1 January	3,825,144	6,332	62,799	3,894,275	122,419	5,792	132,701	4,611	265,523
Including: Insurance contract liabilities	3,825,144	6,332	62,799	3,894,275	122,427	5,792	132,696	4,611	265,526
Insurance contract assets	-	-	-	-	(8)	-	5	-	(3)
Insurance revenue	(208,932)	-	-	(208,932)	(342,254)	-	-	-	(342,254)
Incurred claims and other expenses	-	(2,230)	80,582	78,352	-	(5,342)	272,205	3,213	270,076
Amortization of insurance acquisition cash flows	49,095	-	-	49,095	72,932	-	-	-	72,932
Losses on onerous contracts and reversal of those losses	-	4,978	-	4,978	-	5,207	-	-	5,207
Changes to liabilities for incurred claims	-	-	(7,945)	(7,945)	-	-	(20,919)	(2,674)	(23,593)
Insurance service expenses	49,095	2,748	72,637	124,480	72,932	(135)	251,286	539	324,622
Insurance service result	(159,837)	2,748	72,637	(84,452)	(269,322)	(135)	251,286	539	(17,632)
Insurance finance expenses	605,281	202	292	605,775	2,532	41	3,588	128	6,289
Total changes in the statement of comprehensive income	445,444	2,950	72,929	521,323	(266,790)	(94)	254,874	667	(11,343)
Investment components	(234,876)	-	234,876	-	(7,462)	-	7,462	-	-
Premiums received	573,594	-	-	573,594	374,609	-	-	-	374,609
Insurance acquisition cash flows	(44,604)	-	-	(44,604)	(71,495)	-	-	-	(71,495)
Claims and other expenses paid	-	-	(249,255)	(249,255)	-	-	(246,488)	-	(246,488)
Other cash flows	1,158	-	-	1,158	(19,495)	-	-	-	(19,495)
Total cash flows	530,148	-	(249,255)	280,893	283,619	-	(246,488)	-	37,131
Other movements	50,117	-	(51,933)	(1,816)	(143)	-	(1,049)	1	(1,191)
Net insurance contract liabilities as at 31 December	4,615,977	9,282	69,416	4,694,675	131,643	5,698	147,500	5,279	290,120
Including: Insurance contract liabilities	4,615,977	9,282	69,416	4,694,675	131,643	5,698	147,500	5,279	290,120
Insurance contract assets	-	-	-	-	-	-	-	-	-

43. INSURANCE CONTRACT LIABILITIES (CONTINUED)

(2) THE ANALYSIS BY MEASUREMENT COMPONENT OF CONTRACTS NOT MEASURED UNDER THE PREMIUM ALLOCATION APPROACH IS AS FOLLOWS:

(in RMB million)	2025			
	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Net insurance contract liabilities as at 1 January	3,802,352	159,646	732,677	4,694,675
Including: Insurance contract liabilities	3,802,352	159,646	732,677	4,694,675
Contractual service margin recognized for services provided	-	-	(68,763)	(68,763)
Change in the risk adjustment for non-financial risk for risk expired	-	(6,606)	-	(6,606)
Experience adjustments	(5,750)	-	-	(5,750)
Changes that relate to current services	(5,750)	(6,606)	(68,763)	(81,119)
Contracts initially recognized in the period	(38,630)	2,961	36,966	1,297
Changes in estimates that adjust the contractual service margin	(9,666)	6,488	3,178	-
Changes in estimates that do not adjust the contractual service margin	2,034	(264)	-	1,770
Changes that relate to future services	(46,262)	9,185	40,144	3,067
Adjustments to liabilities for incurred claims	(8,499)	(146)	-	(8,645)
Changes that relate to past services	(8,499)	(146)	-	(8,645)
Insurance service result	(60,511)	2,433	(28,619)	(86,697)
Insurance finance expenses	80,655	2,223	22,849	105,727
Total changes in the statement of comprehensive income	20,144	4,656	(5,770)	19,030
Premiums received	608,907	-	-	608,907
Insurance acquisition cash flows	(44,152)	-	-	(44,152)
Claims and other expenses paid	(236,103)	-	-	(236,103)
Other cash flows	5,965	-	-	5,965
Total cash flows	334,617	-	-	334,617
Other movements	(1,833)	-	-	(1,833)
Net insurance contract liabilities as at 31 December	4,155,280	164,302	726,907	5,046,489
Including: Insurance contract liabilities	4,155,280	164,302	726,907	5,046,489

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43. INSURANCE CONTRACT LIABILITIES (CONTINUED)

(2) THE ANALYSIS BY MEASUREMENT COMPONENT OF CONTRACTS NOT MEASURED UNDER THE PREMIUM ALLOCATION APPROACH IS AS FOLLOWS (CONTINUED):

(in RMB million)	2024			
	Estimates of the present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Net insurance contract liabilities as at 1 January	2,964,209	158,628	771,438	3,894,275
Including: Insurance contract liabilities	2,964,209	158,628	771,438	3,894,275
Contractual service margin recognized for services provided	-	-	(71,814)	(71,814)
Change in the risk adjustment for non-financial risk for risk expired	-	(7,475)	-	(7,475)
Experience adjustments	(2,196)	-	-	(2,196)
Changes that relate to current services	(2,196)	(7,475)	(71,814)	(81,485)
Contracts initially recognized in the period	(35,826)	2,401	35,748	2,323
Changes in estimates that adjust the contractual service margin	34,848	(8,009)	(26,839)	-
Changes in estimates that do not adjust the contractual service margin	2,604	51	-	2,655
Changes that relate to future services	1,626	(5,557)	8,909	4,978
Adjustments to liabilities for incurred claims	(7,694)	(251)	-	(7,945)
Changes that relate to past services	(7,694)	(251)	-	(7,945)
Insurance service result	(8,264)	(13,283)	(62,905)	(84,452)
Insurance finance expenses	567,330	14,301	24,144	605,775
Total changes in the statement of comprehensive income	559,066	1,018	(38,761)	521,323
Premiums received	573,594	-	-	573,594
Insurance acquisition cash flows	(44,604)	-	-	(44,604)
Claims and other expenses paid	(249,255)	-	-	(249,255)
Other cash flows	1,158	-	-	1,158
Total cash flows	280,893	-	-	280,893
Other movements	(1,816)	-	-	(1,816)
Net insurance contract liabilities as at 31 December	3,802,352	159,646	732,677	4,694,675
Including: Insurance contract liabilities	3,802,352	159,646	732,677	4,694,675

43. INSURANCE CONTRACT LIABILITIES (CONTINUED)

(3) THE EFFECT ON THE MEASUREMENT COMPONENTS OF INSURANCE CONTACTS ARISING FROM THE INITIAL RECOGNITION OF CONTRACTS NOT MEASURED UNDER THE PREMIUM ALLOCATION APPROACH THAT WERE INITIALLY RECOGNIZED IN THE PERIOD IS AS FOLLOWS:

(in RMB million)	2025		
	Onerous contracts	Others	Total
Insurance acquisition cash flows	3,933	43,238	47,171
Other cash outflows	36,498	321,809	358,307
Estimates of the present value of future cash outflows	40,431	365,047	405,478
Estimates of the present value of future cash inflows	(39,804)	(404,304)	(444,108)
Risk adjustment for non-financial risk	670	2,291	2,961
Contractual service margin	-	36,966	36,966
Losses recognized on initial recognition	1,297	-	1,297

(in RMB million)	2024		
	Onerous contracts	Others	Total
Insurance acquisition cash flows	4,825	41,817	46,642
Other cash outflows	31,813	285,306	317,119
Estimates of the present value of future cash outflows	36,638	327,123	363,761
Estimates of the present value of future cash inflows	(34,867)	(364,720)	(399,587)
Risk adjustment for non-financial risk	552	1,849	2,401
Contractual service margin	-	35,748	35,748
Losses recognized on initial recognition	2,323	-	2,323

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43. INSURANCE CONTRACT LIABILITIES (CONTINUED)

(4) THE ANALYSIS OF CONTRACTUAL SERVICE MARGIN FOR CONTRACTS NOT MEASURED UNDER THE PREMIUM ALLOCATION APPROACH IS AS FOLLOWS:

(in RMB million)	2025			Total
	Contracts under the fair value approach	Contracts under the modified retrospective approach	Other contracts	
Contractual service margin as at 1 January	104,538	532,714	95,425	732,677
Changes that relate to current services				
Contractual service margin recognized for services provided	(8,514)	(48,865)	(11,384)	(68,763)
Changes that relate to future services				
Contracts initially recognized in the period	-	-	36,966	36,966
Changes in estimates that adjust the contractual service margin	6,934	627	(4,383)	3,178
Insurance service result	(1,580)	(48,238)	21,199	(28,619)
Insurance finance expenses	1,015	18,118	3,716	22,849
Total changes in the statement of comprehensive income	(565)	(30,120)	24,915	(5,770)
Contractual service margin as at 31 December	103,973	502,594	120,340	726,907

43. INSURANCE CONTRACT LIABILITIES (CONTINUED)

(4) THE ANALYSIS OF CONTRACTUAL SERVICE MARGIN FOR CONTRACTS NOT MEASURED UNDER THE PREMIUM ALLOCATION APPROACH IS AS FOLLOWS (CONTINUED):

(in RMB million)	2024			Total
	Contracts under the fair value approach	Contracts under the modified retrospective approach	Other contracts	
Contractual service margin as at 1 January	112,549	586,626	72,263	771,438
Changes that relate to current services				
Contractual service margin recognized for services provided	(8,566)	(53,631)	(9,617)	(71,814)
Changes that relate to future services				
Contracts initially recognized in the period	-	-	35,748	35,748
Changes in estimates that adjust the contractual service margin	(465)	(20,244)	(6,130)	(26,839)
Insurance service result	(9,031)	(73,875)	20,001	(62,905)
Insurance finance expenses	1,020	19,963	3,161	24,144
Total changes in the statement of comprehensive income	(8,011)	(53,912)	23,162	(38,761)
Contractual service margin as at 31 December	104,538	532,714	95,425	732,677

As at 31 December 2025, the Group expects that 61% (31 December 2024: 61%) of the contractual service margin will be recognized in profit or loss within the next 10 years.

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43. INSURANCE CONTRACT LIABILITIES (CONTINUED)

(5) THE ANALYSIS OF INSURANCE FINANCE EXPENSES/(INCOME) IS AS FOLLOWS:

(in RMB million)	2025		Total
	Insurance contracts not measured under the premium allocation approach	Insurance contracts measured under the premium allocation approach	
Insurance finance expenses/(income)			
Changes in fair value of underlying items of contracts with direct participation features	61,748	-	61,748
Interest accreted to insurance contracts using locked-in rate and effect of changes in financial assumptions	43,990	4,124	48,114
Foreign exchange losses	(11)	-	(11)
Total	105,727	4,124	109,851
Represented by:			
Amounts recognized in profit or loss	175,846	4,132	179,978
Amounts recognized in other comprehensive income	(70,119)	(8)	(70,127)

(in RMB million)	2024		Total
	Insurance contracts not measured under the premium allocation approach	Insurance contracts measured under the premium allocation approach	
Insurance finance expenses/(income)			
Changes in fair value of underlying items of contracts with direct participation features	331,192	-	331,192
Interest accreted to insurance contracts using locked-in rate and effect of changes in financial assumptions	274,576	6,289	280,865
Foreign exchange gains	7	-	7
Total	605,775	6,289	612,064
Represented by:			
Amounts recognized in profit or loss	166,388	6,274	172,662
Amounts recognized in other comprehensive income	439,387	15	439,402

43. INSURANCE CONTRACT LIABILITIES (CONTINUED)

(6) THE COMPOSITION OF THE UNDERLYING ITEMS FOR CONTRACTS WITH DIRECT PARTICIPATION FEATURES AND THEIR FAIR VALUES ARE AS FOLLOWS:

(in RMB million)	2025	2024
Financial assets at fair value through profit or loss	754,171	646,276
Debt financial assets at fair value through other comprehensive income	1,657,699	1,699,594
Equity financial assets at fair value through other comprehensive income	220,495	222,448
Others	114,484	35,709
	2,746,849	2,604,027

(7) THE RECONCILIATION OF CUMULATIVE AMOUNTS INCLUDED IN OTHER COMPREHENSIVE INCOME FOR FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME RELATED TO THE GROUPS OF CONTRACTS TO WHICH THE GROUP APPLIED THE MODIFIED RETROSPECTIVE APPROACH OR THE FAIR VALUE APPROACH AS AT 1 JANUARY 2022, IS PROVIDED IN THE TABLE BELOW.

(in RMB million)	2025	2024
Carrying amount as at 1 January	282,228	119,284
Changes in fair value	(44,886)	217,338
Amounts reclassified to profit or loss	2,702	1,257
Amounts reclassified to retained profits	(678)	(1,336)
Income tax	10,716	(54,315)
Carrying amount as at 31 December	250,082	282,228

44. CUSTOMER DEPOSITS AND PAYABLES TO BROKERAGE CUSTOMERS

(in RMB million)	31 December 2025	31 December 2024
Current and savings accounts		
Corporate customers	800,777	792,204
Individual customers	379,613	358,339
Term deposits		
Corporate customers	1,466,208	1,432,688
Individual customers	942,093	958,217
Subtotal	3,588,691	3,541,448
Payables to brokerage customers		
Individual customers	187,555	150,242
Corporate customers	33,000	18,477
Subtotal	220,555	168,719
Total	3,809,246	3,710,167

As at 31 December 2025, bonds classified as financial assets carried at amortized costs with a carrying amount of RMB21,883 million (31 December 2024: RMB28,011 million) were pledged as main collaterals for term deposit with the Central Bank.

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45. BONDS PAYABLE

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

(in RMB million)

Issuer	Type	Guarantee	Maturity	Early redemption/ Selling back option	Par value	Issue year	Interest type	Coupon rate (per annum)	31 December 2025	31 December 2024
Ping An Financial Leasing	Corporate bonds	None	5 years	End of the third year	1,840	2020	Fixed	3.60%-3.70%	-	1,865
Ping An Financial Leasing	Corporate bonds	None	4 years	End of the second year	2,400	2021	Fixed	3.85%-4.40%	-	2,433
Ping An Financial Leasing	Corporate bonds	None	5 years	End of the third year	1,700	2021	Fixed	2.30%-3.70%	1,721	1,723
Ping An Financial Leasing	Corporate bonds	None	4 years	End of the second year	7,605	2022	Fixed	2.25%-3.70%	6,079	7,709
Ping An Financial Leasing	Corporate bonds	None	5 years	End of the third year	1,500	2022	Fixed	2.23%-2.50%	1,519	1,521
Ping An Financial Leasing	Corporate bonds	None	2 years	End of the first year	3,250	2023	Fixed	2.25%-3.00%	-	3,295
Ping An Financial Leasing	Corporate bonds	None	4 years	End of the second year	5,600	2023	Fixed	2.04%-2.77%	5,669	5,677
Ping An Financial Leasing	Corporate bonds	None	2 years	End of the first year	4,140	2024	Fixed	1.90%-2.35%	4,191	4,359
Ping An Financial Leasing	Corporate bonds	None	4 years	End of the second year	3,900	2024	Fixed	2.39%-2.97%	3,948	3,954
Ping An Financial Leasing	Corporate bonds	None	5 years	End of the third year	2,370	2024	Fixed	2.30%-2.38%	2,399	2,403
Ping An Financial Leasing	Medium term notes	None	2 years	End of the first year	90	2024	Fixed	2.10%	91	1,014
Ping An Financial Leasing	Corporate bonds	None	2 years	End of the first year	2,100	2025	Fixed	1.88%-2.29%	2,126	-
Ping An Financial Leasing	Corporate bonds	None	4-5 years	End of the second year	5,260	2025	Fixed	2.10%-2.58%	5,325	-
Ping An Financial Leasing	Corporate bonds	None	5 years	End of the third year	2,600	2025	Fixed	2.41%-2.67%	2,632	-
Ping An Bank	Tier-2 Capital bonds	None	10 years	End of the fifth year	30,000	2021	Fixed	3.69%	30,152	30,153
Ping An Bank	Financial bonds	None	3 years	None	20,000	2022	Fixed	2.45%	-	20,098
Ping An Bank	Financial bonds	None	3 years	None	5,000	2022	Fixed	2.45%	-	5,020
Ping An Bank	Financial bonds	None	3 years	None	5,000	2022	Fixed	2.45%	-	5,020
Ping An Bank	Financial bonds	None	3 years	None	20,000	2022	Fixed	2.45%	-	20,069
Ping An Bank	Financial bonds	None	3 years	None	30,000	2023	Fixed	2.77%	30,601	30,599
Ping An Bank	Financial bonds	None	3 years	None	15,000	2024	Fixed	2.46%	15,331	15,331
Ping An Bank	Financial bonds	None	3 years	None	5,000	2024	Fixed	2.46%	5,110	5,110
Ping An Bank	Tier-2 Capital bonds	None	10 years	End of the fifth year	27,000	2024	Fixed	2.32%	27,296	27,297
Ping An Bank	Tier-2 Capital bonds	None	15 years	End of the tenth year	3,000	2024	Fixed	2.50%	3,036	3,036
Ping An Bank	Financial bonds	None	3 years	None	30,000	2025	Fixed	1.74%	30,320	-
Ping An Bank	Financial bonds	None	3 years	None	30,000	2025	Fixed	1.78%	30,143	-
Ping An Bank	Financial bonds	None	3 years	None	6,500	2025	Floating	1.85%	6,504	-

45. BONDS PAYABLE (CONTINUED)

The information of the Group's main bonds payable is as follows (Continued):

(in RMB million)

Issuer	Type	Guarantee	Maturity	Early redemption/ Selling back option	Par value	Issue year	Interest type	Coupon rate (per annum)	31 December 2025	31 December 2024
Ping An Life	Capital supplement bonds	None	10 years	End of the fifth year	20,000	2020	Fixed	First 5 years: 3.58% Next 5 years: 4.58% (if not redeemed)	-	20,983
Ping An Life	Capital supplement bonds	None	10 years	End of the fifth year	20,000	2025	Fixed	First 5 years: 2.39% Next 5 years: 3.39% (if not redeemed)	20,022	-
Ping An Property & Casualty	Capital supplement bonds	None	10 years	End of the fifth year	10,000	2024	Fixed	First 5 years: 2.27% Next 5 years: 3.27% (if not redeemed)	10,158	10,111
Ping An Property & Casualty	Capital supplement bonds	None	10 years	End of the fifth year	6,000	2025	Fixed	First 5 years: 2.15% Next 5 years: 3.15% (if not redeemed)	6,007	-
Ping An Securities	Corporate bonds	None	5 years	None	2,000	2021	Fixed	3.47%	2,026	2,025
Ping An Securities	Corporate bonds	None	3 years	None	2,300	2022	Fixed	3.00%	-	2,349
Ping An Securities	Corporate bonds	None	5 years	None	500	2022	Fixed	3.42%	512	512
Ping An Securities	Corporate bonds	None	3 years	None	3,000	2022	Fixed	2.80%	-	3,036
Ping An Securities	Corporate bonds	None	3 years	None	500	2022	Fixed	2.75%	-	505
Ping An Securities	Corporate bonds	None	5 years	None	1,000	2022	Fixed	3.22%	1,012	1,012
Ping An Securities	Corporate bonds	None	3 years	None	2,500	2022	Fixed	2.65%	-	2,519
Ping An Securities	Subordinated corporate bonds	None	3 years	None	1,900	2022	Fixed	3.10%	-	1,937
Ping An Securities	Subordinated corporate bonds	None	5 years	None	1,100	2022	Fixed	3.56%	1,125	1,124
Ping An Securities	Corporate bonds	None	5 years	None	1,800	2023	Fixed	3.60%	1,856	1,856
Ping An Securities	Corporate bonds	None	3 years	None	1,200	2023	Fixed	3.33%	1,235	1,235
Ping An Securities	Corporate bonds	None	5 years	None	750	2023	Fixed	3.60%	772	772
Ping An Securities	Corporate bonds	None	3 years	None	500	2023	Fixed	3.39%	514	514
Ping An Securities	Corporate bonds	None	3 years	None	1,000	2023	Fixed	3.15%	1,022	1,022
Ping An Securities	Corporate bonds	None	2 years	None	2,000	2023	Fixed	3.02%	-	2,042
Ping An Securities	Corporate bonds	None	3 years	None	1,000	2023	Fixed	3.03%	1,019	1,018
Ping An Securities	Corporate bonds	None	2 years	None	1,500	2023	Fixed	2.90%	-	1,527
Ping An Securities	Corporate bonds	None	3 years	None	2,000	2023	Fixed	2.95%	2,033	2,032
Ping An Securities	Corporate bonds	None	2 years	None	1,000	2023	Fixed	2.78%	-	1,015
Ping An Securities	Corporate bonds	None	5 years	None	1,500	2023	Fixed	3.25%	1,522	1,522
Ping An Securities	Corporate bonds	None	3 years	None	500	2023	Fixed	2.95%	506	506
Ping An Securities	Corporate bonds	None	3 years	None	1,500	2023	Fixed	3.00%	1,506	1,505
Ping An Securities	Corporate bonds	None	3 years	None	800	2023	Fixed	3.00%	801	801
Ping An Securities	Corporate bonds	None	2 years	None	1,200	2023	Fixed	2.98%	-	1,201
Ping An Securities	Corporate bonds	None	2 years	None	500	2024	Fixed	2.75%	513	513
Ping An Securities	Corporate bonds	None	3 years	None	1,150	2024	Fixed	2.80%	1,181	1,180
Ping An Securities	Corporate bonds	None	3 years	None	500	2024	Fixed	1.92%	500	500
Ping An Securities	Corporate bonds	None	3 years	None	1,500	2024	Fixed	2.23%	1,506	1,505
Ping An Securities	Corporate bonds	None	5 years	None	1,000	2024	Fixed	2.22%	1,006	1,006

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45. BONDS PAYABLE (CONTINUED)

The information of the Group's main bonds payable is as follows (Continued):

(in RMB million)

Issuer	Type	Guarantee	Maturity	Early redemption/ Selling back option	Par value	Issue year	Interest type	Coupon rate (per annum)	31 December 2025	31 December 2024
Ping An Securities	Corporate bonds	None	74 days	None	2,000	2024	Fixed	1.89%	-	2,003
Ping An Securities	Corporate bonds	None	3 years	None	1,000	2024	Fixed	2.12%	1,006	1,005
Ping An Securities	Corporate bonds	None	102 days	None	2,000	2024	Fixed	1.88%	-	2,003
Ping An Securities	Corporate bonds	None	3 years	None	2,000	2024	Fixed	2.21%	2,004	2,003
Ping An Securities	Corporate bonds	None	2 years	None	1,000	2025	Fixed	1.95%	1,016	-
Ping An Securities	Corporate bonds	None	3 years	None	1,200	2025	Fixed	2.15%	1,220	-
Ping An Securities	Corporate bonds	None	2 years	None	1,000	2025	Fixed	2.11%	1,016	-
Ping An Securities	Corporate bonds	None	3 years	None	800	2025	Fixed	2.10%	812	-
Ping An Securities	Corporate bonds	None	2 years	None	800	2025	Fixed	2.05%	812	-
Ping An Securities	Corporate bonds	None	5 years	None	500	2025	Fixed	2.19%	508	-
Ping An Securities	Corporate bonds	None	3 years	None	1,000	2025	Fixed	2.04%	1,014	-
Ping An Securities	Corporate bonds	None	2 years	None	1,000	2025	Fixed	2.00%	1,014	-
Ping An Securities	Corporate bonds	None	3 years	None	500	2025	Fixed	1.98%	507	-
Ping An Securities	Corporate bonds	None	2 years	None	500	2025	Fixed	1.92%	506	-
Ping An Securities	Corporate bonds	None	2 years	None	1,000	2025	Fixed	1.75%	1,010	-
Ping An Securities	Corporate bonds	None	2 years	None	500	2025	Fixed	1.82%	505	-
Ping An Securities	Corporate bonds	None	5 years	None	500	2025	Fixed	2.08%	506	-
Ping An Securities	Corporate bonds	None	3 years	None	1,500	2025	Fixed	1.89%	1,516	-
Ping An Securities	Corporate bonds	None	3 years	None	500	2025	Fixed	1.84%	505	-
Ping An Securities	Corporate bonds	None	2 years	None	500	2025	Fixed	1.79%	505	-
Ping An Securities	Corporate bonds	None	1 year	None	1,000	2025	Fixed	1.75%	1,011	-
Ping An Securities	Corporate bonds	None	2 years	None	1,000	2025	Fixed	1.79%	1,006	-
Ping An Securities	Corporate bonds	None	3 years	None	1,500	2025	Fixed	1.87%	1,510	-
Ping An Securities	Corporate bonds	None	3 years	None	1,200	2025	Fixed	2.00%	1,207	-
Ping An Securities	Corporate bonds	None	2 years	None	1,300	2025	Fixed	1.95%	1,308	-
Ping An Securities	Corporate bonds	None	2 years	None	2,000	2025	Fixed	1.89%	2,019	-
Ping An Securities	Corporate bonds	None	2 years	None	1,500	2025	Fixed	1.99%	1,508	-
Ping An Securities	Corporate bonds	None	3 years	None	800	2025	Fixed	2.00%	804	-
Ping An Securities	Corporate bonds	None	3 years	None	700	2025	Fixed	2.10%	703	-
Ping An Securities	Corporate bonds	None	2 years	None	1,800	2025	Fixed	2.07%	1,808	-
Ping An Securities	Corporate bonds	None	1 year	None	1,500	2025	Fixed	1.79%	1,512	-
Ping An Securities	Corporate bonds	None	2 years	None	1,000	2025	Fixed	1.84%	1,006	-
Ping An Securities	Corporate bonds	None	2 years	None	500	2025	Fixed	1.98%	507	-
Ping An Securities	Corporate bonds	None	1 year	None	500	2025	Fixed	1.92%	507	-
Ping An Securities	Corporate bonds	None	4 years	None	1,000	2025	Fixed	2.19%	1,023	-
Ping An Securities	Corporate bonds	None	2 years	None	1,000	2025	Fixed	2.04%	1,018	-
Ping An Securities	Corporate bonds	None	3 years	None	400	2025	Fixed	2.24%	405	-
Ping An Securities	Corporate bonds	None	1 year	None	200	2025	Fixed	2.12%	202	-
Ping An Real Estate	Corporate bonds	None	7 years	End of the fifth year	750	2019	Fixed	4.40%	-	756

45. BONDS PAYABLE (CONTINUED)

The information of the Group's main bonds payable is as follows (Continued):

(in RMB million)

Issuer	Type	Guarantee	Maturity	Early redemption/ Selling back option	Par value	Issue year	Interest type	Coupon rate (per annum)	31 December 2025	31 December 2024
Ping An Real Estate	Corporate bonds	None	7 years	End of the fifth year	940	2019	Fixed	4.30%	-	941
Ping An Financial Technology	Private corporate bonds	None	5 years	End of the third year	150	2020	Fixed	4.00%	-	153
Founder Securities	Corporate bonds	None	3 years	None	1,000	2022	Fixed	2.95%	-	1,007
Founder Securities	Corporate bonds	None	3 years	None	1,300	2022	Fixed	2.94%	-	1,305
Founder Securities	Corporate bonds	None	2 years	None	1,600	2023	Fixed	3.56%	-	1,650
Founder Securities	Corporate bonds	None	3 years	None	3,000	2023	Fixed	3.23%	3,037	3,036
Founder Securities	Corporate bonds	None	3 years	None	500	2023	Fixed	3.28%	505	505
Founder Securities	Corporate bonds	None	3 years	None	3,000	2023	Fixed	3.50%	3,019	3,018
Founder Securities	Corporate bonds	None	2 years	None	2,000	2023	Fixed	3.14%	-	2,006
Founder Securities	Corporate bonds	None	2 years	None	2,000	2023	Fixed	3.20%	-	2,002
Founder Securities	Subordinated corporate bonds	None	3 years	None	1,200	2023	Fixed	4.10%	1,235	1,235
Founder Securities	Subordinated corporate bonds	None	2 years	None	1,500	2023	Fixed	3.68%	-	1,535
Founder Securities	Subordinated corporate bonds	None	3 years	None	500	2023	Fixed	3.80%	512	512
Founder Securities	Corporate bonds	None	2 years	None	3,000	2024	Fixed	2.90%	3,084	3,081
Founder Securities	Corporate bonds	None	2 years	None	3,000	2024	Fixed	2.59%	3,063	3,062
Founder Securities	Corporate bonds	None	2 years	None	2,000	2024	Fixed	2.40%	2,034	2,033
Founder Securities	Corporate bonds	None	3 years	None	1,500	2024	Fixed	2.40%	1,522	1,522
Founder Securities	Corporate bonds	None	3 years	None	2,000	2024	Fixed	2.29%	2,004	2,002
Founder Securities	Corporate bonds	None	3 years	None	2,000	2024	Fixed	2.03%	2,001	1,999
Founder Securities	Corporate bonds	None	3 years	None	2,000	2025	Fixed	1.97%	2,037	-
Founder Securities	Corporate bonds	None	3 years	None	1,500	2025	Fixed	2.05%	1,526	-
Founder Securities	Corporate bonds	None	2 years	None	3,000	2025	Fixed	2.05%	3,044	-
Founder Securities	Corporate bonds	None	3 years	None	2,000	2025	Fixed	1.95%	2,023	-
Founder Securities	Corporate bonds	None	3 years	None	500	2025	Fixed	1.77%	504	-
Founder Securities	Corporate bonds	None	2 years	None	3,000	2025	Fixed	1.92%	3,021	-
Founder Securities	Corporate bonds	None	2 years	None	3,000	2025	Fixed	1.99%	3,015	-
Founder Securities	Corporate bonds	None	3 years	None	2,000	2025	Fixed	2.00%	2,003	-
Founder Securities	Corporate bonds	None	2 years	None	2,500	2025	Fixed	1.95%	2,500	-
Founder Securities	Short-term corporate bonds	None	1 year	None	2,500	2025	Fixed	1.78%	2,501	-
The Company	Convertible bonds	None	5 years	End of the third year	USD 3,500	2024	Fixed	0.875%	21,671	21,381
The Company	Convertible bonds	None	5 years	End of the third year	HKD 11,765	2025	Fixed	0.00%	9,322	-

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45. BONDS PAYABLE (CONTINUED)

The information of the Group's main bonds payable is as follows (Continued):

As at 31 December 2025, the original terms of interbank certificates of deposit and certificates of deposit issued by Ping An Bank, but unmatured were from 3 months to 1 year, and the annual interest rates were from 1.53% to 3.90% (31 December 2024: the original terms were from 3 months to 1 year, and the annual interest rates were from 1.60% to 5.04%). The carrying amount was RMB366,041 million (31 December 2024: RMB533,467 million).

As at 31 December 2025, the original terms of short-term financial bonds issued by Ping An Securities, but unmatured were from 178 days to 365 days, and the annual interest rates were from 1.65% to 1.77% (31 December 2024: the original terms were from 93 days to 365 days, and the annual interest rates were from 1.70% to 2.09%). The carrying amount was RMB23,536 million (31 December 2024: RMB20,108 million).

As at 31 December 2025, the original terms of short-term financial bonds issued by Ping An Financial Leasing, but unmatured were from 177 days to 365 days, and the annual interest rates were from 1.77% to 2.20% (31 December 2024: the original terms were from 120 days to 365 days, and the annual interest rates were from 2.16% to 3.40%). The carrying amount was RMB14,067 million (31 December 2024: RMB14,294 million).

As at 31 December 2025, the original terms of short-term financial bonds issued by Founder Securities, but unmatured were from 172 days to 365 days, and the annual interest rates were from 1.70% to 2.25% (31 December 2024: the original terms were from 177 days to 365 days, and the annual interest rates were from 1.84% to 2.95%). The carrying amount was RMB20,183 million (31 December 2024: RMB15,797 million).

As at 31 December 2025, the original terms of income certificates issued by Ping An Securities, but unmatured were from 90 days to 365 days, and the annual interest rates were from 1.76% to 2.25% (31 December 2024: the original terms were from 90 days to 365 days, and the annual interest rates were from 2.00% to 2.55%). The carrying amount was RMB7,010 million (31 December 2024: RMB4,823 million).

As at 31 December 2025, the original terms of income certificates issued by Founder Securities, but unmatured were from 366 days to 557 days, and the annual interest rates were from 1.95% to 2.30% (31 December 2024: the original terms were from 366 days to 687 days, and the annual interest rates were from 2.10% to 3.40%). The carrying amount was RMB3,743 million (31 December 2024: RMB3,944 million).

46. DEFERRED TAX ASSETS AND LIABILITIES

(in RMB million)

31 December 2025

31 December 2024

Deferred tax assets	114,640	122,012
Deferred tax liabilities	(6,647)	(13,977)

The deferred tax assets are analysed as follows:

(in RMB million)	2025					Temporary difference as at 31 December
	As at 1 January	Charged to profit or loss	Charged to equity	Other changes	As at 31 December	
Fair value adjustments on financial assets and liabilities carried at fair value through profit or loss	8,808	443	-	207	9,458	(37,832)
Fair value adjustments on financial assets at fair value through other comprehensive income	1,185	-	538	-	1,723	(6,892)
Insurance contract liabilities	165,963	(30,933)	(17,700)	-	117,330	(469,320)
Impairment provisions	68,031	(524)	(725)	177	66,959	(267,836)
Others	65,618	24,258	730	25	90,631	(362,524)
	309,605	(6,756)	(17,157)	409	286,101	(1,144,404)

(in RMB million)	2024					Temporary difference as at 31 December
	As at 1 January	Charged to profit or loss	Charged to equity	Other changes	As at 31 December	
Fair value adjustments on financial assets and liabilities carried at fair value through profit or loss	6,263	2,490	-	55	8,808	(35,232)
Fair value adjustments on financial assets at fair value through other comprehensive income	764	-	434	(13)	1,185	(4,740)
Insurance contract liabilities	69,334	(12,889)	109,518	-	165,963	(663,852)
Impairment provisions	54,932	9,361	371	3,367	68,031	(272,124)
Others	36,675	25,424	(279)	3,798	65,618	(262,472)
	167,968	24,386	110,044	7,207	309,605	(1,238,420)

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46. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

The deferred tax liabilities are analysed as follows:

2025						
(in RMB million)	As at 1 January	Charged to profit or loss	Charged to equity	Other changes	As at 31 December	Temporary difference as at 31 December
Fair value adjustments on financial assets and liabilities carried at fair value through profit or loss	(24,401)	(1,019)	-	-	(25,420)	101,680
Fair value adjustments on financial assets at fair value through other comprehensive income	(159,290)	-	18,348	-	(140,942)	563,768
Intangible assets-core deposits	(1,233)	189	-	-	(1,044)	4,176
Intangible assets valuation premium from acquisition of Autohome Inc.	(1,806)	-	-	1,806	-	-
Assets valuation premium from disposal of subsidiaries	(3,615)	3,615	-	-	-	-
Others	(11,225)	(378)	953	(52)	(10,702)	42,808
	(201,570)	2,407	19,301	1,754	(178,108)	712,432

2024						
(in RMB million)	As at 1 January	Charged to profit or loss	Charged to equity	Other changes	As at 31 December	Temporary difference as at 31 December
Fair value adjustments on financial assets and liabilities carried at fair value through profit or loss	(3,148)	(21,160)	-	(93)	(24,401)	97,604
Fair value adjustments on financial assets at fair value through other comprehensive income	(64,323)	-	(94,967)	-	(159,290)	637,160
Intangible assets-core deposits	(1,422)	189	-	-	(1,233)	4,932
Intangible assets valuation premium from acquisition of Autohome Inc.	(1,845)	39	-	-	(1,806)	7,224
Assets valuation premium from disposal of subsidiaries	(3,615)	-	-	-	(3,615)	14,460
Others	(6,426)	(1,919)	(1,219)	(1,661)	(11,225)	44,900
	(80,779)	(22,851)	(96,186)	(1,754)	(201,570)	806,280

46. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

As at 31 December 2025, unrecognized tax losses of the Group were RMB74,731 million (31 December 2024: RMB60,617 million).

The following table shows unrecognized tax losses based on its expected expiry date:

(in RMB million)	31 December 2025	31 December 2024
2025	-	6,875
2026	7,264	7,153
2027	13,311	11,433
2028	13,083	13,045
2029	16,090	18,220
2030 and afterwards	24,983	3,891
	74,731	60,617

The net amounts of deferred tax assets and liabilities after offsetting are as follows:

(in RMB million)	31 December 2025		31 December 2024	
	Offsetting	Net	Offsetting	Net
Deferred tax assets	(171,461)	114,640	(187,593)	122,012
Deferred tax liabilities	171,461	(6,647)	187,593	(13,977)

47. OTHER LIABILITIES

(in RMB million)	31 December 2025	31 December 2024
Other payables	179,060	171,442
Payables to non-controlling interests of consolidated structured entities	40,061	47,803
Salaries and welfare payable	60,831	56,564
Other tax payable	9,207	8,800
Contingency provision	16,713	16,159
Insurance guarantee fund	874	987
Provision payables	4,288	4,313
Accruals	14,854	13,459
Deferred income	1,753	1,740
Contract liabilities	5,550	5,530
Finance lease deposits	3,442	5,858
Others	72,709	65,088
	409,342	397,743

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48. FIDUCIARY ACTIVITIES

(in RMB million)	31 December 2025	31 December 2024
Assets under trust schemes	1,061,078	981,907
Assets under annuity investments and annuity schemes	1,011,937	855,482
Assets under asset management schemes	1,802,297	1,916,445
Entrusted loans of banking operations	173,331	156,603
Entrusted investments of banking operations	1,092,211	1,214,152
	5,140,854	5,124,589

49. RISK AND CAPITAL MANAGEMENT

(1) INSURANCE RISK

Type of insurance risk

Insurance risk refers to the risk that actual indemnity might exceed expected indemnity due to the frequency and severity of insurance accidents, as well as the possibility that insurance surrender rates are being underestimated. The principal risk the Group faces under such contracts is that the actual claims and benefit payments exceed the carrying amount of insurance contract liabilities. This could occur due to any of the following factors:

- (i) Occurrence risk – the possibility that the number of insured events will differ from those expected.
- (ii) Severity risk – the possibility that the cost of the events will differ from those expected.
- (iii) Development risk – the possibility that changes may occur in the amount of an insurer's obligation at the end of the contract period.

The variability of risks is improved by diversification of risk of loss to a large portfolio of insurance contracts as a more diversified portfolio is less likely to be affected across the board by change in any subset of the portfolio. The variability of risks is also improved by careful selection and implementation of underwriting strategies and guidelines.

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

These risks currently do not vary significantly in relation to the location of the risk insured by the Group whilst undue concentration by amounts could have an impact on the severity of benefit payments on a portfolio basis.

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(1) INSURANCE RISK (CONTINUED)

Type of insurance risk (Continued)

There would be no significant mitigating terms and conditions that reduce the insured risk accepted for contracts with fixed and guaranteed benefits and fixed future premiums. However, for contracts with discretionary participation features, the participating nature of these contracts results in a significant portion of the insurance risk being shared with the insured party.

Insurance risk is also affected by the policyholders' rights to terminate the contract, pay reduced premiums, refuse to pay premiums or exercise annuity conversion option, etc. Thus, the resultant insurance risk is subject to policyholders' behaviour and decisions.

Concentration of insurance risks

The Group runs its insurance business primarily within the PRC. Hence the geographical insurance risk is concentrated primarily within the PRC.

Assumptions and sensitivities

(a) Long-term life insurance contracts

Assumptions

Significant judgements are required in determining and choosing discount rates/investment return, mortality, morbidity, lapse rates, policy dividend, and expenses assumptions relating to long-term life insurance contracts.

Sensitivities

The Group has measured the impact on long-term life insurance contract liabilities using sensitivity analysis, of varying independently certain assumptions under reasonable and possible circumstances. The following changes in assumptions have been considered:

- (i) a 10% increase in mortality, morbidity, accident rates, etc. (a 10% increase in mortality rates of annuity policies before the payment period, a 10% decrease in the payment period);
- (ii) a 10% increase or decrease in policy lapse rates (depends on which situation results in the unfavourable changes in fulfilment cash flows by insurance product); and
- (iii) a 5% increase in maintenance expense rates.

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(1) INSURANCE RISK (CONTINUED)

Assumptions and sensitivities (Continued)

(a) Long-term life insurance contracts (Continued)

Sensitivities (Continued)

(in RMB million)	Change in assumptions	31 December 2025			
		Increase/(decrease) in profit before tax		Increase/(decrease) in equity before tax	
		Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance
Mortality, morbidity, accident rates, etc.	+10%	(9,133)	(8,724)	(20,538)	(19,214)
Policy lapse rates	+/-10%	(3,092)	(3,069)	(5,036)	(5,011)
Maintenance expense rates	+5%	(597)	(597)	(994)	(994)

(in RMB million)	Change in assumptions	31 December 2024			
		Increase/(decrease) in profit before tax		Increase/(decrease) in equity before tax	
		Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance
Mortality, morbidity, accident rates, etc.	+10%	(8,798)	(8,310)	(20,652)	(18,981)
Policy lapse rates	+/-10%	(2,524)	(2,509)	(6,028)	(6,037)
Maintenance expense rates	+5%	(585)	(581)	(1,031)	(1,027)

(b) Property and casualty and short-term life insurance contracts

Assumptions

The principal assumptions underlying the estimates includes assumptions in respect of average claim costs, claims handling costs, claims inflation factors and claim numbers for each accident year which are determined based on the Group's past claim experiences. Judgement is used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Other key assumptions include delays in settlement, etc.

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(1) INSURANCE RISK (CONTINUED)

Assumptions and sensitivities (Continued)

(b) Property and casualty and short-term life insurance contracts (Continued)

Sensitivities

The liabilities for incurred claims of property and casualty and short-term life insurance are sensitive to the above key assumptions. The sensitivity of certain variables including legislative change, uncertainty in the estimation process, etc., is not possible to quantify. Furthermore, because of delays that arise between the occurrence of a claim and its subsequent notification and eventual settlement, the liabilities for incurred claims are not known with certainty at the end of the reporting period.

Reproduced below is an exhibit that shows the development of gross liabilities for incurred claims of property and casualty insurance and short-term life insurance by the accident year and reconciliation with the aggregate carrying amount:

(in RMB million)	2021	2022	2023	2024	2025	Total
Estimates of undiscounted cumulative claims:						
As at the end of accident year	223,617	226,604	257,451	266,956	270,141	
One year later	217,423	216,105	246,580	254,859		
Two years later	211,506	209,661	240,474			
Three years later	209,290	206,395				
Four years later	207,671					
Estimated cumulative claims	207,671	206,395	240,474	254,859	270,141	1,179,540
Cumulative claims paid	(204,565)	(201,506)	(227,171)	(214,061)	(170,274)	(1,017,577)
Subtotal						161,963
Prior year adjustments, unallocated loss adjustment expenses, risk adjustment for non-financial risk and effect of discounting						14,075
Total gross liabilities for incurred claims						176,038

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(1) INSURANCE RISK (CONTINUED)

Assumptions and sensitivities (Continued)

(b) Property and casualty and short-term life insurance contracts (Continued)

Sensitivities (Continued)

Reproduced below is an exhibit that shows the development of net liabilities for incurred claims of property and casualty insurance and short-term life insurance by the accident year and reconciliation with the aggregate carrying amount:

(in RMB million)	2021	2022	2023	2024	2025	Total
Estimates of undiscounted cumulative claims:						
As at the end of accident year	205,113	211,821	244,937	252,817	254,995	
One year later	200,356	202,307	234,418	241,473		
Two years later	194,925	196,287	228,939			
Three years later	192,502	193,402				
Four years later	191,035					
Estimated cumulative claims	191,035	193,402	228,939	241,473	254,995	1,109,844
Cumulative claims paid	(189,195)	(189,354)	(218,054)	(205,990)	(166,653)	(969,246)
Subtotal						140,598
Prior year adjustments, unallocated loss adjustment expenses, risk adjustment for non-financial risk and effect of discounting						13,924
Net liabilities for incurred claims						154,522
Amounts recoverable on incurred claims						21,516
Total gross liabilities for incurred claims						176,038

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(1) INSURANCE RISK (CONTINUED)

Assumptions and sensitivities (Continued)

(b) Property and casualty and short-term life insurance contracts (Continued)

Sensitivities (Continued)

To illustrate the sensitivities of ultimate claims costs, for example, a respective percentage change in the average claim costs alone results in a similar percentage change in liabilities for incurred claims:

(in RMB million)	Change in assumptions	31 December 2025			
		Increase/(decrease) in profit before tax		Increase/(decrease) in equity before tax	
		Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance
Average claim costs					
Property and casualty insurance	+5%	(8,200)	(7,262)	(8,200)	(7,262)
Short-term life insurance	+5%	(602)	(465)	(602)	(465)

(in RMB million)	Change in assumptions	31 December 2024			
		Increase/(decrease) in profit before tax		Increase/(decrease) in equity before tax	
		Gross of reinsurance	Net of reinsurance	Gross of reinsurance	Net of reinsurance
Average claim costs					
Property and casualty insurance	+5%	(7,343)	(6,465)	(7,343)	(6,465)
Short-term life insurance	+5%	(637)	(531)	(637)	(531)

(c) Reinsurance

The Group limits its exposure to losses from insurance operations mainly through participation in reinsurance arrangements. The majority of the business ceded is placed on the quota share basis and the surplus basis with retention limits varying by product lines. Amounts recoverable from reinsurers are estimated in a manner consistent with the assumptions used for ascertaining the underlying policy benefits and are presented in the statement of financial position as reinsurance contract assets or liabilities.

Even though the Group may have reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance ceded, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements.

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(2) MARKET RISK

Market risk is the risk of changes in fair value of financial instruments and future cash flows from fluctuation of market prices, which includes three types of risks from volatility of foreign exchange rates (foreign currency risk), market interest rates (interest rate risk) and market prices (price risk).

(a) Foreign currency risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between the RMB and other currencies in which the Group conducts business may affect its financial position and results of operations. The foreign currency risk facing the Group mainly comes from movements in the USD/RMB and HKD/RMB exchange rates. The Group sets limitation to its position of foreign currency, monitors the size of foreign currency position, and limits the foreign currency position within the threshold set by utilizing hedging strategy.

The analysis below is performed for reasonably possible movements in key variables with all other variables held constant, showing the pre-tax impact on profit and equity (due to changes in fair value of foreign currency denominated non-monetary assets and liabilities measured at fair value, as well as monetary assets and liabilities). The correlation of variables will have a significant effect on determining the ultimate impact on market risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis.

(in RMB million)	Change in variables	31 December 2025		31 December 2024	
		Increase/ (decrease) in profit before tax	Increase/ (decrease) in equity before tax	Increase/ (decrease) in profit before tax	Increase/ (decrease) in equity before tax
USD	+5%	3,512	6,521	3,438	5,472
HKD	+5%	(738)	(472)	(416)	38
Other currencies	+5%	533	1,029	412	830
		3,307	7,078	3,434	6,340
USD	-5%	(3,512)	(6,521)	(3,438)	(5,472)
HKD	-5%	738	472	416	(38)
Other currencies	-5%	(533)	(1,029)	(412)	(830)
		(3,307)	(7,078)	(3,434)	(6,340)

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(2) MARKET RISK (CONTINUED)

(a) Foreign currency risk (Continued)

The main monetary assets and liabilities of the Group and non-monetary assets and liabilities measured at fair value are analysed as follows by currency:

(in RMB million)	31 December 2025				
	RMB	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	RMB equivalent total
Assets					
Cash and amounts due from banks and other financial institutions	1,102,580	65,087	10,622	11,578	1,189,867
Balances with the Central Bank and statutory deposits for insurance operations	261,609	3,504	435	-	265,548
Financial assets purchased under reverse repurchase agreements	183,497	-	-	-	183,497
Accounts receivable	43,579	15	8	76	43,678
Reinsurance contract assets	24,969	-	546	-	25,515
Finance lease receivable	258,202	-	-	-	258,202
Loans and advances to customers	3,216,056	137,338	30,304	25,376	3,409,074
Financial assets at fair value through profit or loss	2,564,956	122,719	4,414	21,238	2,713,327
Financial assets at amortized cost	1,239,007	28,799	192	2,571	1,270,569
Debt financial assets at fair value through other comprehensive income	3,183,324	42,456	4,680	975	3,231,435
Equity financial assets at fair value through other comprehensive income	609,323	227	-	-	609,550
Other assets	71,169	716	4,276	130	76,291
	12,758,271	400,861	55,477	61,944	13,276,553
Liabilities					
Due to banks and other financial institutions	1,026,859	39,291	15,155	16,794	1,098,099
Financial liabilities at fair value through profit or loss	221,829	-	-	-	221,829
Assets sold under agreements to repurchase	638,451	5,096	-	-	643,547
Accounts payable	5,791	-	-	-	5,791
Insurance contract liabilities	5,359,512	525	849	24	5,360,910
Reinsurance contract liabilities	537	-	-	-	537
Customer deposits and payables to brokerage customers	3,570,060	175,413	31,389	32,384	3,809,246
Bonds payable	803,581	39,714	10,366	-	853,661
Other liabilities	314,063	1,657	1,487	243	317,450
	11,940,683	261,696	59,246	49,445	12,311,070
Net position of foreign currency		139,165	(3,769)	12,499	147,895
Notional amount of foreign exchange derivative financial instruments		(8,745)	(5,673)	8,083	(6,335)
		130,420	(9,442)	20,582	141,560
Off-balance sheet credit commitments	2,063,667	31,288	2,708	1,992	2,099,655

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(2) MARKET RISK (CONTINUED)

(a) Foreign currency risk (Continued)

The main monetary assets and liabilities of the Group and non-monetary assets and liabilities measured at fair value are analysed as follows by currency (Continued):

(in RMB million)	31 December 2024				
	RMB	USD (RMB equivalent)	HKD (RMB equivalent)	Others (RMB equivalent)	RMB equivalent total
Assets					
Cash and amounts due from banks and other financial institutions	933,050	66,728	10,335	7,914	1,018,027
Balances with the Central Bank and statutory deposits for insurance operations	278,424	3,068	464	–	281,956
Financial assets purchased under reverse repurchase agreements	91,840	–	–	–	91,840
Accounts receivable	35,915	27	–	64	36,006
Reinsurance contract assets	21,765	3,761	558	–	26,084
Finance lease receivable	210,176	–	–	–	210,176
Loans and advances to customers	3,219,164	109,206	36,519	26,948	3,391,837
Financial assets at fair value through profit or loss	2,260,032	98,129	924	17,989	2,377,074
Financial assets at amortized cost	1,201,349	27,597	886	2,618	1,232,450
Debt financial assets at fair value through other comprehensive income	3,151,944	33,338	1,512	143	3,186,937
Equity financial assets at fair value through other comprehensive income	353,773	231	2,489	–	356,493
Other assets	57,881	4,600	3,262	172	65,915
	11,815,313	346,685	56,949	55,848	12,274,795
Liabilities					
Due to banks and other financial institutions	763,740	48,705	9,936	15,802	838,183
Financial liabilities at fair value through profit or loss	172,517	251	–	–	172,768
Assets sold under agreements to repurchase	457,453	4,839	–	–	462,292
Accounts payable	6,871	–	–	–	6,871
Insurance contract liabilities	4,973,324	10,376	1,072	23	4,984,795
Reinsurance contract liabilities	569	–	–	–	569
Customer deposits and payables to brokerage customers	3,508,843	156,215	30,863	14,246	3,710,167
Bonds payable	920,348	45,955	739	–	967,042
Other liabilities	311,925	4,013	1,251	73	317,262
	11,115,590	270,354	43,861	30,144	11,459,949
Net position of foreign currency		76,331	13,088	25,704	115,123
Notional amount of foreign exchange derivative financial instruments		33,100	(12,336)	(9,086)	11,678
		109,431	752	16,618	126,801
Off-balance sheet credit commitments	2,067,005	27,176	3,716	7,913	2,105,810

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(2) MARKET RISK (CONTINUED)

(b) Price risk

The Group's price risk exposure relates to financial assets and liabilities whose values will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), which mainly include listed equity securities and security investment funds classified as equity financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, and related insurance contracts with direct participation features.

The above financial instruments and insurance contracts are exposed to price risk because of changes in market prices, where changes are caused by factors specific to the individual financial instruments or their issuers, or factors affecting all similar financial instruments traded in the market.

The Group manages price risks through balanced asset allocation, dynamic portfolio management and diversification of investments, etc.

The analysis below is performed for a 10% increase or decrease in equity prices with all other variables held constant, for the financial instruments and insurance contracts, showing the pre-tax impact on the Group's profit and equity.

(in RMB million)	Equity prices	31 December 2025		31 December 2024	
		Increase/ (decrease) in profit before tax	Increase/ (decrease) in equity before tax	Increase/ (decrease) in profit before tax	Increase/ (decrease) in equity before tax
Financial instruments	+10%	70,365	125,378	31,650	58,394
Insurance contracts	+10%	(32,230)	(50,113)	(11,051)	(27,528)
		38,135	75,265	20,599	30,866
Financial instruments	-10%	(70,370)	(125,383)	(31,852)	(58,596)
Insurance contracts	-10%	32,230	50,113	11,051	27,528
		(38,140)	(75,270)	(20,801)	(31,068)

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(2) MARKET RISK (CONTINUED)

(c) Interest rate risk

The interest rate risks facing the Group mainly comes from the insurance segment and the banking segment.

The insurance segment

Interest rate risk of the Group's insurance segment is the risk that the value/future cash flows of a financial instrument (mainly include debt investments classified as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income) will fluctuate because of changes in market interest rates, and the value of insurance contract liabilities will fluctuate because of changes in market interest rates (discount rate). Since most markets do not have assets of sufficient tenor to match insurance contract liabilities, an uncertainty arises around the reinvestment of maturing assets.

Floating rate instruments expose the Group to cash flow interest rate risk, whereas fixed rate instruments expose the Group to fair value interest risk. The Group's interest rate risk policy requires it to manage the maturities of interest-bearing financial assets and interest-bearing financial liabilities by maintaining an appropriate mix of fixed and variable rate instruments. The Group manages the interest rate risk by extending assets duration, repricing products and adjusting the business structure to match the term structure and to match the cost and benefit.

The analysis below is performed for a 10 basis points decrease or increase in interest rates with all other variables held constant, for the financial instruments and life insurance contracts/reinsurance contracts, showing the pre-tax impact on the Group's profit and equity.

(in RMB million)	Interest rate	31 December 2025		31 December 2024	
		Increase/ (decrease) in profit before tax	Increase/ (decrease) in equity before tax	Increase/ (decrease) in profit before tax	Increase/ (decrease) in equity before tax
Financial instruments	-10bps	2,571	47,569	3,428	47,949
Insurance contracts, net of reinsurance contracts held	-10bps	(1,749)	(52,701)	(2,236)	(54,871)
		822	(5,132)	1,192	(6,922)
Financial instruments	+10bps	(2,571)	(47,569)	(3,428)	(47,949)
Insurance contracts, net of reinsurance contracts held	+10bps	1,551	53,391	2,094	54,189
		(1,020)	5,822	(1,334)	6,240

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(2) MARKET RISK (CONTINUED)

(c) Interest rate risk (Continued)

The banking segment

Interest rate risks of the Group's banking segment mainly consist of transaction account interest rate risk and bank account interest rate risk.

Transaction account interest rate risk arises from the change in interest rates and product price of the transaction account resulting from the change in market interest rates, which in turn affects the profit or loss for the year. The Group mainly manages the interest rate risk of transaction account by adopting measures such as the interest rate sensitive limit and daily and monthly stop-loss limit to ensure that the fluctuations of interest rate and market value of products are within the affordable scope of the Group.

Bank account interest rate risk arises from the mismatch of the maturity date or contract re-pricing date between interest-earning assets and interest-bearing liabilities. The Group manages bank account interest rate risk primarily by adjusting the asset/liability pricing structure, regularly monitoring sensitive gaps of interest rate, analysing characteristics of asset/liability re-pricing, and using an asset/liability management system to conduct scenario analysis on interest risk.

In respect of the financial assets and liabilities at fair value through profit or loss of the Group's banking segment, the interest rate risk arising from this portfolio is not significant. For other financial assets and liabilities, the Group mainly uses a gap analysis to measure and control the related interest rate risk. As at 31 December 2025 and 31 December 2024, the gap analyses of the financial assets and liabilities (excluding financial assets and liabilities at fair value through profit or loss) were as follows. The analysis of the net interest income is based on the effect of a reasonable possible change in interest rates on the net interest income before tax for one year, in respect of the financial assets and liabilities (excluding financial assets and liabilities at fair value through profit or loss) held at the balance sheet date. The analysis of equity is based on the effect of a reasonable possible change in interest rates on the equity before tax, which calculated by revaluing the year end portfolio of fixed-rate financial assets at fair value through other comprehensive income.

(in RMB million)	Interest rate	31 December 2025		31 December 2024	
		Increase/ (decrease) in net interest income	Increase/ (decrease) in equity	Increase/ (decrease) in net interest income	Increase/ (decrease) in equity
Financial assets and liabilities	-50bps	2,232	2,848	2,160	2,061
Financial assets and liabilities	+50bps	(2,232)	(2,848)	(2,160)	(2,061)

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK

Credit risks refer to the risk of losses incurred by the inabilities of debtors or counterparties to fulfil their contractual obligations or by the adverse changes in their credit conditions. The Group is exposed to credit risks primarily associated with its deposit arrangements with commercial banks, loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income, reinsurance arrangement with reinsurers, policy loans, margin financing, financial guarantee contracts and loan commitments, etc. The Group uses a variety of controls to identify, measure, monitor and report credit risk.

(a) Credit risk management

Credit risk of banking business

The banking business of the Group has formulated a set of credit management processes and internal control mechanisms, so as to carry out the whole process management of credit business. Credit management procedures for its corporate and individual loans of comprise credit origination, credit review, credit approval, disbursement, post credit management. In addition, the banking business of the Group has formulated procedure manuals for credit management, which clarifies the duties of each part in the credit management processes, effectively monitoring credit risk and enhancing credit compliance.

Credit risks arising from credit commitments are similar to those of loans and advances. Therefore, financial guarantees and loan commitments are also subject to the same application, post credit management and collateral requirements as loan and advances business.

Credit risk of investment business

As to debt investment, the Group rates these investments by internal credit rating policies, selects counterparties with high credit quality and sets strict entry criteria.

The Group's debt investment mainly includes domestic government bonds, the Central Bank bills, financial institution bonds, corporate bonds and debt investment schemes, wealth management investments, etc. The Group manages the credit risk for these investments mainly through controlling the investment scales, selecting counterparties within the financial institutions with appropriate credit quality prudently, balancing the credit risks and rate of return of investment and considering the internal and external credit rating information comprehensively.

Credit risk of insurance business

The Group evaluated the credit rating of the reinsurance companies before signing the reinsurance contracts, and chose the reinsurance companies with higher credit quality to reduce the credit risk.

The limits of policy loans are based on the cash values of valid insurance policies, with appropriate discounts, and the validity periods of policy loans are within the validity periods of insurance policies. The credit risk associated with policy loans did not have material impact on the Group's consolidated financial statements.

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss

The Group formulates the credit losses of financial assets at amortized cost, debt financial assets at FVOCI, finance lease receivable and other financial assets, as well as loan commitment and financial guarantee contracts using expected credit loss models according to IFRS 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 expected credit losses are provided respectively. The expected credit loss is the result of discounting the product of EAD, PD and LGD.

- (i) 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.
- (ii) Probability of Default (PD): The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- (iii) 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 12M 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.

Judgement of significant increase in credit risk ("SICR")

Under IFRS 9, in determining the impairment stage of financial assets, the Group assesses whether credit risk has significantly increased since initial recognition at each reporting date. 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 factor 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 include the PD changes of the debtors, changes of credit risk categories and other indicators of SICR, etc. In the judgement of whether the financial instruments have SICR after initial recognition, the Group considers the 30 days past due as one of criteria of SICR, in accordance with the standard.

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For the year ended 31 December 2025

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

The definition of credit-impaired assets

Under IFRS 9, 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:

- (i) The debtor has overdue more than 90 days after the contract payment date;
- (ii) Internal credit rating is default grade;
- (iii) The lender gives the debtor concessions for economic or contractual reasons due to the debtor's financial difficulties, where such concessions are normally reluctant to be made by the lender;
- (iv) The debtor has significant financial difficulties;
- (v) The debtor is likely to go bankrupt or other financial restructuring;
- (vi) The active market for financial assets disappears.

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.

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 expected credit losses for each portfolio. The Group has developed macroeconomic forward-looking adjustment model by establishing a pool of macro-economic indicators, preparing data, filtering model factors and adjusting forward-looking elements, and the indicators include year-on-year percentage change in accumulated gross domestic product (GDP), year-on-year percentage change in commercial housing sales, 1-year loan prime rate (LPR) and other macroeconomic variables. Through regression analysis, the relationship among these economic indicators in history with EAD, PD and LGD is determined, and the EAD, PD, LGD are then determined through forecasting economic indicator.

During the reporting period, the Group adjusted the predicted values of forward-looking economic indicators by statistical analysis and 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 Group evaluates and forecasts these economic indicators at least annually, provides the best estimates for the future, and regularly evaluates the results. Similar to other economic forecasts, the estimates of economic indicators 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.

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

Forward-looking information (Continued)

In 2025, the key macroeconomic assumptions used by the Group to estimate expected credit losses in different macroeconomic scenarios include year-on-year percentage change in accumulated GDP, year-on-year percentage change in commercial housing sales, 1-year LPR and other macroeconomic variables. For the year-on-year percentage change in accumulated GDP, the average predictive value in the base scenario in year 2026 is about 4.90%, and is 0.26 percentage upper in the upside scenario while 0.27 percentage lower in the downside scenario. The average predictive value in the base scenario in year 2027 is about 4.73%, and is 0.28 percentage upper in the upside scenario while 0.29 percentage lower in the downside scenario.

Sensitivity analysis

Expected credit losses are sensitive to the parameters used in the model, the macroeconomic variables of the forward-looking forecast, the weight probabilities in the three scenarios, and other factors considered in the application of expert judgement. Changes in these input parameters, assumptions, models, and judgements will have an impact on the significant increase in credit risk and the measurement of expected credit losses.

The Group has the highest weight of the base scenario, and the weight of the base scenario is slightly higher than the sum of the weight of other base scenarios. The banking business of the Group assumed that if the weight of the upside scenario increased by 10% and the weight of the base scenario reduced by 10%, the Group's ECL impairment provision on 31 December 2025 would be reduced by RMB980 million (31 December 2024: RMB1,213 million); if the weight of the downside scenario increased by 10% and the weight of the base scenarios reduced by 10%, the Group's ECL impairment provision would be increased by RMB1,636 million (31 December 2024: RMB1,389 million).

In 2025, the Group's management has also taken into account and consequently charged provision for losses for situations such as the external environment that are not reflected in the model, thus further increasing the risk offsetting capacity.

Credit 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 Group also assumes credit risk due to credit commitments and financial guarantee contracts. The details are disclosed in Note 57.(2).

Please refer to Note 24.(2) and (5) for an analysis of concentration of loans and advances by industry and geographical region.

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

Collateral and other credit enhancements

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 types of collateral obtained are as follows:

- (i) for policy loans, collaterals are cash value of policies;
- (ii) for reverse repurchase transactions, collaterals are quoted securities;
- (iii) for commercial loans, collaterals are real estate properties, inventories, equity investments and trade receivables, etc.;
- (iv) for retail lending loans to individuals, collaterals are residential properties mortgages.

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 of 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.

Restructured loans and advances to customers

Restructured loans and advances to customers are those loans and advances to customers for which the Group has renegotiated the contract terms with borrowers as a result of the deterioration in their financial position or of their inability to make payments when due. Concessions are given by the Group that would not otherwise be granted to these borrowers for economic or legal reasons relating to their financial difficulties. As at 31 December 2025, the Group's restructured loans and advances to customers was RMB41,392 million (31 December 2024: RMB40,638 million).

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

The following table presents the credit risk exposure of the financial assets under the scope of expected credit loss. Without considering guarantee or any other credit enhancement measures, for on-balance sheet assets, the maximum credit risk exposure is presented as the net carrying amount of the financial assets:

Carrying amount (in RMB million)	31 December 2025			Maximum credit risk exposure
	Stage 1	Stage 2	Stage 3	
Cash and amounts due from banks and other financial institutions	1,189,867	-	-	1,189,867
Balances with the Central Bank and statutory deposits for insurance operations	265,548	-	-	265,548
Financial assets purchased under reverse repurchase agreements	183,265	-	232	183,497
Accounts receivable	43,062	376	240	43,678
Finance lease receivable	254,859	2,263	1,080	258,202
Loans and advances to customers	3,286,753	107,235	15,086	3,409,074
Financial assets at amortized cost	1,216,597	5,999	47,973	1,270,569
Debt financial assets at fair value through other comprehensive income	3,227,616	1,287	2,532	3,231,435
Other assets	68,945	1,262	5,440	75,647
Subtotal	9,736,512	118,422	72,583	9,927,517
Credit commitments	2,089,883	6,014	10	2,095,907
Total	11,826,395	124,436	72,593	12,023,424

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

Carrying amount (in RMB million)	31 December 2024			Maximum credit risk exposure
	Stage 1	Stage 2	Stage 3	
Cash and amounts due from banks and other financial institutions	1,018,027	–	–	1,018,027
Balances with the Central Bank and statutory deposits for insurance operations	281,956	–	–	281,956
Financial assets purchased under reverse repurchase agreements	91,614	–	226	91,840
Accounts receivable	35,975	12	19	36,006
Finance lease receivable	206,817	2,206	1,153	210,176
Loans and advances to customers	3,275,691	102,687	13,459	3,391,837
Financial assets at amortized cost	1,184,379	5,628	42,443	1,232,450
Debt financial assets at fair value through other comprehensive income	3,184,090	2,324	523	3,186,937
Other assets	58,473	380	6,189	65,042
Subtotal	9,337,022	113,237	64,012	9,514,271
Credit commitments	2,097,959	5,858	415	2,104,232
Total	11,434,981	119,095	64,427	11,618,503

The Group closely monitors collateral of credit-impaired financial assets.

As at 31 December 2025, the fair value of collateral of credit-impaired loans and advances to customers is RMB21,428 million (31 December 2024: RMB21,511 million). The fair value of collateral of credit-impaired financial assets at amortized cost is RMB11,649 million (31 December 2024: RMB6,828 million).

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

The following tables explain the changes in the gross carrying amount and impairment provision of the main financial assets between the beginning and the end of the annual period due to these factors:

(in RMB million)		2025						
Gross carrying amount	Stage	1 January	Net increase/ (decrease) (Note)	Stages transfers			Write-offs	31 December
				Transfer between Stage 1 and Stage 2	Transfer between Stage 1 and Stage 3	Transfer between Stage 2 and Stage 3		
Loans and advances to customers	Stage 1	3,324,909	111,319	(106,717)	278	-	-	3,329,789
	Stage 2	126,086	(30,598)	106,717	-	(74,159)	-	128,046
	Stage 3	38,029	(16,579)	-	(278)	74,159	(54,520)	40,811
	Total	3,489,024	64,142	-	-	-	(54,520)	3,498,646
Financial assets at amortized cost	Stage 1	1,187,903	43,723	(11,528)	(306)	-	-	1,219,792
	Stage 2	6,612	(2,883)	11,528	-	(8,063)	-	7,194
	Stage 3	101,068	125	-	306	8,063	(2,938)	106,624
	Total	1,295,583	40,965	-	-	-	(2,938)	1,333,610
Debt financial assets at fair value through other comprehensive income	Stage 1	3,184,090	47,948	(4,422)	-	-	-	3,227,616
	Stage 2	2,324	(3,145)	4,422	-	(2,314)	-	1,287
	Stage 3	523	(305)	-	-	2,314	-	2,532
	Total	3,186,937	44,498	-	-	-	-	3,231,435

Note: Changes in current year due to purchase, purchased credit-impaired or derecognition except write-offs.

(in RMB million)		2025							
					Stages transfers				
			Net increase/ (decrease) (Note 1)	Charge/ (reversal) for the year (Note 2)	Transfer between Stage 1 and Stage 2	Transfer between Stage 1 and Stage 3	Transfer between Stage 2 and Stage 3	Write-offs	31 December
Impairment provision	Stage	1 January							
Loans and advances to customers	Stage 1	50,094	9,739	(5,704)	(11,086)	328	-	-	43,371
	Stage 2	23,408	(1,975)	13,021	11,086	-	(24,729)	-	20,811
	Stage 3	24,642	3,700	27,583	-	(328)	24,729	(54,520)	25,806
	Total	98,144	11,464	34,900	-	-	-	(54,520)	89,988
Financial assets at amortized cost	Stage 1	3,524	201	(619)	91	(2)	-	-	3,195
	Stage 2	984	(252)	1,021	(91)	-	(467)	-	1,195
	Stage 3	58,625	(1,470)	3,965	-	2	467	(2,938)	58,651
	Total	63,133	(1,521)	4,367	-	-	-	(2,938)	63,041
Debt financial assets at fair value through other comprehensive income	Stage 1	1,980	(441)	1,009	(89)	-	-	-	2,459
	Stage 2	1,149	(37)	2,751	89	-	(1,149)	-	2,803
	Stage 3	5,942	20	133	-	-	1,149	-	7,244
	Total	9,071	(458)	3,893	-	-	-	-	12,506

Note 1: Changes in current year due to purchase, purchased credit-impaired or derecognition except write-offs.

Note 2: Changes in PDs, EADs, and LGDs in the current year, arising from regular update of inputs to models.

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

The following tables explain the changes in the gross carrying amount and impairment provision of the main financial assets between the beginning and the end of the annual period due to these factors (Continued):

(in RMB million)		2024						
Gross carrying amount	Stage	1 January	Net increase/ (decrease) (Note)	Stages transfers			Write-offs	31 December
				Transfer between Stage 1 and Stage 2	Transfer between Stage 1 and Stage 3	Transfer between Stage 2 and Stage 3		
Loans and advances to customers	Stage 1	3,269,769	167,948	(113,057)	249	-	-	3,324,909
	Stage 2	107,615	(26,503)	113,057	-	(68,083)	-	126,086
	Stage 3	38,091	(2,208)	-	(249)	68,083	(65,688)	38,029
	Total	3,415,475	139,237	-	-	-	(65,688)	3,489,024
Financial assets at amortized cost	Stage 1	1,192,100	8,430	(10,330)	(2,297)	-	-	1,187,903
	Stage 2	19,647	(2,989)	10,330	-	(20,376)	-	6,612
	Stage 3	78,583	598	-	2,297	20,376	(786)	101,068
	Total	1,290,330	6,039	-	-	-	(786)	1,295,583
Debt financial assets at fair value through other comprehensive income	Stage 1	2,631,520	552,570	-	-	-	-	3,184,090
	Stage 2	3,564	(1,240)	-	-	-	-	2,324
	Stage 3	1,924	(1,401)	-	-	-	-	523
	Total	2,637,008	549,929	-	-	-	-	3,186,937

Note: Changes in current year due to purchase, purchased credit-impaired or derecognition except write-offs.

(in RMB million)					2024				
Impairment provision	Stage	1 January	Net increase/ (decrease) (Note 1)	Charge/ (reversal) for the year (Note 2)	Stages transfers			Write-offs	31 December
					Transfer between Stage 1 and Stage 2	Transfer between Stage 1 and Stage 3	Transfer between Stage 2 and Stage 3		
Loans and advances to customers	Stage 1	52,320	14,979	(7,913)	(9,604)	312	-	-	50,094
	Stage 2	24,455	(2,543)	17,107	9,604	-	(25,215)	-	23,408
	Stage 3	23,270	16,859	25,298	-	(312)	25,215	(65,688)	24,642
	Total	100,045	29,295	34,492	-	-	-	(65,688)	98,144
Financial assets at amortized cost	Stage 1	4,237	(399)	104	(418)	-	-	-	3,524
	Stage 2	3,142	(140)	(349)	418	-	(2,087)	-	984
	Stage 3	39,598	752	16,974	-	-	2,087	(786)	58,625
	Total	46,977	213	16,729	-	-	-	(786)	63,133
Debt financial assets at fair value through other comprehensive income	Stage 1	2,164	(49)	(135)	-	-	-	-	1,980
	Stage 2	969	(76)	256	-	-	-	-	1,149
	Stage 3	5,685	(763)	1,020	-	-	-	-	5,942
	Total	8,818	(888)	1,141	-	-	-	-	9,071

Note 1: Changes in current year due to purchase, purchased credit-impaired or derecognition except write-offs.

Note 2: Changes in PDs, EADs, and LGDs in the current year, arising from regular update of inputs to models.

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (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 loans and advances to customers, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income. The carrying amount of financial assets below also represents the Group’s maximum exposure to credit risk on these assets:

Loans and advances to customers

(in RMB million)	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Low risk	2,223,473	10,525	-	2,233,998
Medium risk	1,092,689	57,488	-	1,150,177
High risk	13,627	60,033	-	73,660
Default	-	-	40,811	40,811
Gross carrying amount	3,329,789	128,046	40,811	3,498,646
Loss allowance	(43,036)	(20,811)	(25,725)	(89,572)
Carrying amount	3,286,753	107,235	15,086	3,409,074

(in RMB million)	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Low risk	2,043,265	8,184	-	2,051,449
Medium risk	1,259,936	47,159	-	1,307,095
High risk	21,708	70,743	-	92,451
Default	-	-	38,029	38,029
Gross carrying amount	3,324,909	126,086	38,029	3,489,024
Loss allowance	(49,218)	(23,399)	(24,570)	(97,187)
Carrying amount	3,275,691	102,687	13,459	3,391,837

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

Financial assets at amortized cost

(in RMB million)	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Low risk	1,179,252	-	-	1,179,252
Medium risk	39,420	2,075	-	41,495
High risk	1,120	5,119	-	6,239
Default	-	-	106,624	106,624
Gross carrying amount	1,219,792	7,194	106,624	1,333,610
Impairment provision	(3,195)	(1,195)	(58,651)	(63,041)
Carrying amount	1,216,597	5,999	47,973	1,270,569

(in RMB million)	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Low risk	1,140,344	-	-	1,140,344
Medium risk	41,558	2,982	-	44,540
High risk	6,001	3,630	-	9,631
Default	-	-	101,068	101,068
Gross carrying amount	1,187,903	6,612	101,068	1,295,583
Impairment provision	(3,524)	(984)	(58,625)	(63,133)
Carrying amount	1,184,379	5,628	42,443	1,232,450

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(3) CREDIT RISK (CONTINUED)

(b) Expected credit loss (Continued)

Debt financial assets at fair value through other comprehensive income

(in RMB million)	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Low risk	3,105,455	-	-	3,105,455
Medium risk	122,161	3	-	122,164
High risk	-	1,284	-	1,284
Default	-	-	2,532	2,532
Carrying amount	3,227,616	1,287	2,532	3,231,435

(in RMB million)	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Credit grade				
Low risk	3,134,989	-	-	3,134,989
Medium risk	45,881	10	-	45,891
High risk	3,220	2,314	-	5,534
Default	-	-	523	523
Carrying amount	3,184,090	2,324	523	3,186,937

(4) LIQUIDITY RISK

Liquidity risk is the risk of not having access to sufficient funds or being unable to realize an asset in a timely manner at a reasonable price to meet the Group's obligations as they become due.

The Group is exposed to liquidity risk on insurance policies that permit surrender, withdrawal or other forms of early termination. When surrender, withdrawal or other forms of early termination happens, the Group determines the amounts that are payable on demand to policyholders in accordance with the terms of insurance contracts, which are usually the unearned premiums or the cash values of the relevant part of contracts, after deducting the applicable early termination fees. The Group seeks to manage its liquidity risk by matching to the extent possible the duration of its investment assets with the duration of its insurance policies and to ensure that the Group is able to meet its payment obligations and fund its lending and investment operations on a timely basis.

The banking business of the Group is exposed to potential liquidity risk. The Group utilizes multiple regulatory methods, establish comprehensive liquidity risk management framework, effectively recognize, measure, monitor and control liquidity risk, maintain sufficient liquidity level to satisfy various funds requirement and to face adverse market status. To effectively monitor and manage liquidity risk, the Group emphasizes the diversification of funding sources and uses, and consistently maintains a high proportion of liquid assets. The Group monitors the sourcing and usage of funds, deposit to loan ratio, and quick ratio on a daily basis. Moreover, when adopting various benchmarks for management of liquidity risk, the Group compares the expected results against the ones derived from stress tests, critically assesses the potential impact to the future liquidity risk, and formulates remedial actions according to specific situations. The Group seeks to mitigate the liquidity risk of the banking business by optimizing the asset-liability structure, and maintaining stable deposits, etc.

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(4) LIQUIDITY RISK (CONTINUED)

The table below summarizes the remaining contractual maturity profile of the financial assets, financial liabilities, insurance contract liabilities and reinsurance contract liabilities of the Group based on undiscounted contractual cash flows/expected cash flows:

(in RMB million)	31 December 2025						Total
	Undated	Repayable on demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	
Cash and amounts due from banks and other financial institutions	-	495,073	177,843	188,636	326,100	5	1,187,657
Balances with the Central Bank and statutory deposits for insurance operations	181,361	68,807	21	2,983	13,195	-	266,367
Financial assets purchased under reverse repurchase agreements	-	258	182,189	652	489	-	183,588
Accounts receivable	-	1,998	11,952	19,303	12,121	170	45,544
Reinsurance contract assets	-	-	1,941	6,917	12,513	13,510	34,881
Finance lease receivable	-	1,403	35,586	91,178	162,990	1,922	293,079
Loans and advances to customers	-	17,880	845,674	1,015,419	1,275,162	551,822	3,705,957
Financial assets at fair value through profit or loss	1,600,986	8,866	73,432	132,299	541,074	499,662	2,856,319
Financial assets at amortized cost	-	33,004	164,129	247,165	511,520	596,317	1,552,135
Debt financial assets at fair value through other comprehensive income	-	66	65,132	214,276	668,876	3,836,989	4,785,339
Equity financial assets at fair value through other comprehensive income	609,550	-	-	-	-	-	609,550
Other assets	-	51,486	35,232	21,009	3,859	1,218	112,804
	2,391,897	678,841	1,593,131	1,939,837	3,527,899	5,501,615	15,633,220
Due to banks and other financial institutions	-	466,323	346,784	212,555	78,864	1,369	1,105,895
Financial liabilities at fair value through profit or loss	162	5,034	211,413	5,173	302	-	222,084
Assets sold under agreements to repurchase	-	-	641,776	1,852	-	-	643,628
Accounts payable	-	2,732	709	2,037	314	-	5,792
Insurance contract liabilities	-	-	66,440	59,449	140,268	9,497,015	9,763,172
Reinsurance contract liabilities	-	-	270	3	248	-	521
Customer deposits and payables to brokerage customers	-	1,431,968	826,099	831,696	763,807	-	3,853,570
Bonds payable	-	-	155,739	408,336	265,070	58,468	887,613
Lease liabilities	-	247	1,029	2,688	4,853	516	9,333
Other liabilities	-	65,066	62,384	68,964	62,427	7,756	266,597
	162	1,971,370	2,312,643	1,592,753	1,316,153	9,565,124	16,758,205
Derivative cash flows							
Derivative financial instruments settled on a net basis	-	-	298	(19)	(859)	1	(579)
Derivative financial instruments settled on a gross basis							
Including: Cash inflow	-	12,714	991,118	770,154	56,777	-	1,830,763
Cash outflow	-	(12,676)	(989,963)	(770,352)	(57,646)	-	(1,830,637)
	-	38	1,155	(198)	(869)	-	126

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(4) LIQUIDITY RISK (CONTINUED)

(in RMB million)	31 December 2024						Total
	Undated	Repayable on demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	
Cash and amounts due from banks and other financial institutions	-	393,903	192,512	203,919	234,367	1,979	1,026,680
Balances with the Central Bank and statutory deposits for insurance operations	202,821	62,731	3,502	3,802	8,973	977	282,806
Financial assets purchased under reverse repurchase agreements	-	619	89,523	1,493	285	-	91,920
Accounts receivable	-	1,370	7,560	18,167	10,089	34	37,220
Reinsurance contract assets	-	-	2,107	8,036	11,189	37,167	58,499
Finance lease receivable	-	1,200	30,409	76,381	129,303	1,139	238,432
Loans and advances to customers	-	22,000	888,495	950,762	1,264,838	662,478	3,788,573
Financial assets at fair value through profit or loss	1,122,096	12,773	40,285	215,452	731,424	507,961	2,629,991
Financial assets at amortized cost	-	24,258	117,572	289,530	441,300	645,088	1,517,748
Debt financial assets at fair value through other comprehensive income	-	168	57,731	213,895	663,289	3,451,046	4,386,129
Equity financial assets at fair value through other comprehensive income	356,493	-	-	-	-	-	356,493
Other assets	-	37,557	25,046	23,066	4,932	1,283	91,884
	1,681,410	556,579	1,454,742	2,004,503	3,499,989	5,309,152	14,506,375
Due to banks and other financial institutions	-	377,545	234,250	166,754	82,254	932	861,735
Financial liabilities at fair value through profit or loss	103	3,129	167,204	1,908	48	-	172,392
Assets sold under agreements to repurchase	-	-	460,929	1,447	-	-	462,376
Accounts payable	-	2,911	447	2,864	649	-	6,871
Insurance contract liabilities	-	-	81,952	56,866	81,627	8,986,705	9,207,150
Reinsurance contract liabilities	-	-	(27)	28	568	-	569
Customer deposits and payables to brokerage customers	-	1,342,447	765,187	789,732	875,648	-	3,773,014
Bonds payable	-	-	236,666	492,553	226,259	43,993	999,471
Lease liabilities	-	272	1,033	2,825	5,366	538	10,034
Other liabilities	-	42,019	61,218	79,330	78,265	9,375	270,207
	103	1,768,323	2,008,859	1,594,307	1,350,684	9,041,543	15,763,819
Derivative cash flows							
Derivative financial instruments settled on a net basis	-	(8)	214	236	(53)	87	476
Derivative financial instruments settled on a gross basis							
Including: Cash inflow	-	2,107	1,376,257	1,155,401	184,452	-	2,718,217
Cash outflow	-	(2,170)	(1,378,331)	(1,152,495)	(183,541)	-	(2,716,537)
	-	(63)	(2,074)	2,906	911	-	1,680

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(4) LIQUIDITY RISK (CONTINUED)

The table below summarizes the remaining contractual maturity profile of the credit commitments of the Group:

(in RMB million)	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
31 December 2025						
Credit commitments	1,032,160	302,274	659,248	94,996	10,977	2,099,655
31 December 2024						
Credit commitments	1,101,596	280,355	605,084	110,761	8,014	2,105,810

Management expects the credit commitments will not be entirely used during the commitment period.

(5) MISMATCHING RISK OF ASSETS AND LIABILITIES

The objective of the Group's asset and liability management is to match the maturity and interest rates of assets and liabilities. Under the current constraints of the shortage of long-term interest rate bond market, however, the Group does not have sufficient long-duration assets for investment to match the duration of insurance and investment contract liabilities. As permitted by law regulations and market conditions, the Group actively invests in preferred stocks and other broad-term duration assets, and continuously improves the allocation of long-duration assets, considering the requirements for asset-liability duration matching and revenue-cost matching.

(6) OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failure of proper internal controls on business processes, employees and systems or from uncontrollable external events. Operational risk in this context includes legal risk, but does not include strategic risk and reputational risk. The Group is exposed to many types of operational risks in the conduct of its business. The Group manages operational risk by establishing and continuously improving risk management framework, formalizing policies and standards, using management tools and reporting mechanism, strengthening staff education and training.

(7) CAPITAL MANAGEMENT

The Group's capital requirements are primarily dependent on the scale, products of insurance business, and the type of business that it undertakes, as well as the industry and geographic location in which it operates. The primary objectives of the Group's capital management are to ensure that the Group complies with externally imposed capital requirements and to maintain healthy capital ratios in order to support its business and to maximize shareholders' value.

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(7) CAPITAL MANAGEMENT (CONTINUED)

The Group manages its capital requirements by assessing shortfalls, if any, between the reported and the required capital levels on a regular basis. Adjustments to current capital levels are made in light of changes in economic conditions and risk characteristics of the Group's activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid, return capital to ordinary shareholders or issue capital securities.

The Group computes solvency margin ratios and recognizes, assesses and manages related risks in accordance with the *Regulatory Rules on Solvency of Insurance Companies (II)*, the *Notice on the Implementation of Regulatory Rules on Solvency of Insurance Companies (II)*, and the *National Financial Regulatory Administration's Circular on Improving Regulatory Standards for Solvency of Insurance Companies*. The Group was compliant with the requirements of regulatory authorities for solvency margin ratios as of December 31, 2025.

The table below summarizes the minimum regulatory capital for the Group and its major insurance subsidiaries and the regulatory capital held against each of them.

	31 December 2025		
	The Group	Ping An Life	Ping An Property & Casualty
Core capital	1,704,959	716,540	126,310
Actual capital	2,050,444	1,021,252	158,098
Minimum capital	1,060,731	581,306	72,810
Core solvency margin ratio	160.7%	123.3%	173.5%
Comprehensive solvency margin ratio	193.3%	175.7%	217.1%

	31 December 2024		
	The Group	Ping An Life	Ping An Property & Casualty
Core capital	1,457,074	490,983	115,692
Actual capital	1,799,586	797,818	138,649
Minimum capital	881,890	421,693	67,536
Core solvency margin ratio	165.2%	116.4%	171.3%
Comprehensive solvency margin ratio	204.1%	189.2%	205.3%

The banking business subsidiary measures the capital adequacy ratio in accordance with the *Capital Rules for Commercial Banks* from 2024. Credit risk-weighted assets are based on the weighting approach. Market risk-weighted assets and operational risk-weighted assets are based on the standardized approach.

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49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(7) CAPITAL MANAGEMENT (CONTINUED)

The banking operation's core Tier 1 capital adequacy ratio, Tier 1 capital adequacy ratio and capital adequacy ratio are shown below:

	31 December 2025	31 December 2024
Core Tier 1 capital adequacy ratio	9.36%	9.12%
Tier 1 capital adequacy ratio	11.49%	10.69%
Capital adequacy ratio	13.77%	13.11%

(8) THE GROUP'S MAXIMUM EXPOSURE TO STRUCTURED ENTITIES

The Group uses structured entities in the normal course of business for a number of purposes, for example, structured transactions for customers, to provide finance to public and private sector infrastructure projects, and to generate fees from managing assets on behalf of third-party investors. These structured entities are financed through the issue of beneficiary notes or trust units to investors. Refer to Note 3.(8) for the Group's consolidation consideration related to structured entities.

The following table also shows the size, the Group's funding and 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 direct investments made by the Group.

The size of unconsolidated structured entities and the Group's funding and maximum exposure are shown below:

31 December 2025 (in RMB million)	Unconsolidated structured entities			
	Size	Carrying amount	The Group's maximum exposure	Interest held by the Group
Securitization and usufruct transfer	25,661	4,721	4,721	Investment income and service fee
Assets management products managed by affiliated entities	2,994,151	130,776	130,776	Investment income and service fee
Assets management products managed by third parties	Note 1	915,219	915,219	Investment income
Wealth management products managed by affiliated entities	1,092,211	11,156	11,156	Investment income and service fee
Wealth management products managed by third parties	Note 1	22,317	22,317	Investment income

49. RISK AND CAPITAL MANAGEMENT (CONTINUED)

(8) THE GROUP'S MAXIMUM EXPOSURE TO STRUCTURED ENTITIES (CONTINUED)

31 December 2024 (in RMB million)	Unconsolidated structured entities			
	Size	Carrying amount	The Group's maximum exposure	Interest held by the Group
Securitization and usufruct transfer	18,644	3,769	3,769	Investment income and service fee
Assets management products managed by affiliated entities	3,154,480	256,128	256,128	Investment income and service fee
Assets management products managed by third parties	Note 1	799,163	799,163	Investment income
Wealth management products managed by affiliated entities	1,214,152	11,903	11,903	Investment income and service fee
Wealth management products managed by third parties	Note 1	12,109	12,109	Investment income

Note 1: These assets management products and wealth management products 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 recorded as wealth management investments under FVPL, FVOCI and AC, and beneficial right under trust schemes under assets purchased under reverse repurchase agreements.

50. CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's financial instruments mainly consist of cash and amounts due from banks and other financial institutions, term deposits, bonds, funds, stocks, loans, borrowings, deposits from other banks and financial institutions, customer deposits and payables to brokerage customers, etc.

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50. CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(1) CLASSIFICATION OF FINANCIAL INSTRUMENTS

The following table sets out the carrying amount and fair value of the Group's major financial instruments by classification:

(in RMB million)	Carrying amount		Fair value	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Financial assets				
Cash and amounts due from banks and other financial institutions	1,189,867	1,018,027	1,189,867	1,018,027
Balances with the Central Bank and statutory deposits for insurance operations	265,548	281,956	265,548	281,956
Financial assets purchased under reverse repurchase agreements	183,497	91,840	183,497	91,840
Accounts receivable	43,678	36,006	43,678	36,006
Derivative financial assets	30,002	68,698	30,002	68,698
Finance lease receivable	258,202	210,176	258,202	210,176
Loans and advances to customers	3,409,074	3,391,837	3,409,074	3,391,837
Financial assets at fair value through profit or loss	2,713,327	2,377,074	2,713,327	2,377,074
Financial assets at amortized cost	1,270,569	1,232,450	1,334,539	1,326,847
Debt financial assets at fair value through other comprehensive income	3,231,435	3,186,937	3,231,435	3,186,937
Equity financial assets at fair value through other comprehensive income	609,550	356,493	609,550	356,493
Other assets	75,647	65,042	75,647	65,042
Financial liabilities				
Due to banks and other financial institutions	1,104,609	838,183	1,104,609	838,183
Financial liabilities at fair value through profit or loss	221,829	172,768	221,829	172,768
Derivative financial liabilities	46,862	74,937	46,862	74,937
Assets sold under agreements to repurchase	643,547	462,292	643,547	462,292
Accounts payable	5,791	6,871	5,791	6,871
Customer deposits and payables to brokerage customers	3,809,246	3,710,167	3,809,246	3,710,167
Bonds payable	853,661	967,042	853,042	969,271
Other liabilities	244,121	247,025	244,121	247,025

Fair value of financial instruments not carried at fair value

The following describes the methods and assumptions used to determine fair value of financial instruments measured at amortized cost.

Financial instruments for which fair value approximates to carrying amount

For financial assets and financial liabilities that have a short-term maturity (less than three months), it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to term deposits, and savings accounts without a specific maturity. For other variable rate instruments, adjustment is also made to reflect the subsequent changes in the market rate after initial recognition.

50. CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(1) CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value of financial instruments not carried at fair value (Continued)

Fixed rate financial instruments

The fair value of fixed rate financial assets and liabilities carried at amortized cost is estimated by comparing market interest rates when they were first recognized with current market rates for similar financial instruments. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows using prevailing money market interest rates for financial products with similar credit risk and maturity. For quoted debts issued, the fair values are determined based on quoted market prices. For those debts issued where quoted market prices are not available, a discounted cash flow model is used based on a current interest rate yield curve appropriate for the remaining term to maturity and credit spreads.

(2) DETERMINATION OF FAIR VALUE AND THE FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The main quoted market price used for financial assets held by the Group is the current closing price. Financial instruments included in Level 1 comprise primarily equity investments, fund investments and bond investments traded on stock exchanges and open-ended mutual funds;

Level 2: either directly (such as price) or indirectly (such as calculated based on price) other than quoted prices included within Level 1 that are observable for the asset or liability. This valuation method maximizes the use of observable market data and minimizes the use of unobservable inputs;

Level 3: inputs which are based on parameters other than observable market data (unobservable inputs).

The level of fair value measurement is determined by the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgement, taking into account factors specific to the asset or liability.

Valuation methods for Level 2 and Level 3 financial instruments

For Level 2 financial instruments, valuations are generally using observable market inputs, or recent quoted market prices. The valuation 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 are classified as Level 2 when they are valued at recent quoted price from Chinese interbank market or from public valuation service providers. The fair value of debt investments denominated in RMB is determined based upon the valuation results by China Central Depository & Clearing Co., Ltd. All significant inputs are observable in the market.

For Level 3 financial instruments, the consideration of being classified as Level 3 is mainly based on the significance of the unobservable factors to the overall fair value measurement.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

50. CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(2) DETERMINATION OF FAIR VALUE AND THE FAIR VALUE HIERARCHY (CONTINUED)

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

(in RMB million)	31 December 2025			
	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Financial assets at fair value through profit or loss				
Bonds	9,513	896,147	340	906,000
Funds	423,890	210,016	6,946	640,852
Stocks	423,923	8,937	135	432,995
Wealth management investments, debt schemes and other investments	50	574,242	159,188	733,480
	857,376	1,689,342	166,609	2,713,327
Derivative financial assets				
Interest rate swaps	-	13,228	-	13,228
Currency forwards and swaps	-	11,694	-	11,694
Others	-	3,778	1,302	5,080
	-	28,700	1,302	30,002
Debt financial assets at fair value through other comprehensive income				
Bonds	19,414	3,046,780	48	3,066,242
Wealth management investments, debt schemes and other investments	-	161,715	3,478	165,193
	19,414	3,208,495	3,526	3,231,435
Equity financial assets at fair value through other comprehensive income				
Stocks	547,926	-	183	548,109
Preferred shares	-	54,291	-	54,291
Other equity investments	2,202	2,068	2,880	7,150
	550,128	56,359	3,063	609,550
Loans and advances to customers measured at fair value through other comprehensive income	-	325,303	-	325,303
Total financial assets	1,426,918	5,308,199	174,500	6,909,617
Financial liabilities				
Derivative financial liabilities				
Interest rate swaps	-	13,999	-	13,999
Currency forwards and swaps	-	11,001	-	11,001
Others	-	4,336	17,526	21,862
	-	29,336	17,526	46,862
Placements from banks and other financial institutions measured at fair value through profit or loss	6,510	-	-	6,510
Financial liabilities at fair value through profit or loss	6,895	210,139	4,795	221,829
Total financial liabilities	13,405	239,475	22,321	275,201

50. CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(2) DETERMINATION OF FAIR VALUE AND THE FAIR VALUE HIERARCHY (CONTINUED)

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy (Continued):

(in RMB million)	31 December 2024			
	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Financial assets at fair value through profit or loss				
Bonds	10,684	957,381	227	968,292
Funds	287,321	214,203	6,410	507,934
Stocks	202,689	1,772	122	204,583
Wealth management investments, debt schemes and other investments	165	528,588	167,512	696,265
	500,859	1,701,944	174,271	2,377,074
Derivative financial assets				
Interest rate swaps	-	25,637	-	25,637
Currency forwards and swaps	-	39,188	-	39,188
Others	-	2,302	1,571	3,873
	-	67,127	1,571	68,698
Debt financial assets at fair value through other comprehensive income				
Bonds	14,537	2,984,596	205	2,999,338
Wealth management investments, debt schemes and other investments	-	184,967	2,632	187,599
	14,537	3,169,563	2,837	3,186,937
Equity financial assets at fair value through other comprehensive income				
Stocks	266,795	-	287	267,082
Preferred shares	-	82,575	-	82,575
Other equity investments	629	2,279	3,928	6,836
	267,424	84,854	4,215	356,493
Loans and advances to customers measured at fair value through other comprehensive income	-	459,280	-	459,280
Total financial assets	782,820	5,482,768	182,894	6,448,482
Financial liabilities				
Derivative financial liabilities				
Interest rate swaps	-	26,549	-	26,549
Currency forwards and swaps	-	37,376	-	37,376
Others	-	1,862	9,150	11,012
	-	65,787	9,150	74,937
Placements from banks and other financial institutions measured at fair value through profit or loss	8,331	-	-	8,331
Financial liabilities at fair value through profit or loss	2,888	167,084	2,796	172,768
Total financial liabilities	11,219	232,871	11,946	256,036

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50. CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(2) DETERMINATION OF FAIR VALUE AND THE FAIR VALUE HIERARCHY (CONTINUED)

The following table shows an analysis of financial instruments not recorded at fair value but for which fair value is disclosed by level of the fair value hierarchy:

(in RMB million)	31 December 2025			
	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Financial assets at amortized cost	219	1,133,048	201,272	1,334,539
Total	219	1,133,048	201,272	1,334,539
Financial liabilities				
Bonds payable	4,893	848,149	-	853,042
Total	4,893	848,149	-	853,042

(in RMB million)	31 December 2024			
	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Financial assets at amortized cost	261	1,158,509	168,077	1,326,847
Total	261	1,158,509	168,077	1,326,847
Financial liabilities				
Bonds payable	13,135	956,136	-	969,271
Total	13,135	956,136	-	969,271

Financial assets and liabilities for which fair value approximates carrying amount are not included in the above disclosure.

50. CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(2) DETERMINATION OF FAIR VALUE AND THE FAIR VALUE HIERARCHY (CONTINUED)

Reconciliation of movements in Level 3 financial instruments measured at fair value is as follows:

(in RMB million)	2025	2024
Financial assets at fair value through profit or loss		
As at 1 January	174,271	170,810
Additions	29,374	39,217
Disposals	(36,338)	(24,261)
Transfers into Level 3	1,479	4,738
Transfers from Level 3	(770)	-
Total gains/losses		
Losses through profit or loss	(1,407)	(16,233)
As at 31 December	166,609	174,271
Debt financial assets at fair value through other comprehensive income		
As at 1 January	2,837	4,446
Disposals	(120)	(243)
Transfers into Level 3	3,840	-
Total gains/losses		
Losses through profit or loss	(2,780)	(1,281)
Losses through other comprehensive income	(251)	(85)
As at 31 December	3,526	2,837
Equity financial assets at fair value through other comprehensive income		
As at 1 January	4,215	3,290
Additions	25	331
Disposals	(847)	(16)
Transfers into Level 3	-	2
Transfers from Level 3	(3)	(13)
Total gains/losses		
(Losses)/gains through other comprehensive income	(327)	621
As at 31 December	3,063	4,215

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50. CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(2) DETERMINATION OF FAIR VALUE AND THE FAIR VALUE HIERARCHY (CONTINUED)

The gains or losses of level 3 financial instruments included in the income statement for the year are presented as follows:

(in RMB million)	2025		Total
	Realized gains	Unrealized gains	
Financial assets at fair value through profit or loss	1,532	(2,939)	(1,407)
Debt financial assets at fair value through other comprehensive income	-	(2,780)	(2,780)
	1,532	(5,719)	(4,187)

(in RMB million)	2024		Total
	Realized gains	Unrealized gains	
Financial assets at fair value through profit or loss	(423)	(15,810)	(16,233)
Debt financial assets at fair value through other comprehensive income	(281)	(1,000)	(1,281)
	(704)	(16,810)	(17,514)

Transfers

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

51. TRANSFERRED FINANCIAL ASSETS

The Group enters into transactions in the normal course of business by which it transfers recognized financial assets to third parties or to structured entities. When the Group has neither transferred nor retained substantially all the risks and rewards of the financial asset and retained control of the asset, the Group continues to recognize the financial asset to the extent of the Group's continuing involvement, in which case, the Group also recognizes an associated liability. In other cases where the transferred financial assets do not qualify for derecognition as the Group has retained substantially all the risks and rewards of these financial assets, the Group continued to recognize the transferred financial assets.

The Group's subsidiaries, Ping An Bank and Ping An Financial Leasing, entered into loan securitization transactions. The Group may retain risks or rewards in the securitization business which would give rise to the Group's continuing involvement in the transferred assets. Those financial assets are recognized on the statement of financial position to the extent of the Group's continuing involvement, otherwise the financial assets are derecognized.

51. TRANSFERRED FINANCIAL ASSETS (CONTINUED)

Other transferred financial assets that do not qualify for derecognition mainly include debt securities held by counterparties as collateral under repurchase agreements. The counterparties are allowed to sell or repledge those securities sold under repurchase agreements in the absence of default by the Group, but has an obligation to return the securities at the maturity of the contract. If the securities increase or decrease in value, the Group may in certain circumstances require the counterparties to provide additional or return collateral. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore has not derecognized them.

The following table analyses the carrying amount of the above-mentioned financial assets transferred to third parties that did not qualify for derecognition or continuing involvement and their associated financial liabilities:

	31 December 2025		31 December 2024	
	Carrying amount of transferred or continuing involvement financial assets	Carrying amount of associated liabilities	Carrying amount of transferred or continuing involvement financial assets	Carrying amount of associated liabilities
(in RMB million)				
Repurchase transactions	5,965	4,992	13,495	12,675
Assets securitization	1,410	1,410	1,447	1,447

52. CASH AND CASH EQUIVALENTS

(in RMB million)	31 December 2025	31 December 2024
Cash		
Cash and amounts due from banks and other financial institutions		
Cash on hand	4,059	3,424
Term deposits	7,032	8,798
Due from banks and other financial institutions	296,185	243,903
Placements with banks and other financial institutions	71,141	64,649
Balances with the Central Bank	68,300	61,055
Subtotal	446,717	381,829
Cash equivalents		
Bonds	25,896	8,660
Financial assets purchased under reverse repurchase agreements	177,611	88,556
Subtotal	203,507	97,216
Total	650,224	479,045

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53. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(1) RECONCILIATION OF PROFIT BEFORE TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES:

(in RMB million)	2025	2024
Profit before tax	185,590	170,495
Adjustments for:		
Depreciation of investment properties	5,014	4,632
Depreciation of property and equipment	5,128	5,709
Amortization of intangible assets	3,487	3,840
Depreciation of right-of-use assets	4,210	4,930
Amortization of long-term deferred expenses	251	458
Gains on disposal of investment properties, property and equipment, intangible assets and other long-term assets	(325)	(3)
Investment income and interest revenue from non-banking operations	(269,302)	(190,136)
Fair value losses/(gains) on investments at fair value through profit or loss	10,379	(66,504)
Interest expenses on non-banking operations	21,609	19,405
Foreign exchange gains/(losses)	(618)	(380)
Net impairment losses of financial assets and other assets	74,409	92,759
Operating profit before working capital changes	39,832	45,205
Changes in operating assets and liabilities:		
Changes in balances with the Central Bank and statutory deposits	23,654	21,547
Changes in amounts due from banks and other financial institutions	(25,547)	(97,421)
Changes in reinsurance contract assets/liabilities	(296)	(2,461)
Changes in account receivable	(2,784)	(305)
Changes in inventories	599	2,954
Changes in loans and advances to customers	(102,755)	(52,121)
Changes in assets purchased under agreements to resell of banking and securities business	(1,966)	4,968
Changes in other assets	(53,566)	(190,049)
Changes in due to banks and other financial institutions	245,314	(146,107)
Changes in customer deposits and payables to brokerage customers	47,243	119,976
Changes in insurance contract assets/liabilities	446,242	385,595
Changes in assets sold under agreements to repurchase of banking and securities business	(60,525)	74,541
Changes in other liabilities	130,041	234,029
Cash generated from operations	685,486	400,351
Less: Current income tax charged for the year	(22,940)	(25,297)
Changes in income tax payable	(3,914)	7,420
Net cash flows from operating activities	658,632	382,474

53. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(2) NET DEBT RECONCILIATION:

This section sets out an analysis of net debt and movements in net debt of current year:

(in RMB million)	Short-term borrowings	Long-term borrowings	Bonds payable	Total
As at 1 January 2025	63,110	31,388	950,415	1,044,913
Cash flows	(12,653)	(7,346)	(92,179)	(112,178)
Foreign exchange adjustments	(68)	(34)	(582)	(684)
Other non-cash movements	2,551	6,309	(15,603)	(6,743)
As at 31 December 2025	52,940	30,317	842,051	925,308

54. COMPENSATION OF KEY MANAGEMENT PERSONNEL

(1) KEY MANAGEMENT PERSONNEL COMPRISE THE COMPANY'S DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The summary of compensation of key management personnel for the year is as follows:

(in RMB million)	2025	2024
Salaries and other short-term employee benefits after tax	52	57
Individual income tax	32	36

The estimated amount of total compensation has been provided in the Group's 2025 financial statements. The final remunerations of the Company's full-time directors, supervisors and senior management are being recognized, and will be disclosed after recognition in accordance with applicable rules.

Parts of the performance-based remunerations of the Company's senior management will be deferred and paid over a period of 3 years in accordance with the *Code of Corporate Governance of Banking and Insurance Institutions* and the *Guidelines for Insurance Companies' Remuneration Management (Trial)*. The deferred, unpaid parts are included in the total remunerations received by the Company's senior management from the Company during the Reporting Period.

(2) COMPENSATION OF KEY MANAGEMENT PERSONNEL OTHER THAN DIRECTORS AND SUPERVISORS IS AS FOLLOWS

(in RMB million)	2025	2024
Salaries and other short-term employee benefits after tax	15	21
Individual income tax	10	14

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54. COMPENSATION OF KEY MANAGEMENT PERSONNEL (CONTINUED)

(3) DIRECTORS' AND SUPERVISORS' EMOLUMENTS

The remuneration of every director and supervisor is set out below:

For the year ended 31 December 2025:

2025										
(in RMB thousand)	Fees	Salaries	Discretionary bonuses ^(vi)	Housing allowance	Other employee benefits	Employer's contribution to a retirement benefit scheme	Remunerations received or receivable in respect of accepting office as director	Emoluments received or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total	Individual income tax
Ma Mingzhe ⁽ⁱⁱ⁾	-	2,852	725	2	9	-	-	-	3,588	2,513
Xie Yonglin	-	4,106	-	37	59	91	-	-	4,293	2,894
Michael Guo ^(iv)	-	5,210	2,391	-	38	71	-	-	7,710	5,719
Fu Xin ^(v)	-	3,024	1,605	37	35	73	-	-	4,774	3,261
Cai Fangfang	-	3,024	462	37	54	79	-	-	3,656	2,214
Soopakij Chearavanont	533	-	-	-	-	-	-	-	533	137
Yang Xiaoping	533	-	-	-	-	-	-	-	533	137
He Jianfeng ^(vi)	-	-	-	-	-	-	-	-	-	-
Cai Xun	530	-	-	-	-	-	-	-	530	140
Ng Kong Ping Albert	533	-	-	-	-	-	-	-	533	137
Jin Li ^(vii)	419	-	-	-	-	-	-	-	419	111
Wang Guangqian	538	-	-	-	-	-	-	-	538	142
Hong Xiaoyuan ^(viii)	118	-	-	-	-	-	-	-	118	29
Song Xianzhong ^(viii)	118	-	-	-	-	-	-	-	118	29
Chan Hiu Fung Nicholas ^(viii)	119	-	-	-	-	-	-	-	119	29
Ng Sing Yip ^(ix)	425	-	-	-	-	-	-	-	425	108
Chu Yiyun ^(ix)	421	-	-	-	-	-	-	-	421	111
Liu Hong ^(ix)	421	-	-	-	-	-	-	-	421	111
Sun Jianyi	-	2,129	1,940	2	9	-	-	-	4,080	2,931
Wang Zhiliang	-	1,384	1,001	37	28	81	-	-	2,531	1,407
Zhu Xinrong	523	-	-	-	-	-	-	-	523	137
Liew Fui Kiang	526	-	-	-	-	-	-	-	526	134
Hung Ka Hai Clement	526	-	-	-	-	-	-	-	526	134

54. COMPENSATION OF KEY MANAGEMENT PERSONNEL (CONTINUED)

(3) DIRECTORS' AND SUPERVISORS' EMOLUMENTS (CONTINUED)

For the year ended 31 December 2024:

	2024									
(in RMB thousand)	Fees	Salaries	Discretionary bonuses ⁽ⁱⁱ⁾	Housing allowance	Other employee benefits	Employer's contribution to a retirement benefit scheme	Remunerations received or receivable in respect of accepting office as director	Emoluments received or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking	Total	Individual income tax
Ma Mingzhe ⁽ⁱⁱⁱ⁾	-	2,853	725	2	7	-	-	-	3,587	2,513
Xie Yonglin	-	3,841	-	36	52	84	-	-	4,013	2,699
Michael Guo ^(iv)	-	5,210	2,391	-	37	62	-	-	7,700	5,719
Cai Fangfang	-	3,023	462	36	49	71	-	-	3,641	2,215
Fu Xin ^(v)	-	2,739	1,308	36	32	62	-	-	4,177	2,802
Yao Jason Bo ^(x)	222	-	-	-	-	-	-	-	222	57
Tan Sin Yin ^(xi)	222	-	-	-	-	-	-	-	222	57
Soopakij Chearavanont	533	-	-	-	-	-	-	-	533	137
Yang Xiaoping	533	-	-	-	-	-	-	-	533	137
He Jianfeng ^(vi)	-	-	-	-	-	-	-	-	-	-
Cai Xun	528	-	-	-	-	-	-	-	528	142
Ng Sing Yip ^(ix)	533	-	-	-	-	-	-	-	533	137
Chu Yiyun ^(ix)	528	-	-	-	-	-	-	-	528	142
Liu Hong ^(ix)	528	-	-	-	-	-	-	-	528	142
Ng Kong Ping Albert	533	-	-	-	-	-	-	-	533	137
Jin Li ^(vii)	411	-	-	-	-	-	-	-	411	109
Wang Guangqian	528	-	-	-	-	-	-	-	528	142
Sun Jianyi	-	2,130	1,940	2	7	-	-	-	4,079	2,930
Wang Zhiliang	-	1,384	923	36	25	80	-	-	2,448	1,343
Zhu Xinrong	528	-	-	-	-	-	-	-	528	142
Hung Ka Hai Clement	533	-	-	-	-	-	-	-	533	137
Liew Fui Kiang	533	-	-	-	-	-	-	-	533	137

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54. COMPENSATION OF KEY MANAGEMENT PERSONNEL (CONTINUED)

(3) DIRECTORS' AND SUPERVISORS' EMOLUMENTS (CONTINUED)

- (i) Other non-monetary benefits include the Key Employee Share Purchase Plan and the Long-Term Service Plan.

The participation of the Company's directors and supervisors in the Key Employee Share Purchase Plan is as follows:

Name	Unvested as at 1 January 2025	Addition during the year	Vested during the year	Unvested as at 31 December 2025
Ma Mingzhe	1,729,353	726,516	841,799	1,614,070
Xie Yonglin	1,659,315	664,488	806,511	1,517,292
Michael Guo	444,271	376,227	176,688	643,810
Fu Xin	229,207	161,272	98,000	292,479
Cai Fangfang	633,388	277,434	303,417	607,405
Wang Zhiliang	48,042	29,510	21,618	55,934

The participation of the Company's directors and supervisors in the Long-term Service Plan is as follows:

Name	Unvested as at 1 January 2025	Addition during the year	Vested during the year	Unvested as at 31 December 2025
Ma Mingzhe	2,386,026	442,832	–	2,828,858
Sun Jianyi	126,381	–	–	126,381
Xie Yonglin	1,676,270	250,296	–	1,926,566
Michael Guo	435,562	288,803	–	724,365
Fu Xin	381,489	192,535	–	574,024
Cai Fangfang	1,117,514	192,535	–	1,310,049
Wang Zhiliang	122,533	23,104	–	145,637

- (ii) Discretionary bonuses for the Group's executive directors and senior management are determined on the bonus scheme approved by the Board of Directors and the personal performance of senior management.
- (iii) MA Mingzhe is the Founder, Chairman (Executive Director) of the Company.
- (iv) Michael Guo took office as an Executive Director of the Company on 18 September 2024.
- (v) Fu Xin was appointed as an Executive Director of the Company on 18 September 2024.
- (vi) He Jianfeng has voluntarily waived his remunerations (including the basic pay and the work allowance) for serving as a Non-executive Director of the Company during the reporting period. The total amount of remuneration waived by He Jianfeng is RMB0.67 million before tax in 2025.
- (vii) Jin Li has voluntarily waived part of his basic pay for serving as an Independent Non-executive Director of the Company during the reporting period. The total amount of remuneration waived by Jin Li is RMB0.15 million before tax in 2025.
- (viii) Hong Xiaoyuan, Song Xianzhong and Chan Hiu Fung Nicholas were appointed as Independent Non-executive Directors of the Company on 15 October 2025.
- (ix) Ng Sing Yip, Chu Yiyun and Liu Hong resigned as Independent Non-executive Directors of the Company on 15 October 2025, upon the expiry of their six-year term of office.
- (x) Yao Jason Bo resigned as a Non-executive Director on 30 May 2024.
- (xi) Tan Sin Yin resigned as a Non-executive Director on 30 May 2024.

55. FIVE HIGHEST PAID INDIVIDUALS

The total emoluments of the five highest paid individuals in the Group, except for key management personnel whose emoluments were reflected in Note 54, are as follows:

(in RMB million)	2025	2024
Salaries and other short-term employee benefits after tax	68	110

The number of five highest paid individuals in the Group whose emoluments after tax fell within the following bands is as follows:

	2025	2024
RMB5,000,001 – RMB10,000,000	3	1
RMB10,000,001 – RMB15,000,000	1	2
RMB15,000,001 – RMB20,000,000	-	-
RMB20,000,001 – RMB25,000,000	-	-
RMB25,000,001 – RMB30,000,000	-	-
RMB30,000,001 – RMB35,000,000	1	-
RMB35,000,001 – RMB40,000,000	-	1
RMB40,000,001 – RMB45,000,000	-	1

The five highest paid individuals in the Group pay individual income tax in strict accordance with the local tax rules. The tax rate is between 15% and 45%.

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56. SIGNIFICANT RELATED PARTY TRANSACTIONS

(1) SHAREHOLDERS HOLDING MORE THAN 5% OF THE COMPANY'S SHARE ARE AS SET OUT BELOW:

Name of related parties	Relationship with the Company
Charoen Pokphand Group Co., Ltd. ("CP Group")	Parent of shareholders
Shenzhen Investment Holdings Co., Ltd. ("SIHC")	Shareholder

As at 31 December 2025, CP Group indirectly held 5.33% (31 December 2024: 5.30%) equity interests in the Company and is the largest shareholder of the Company.

(2) THE SUMMARY OF SIGNIFICANT MAJOR RELATED PARTY TRANSACTIONS IS AS FOLLOWS:

(in RMB million)	2025	2024
CP Group		
Premiums received	86	80
Claims paid	43	22
Rental revenue from	25	27
Interest expenses to	1	2
Other revenues from	-	1
Other expenses to	10	12
SIHC		
Premiums received	3	2
Claims paid	-	1
Interest revenue from	44	40
Interest expenses to	36	47
Other expenses to	4	5
Ping An Health		
Interest expenses to	1	52
Other revenues from	40	585
Other expenses to	108	2,101
Ping An HealthKonnnect		
Interest revenue from	8	16
Interest expenses to	6	69
Other revenues from	10	18
Other expenses to	2	5
OneConnect		
Interest expenses to	11	15
Other revenues from	216	822
Other expenses to	966	1,440

56. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(2) THE SUMMARY OF SIGNIFICANT MAJOR RELATED PARTY TRANSACTIONS IS AS FOLLOWS: (CONTINUED)

Ping An Health was changed to a subsidiary of the Group since 24 January 2025. The above related party transactions with Ping An Health in year 2025 only included transactions from 1 January 2025 to 23 January 2025.

Ping An HealthKonnnect was changed to a subsidiary of the Group since 30 July 2025. The above related party transactions with Ping An HealthKonnnect in year 2025 only included transactions from 1 January 2025 to 29 July 2025.

OneConnect was changed to a subsidiary of the Group since 19 November 2025. The above related party transactions with OneConnect in year 2025 only included transactions from 1 January 2025 to 18 November 2025.

(3) THE SUMMARY OF BALANCES OF THE GROUP WITH MAJOR RELATED PARTIES IS AS FOLLOWS:

(in RMB million)	31 December 2025	31 December 2024
CP Group		
Customer deposits	2	2
SIHC		
Customer deposits	3,454	2,918
Loans and advances to customers	3,250	1,851

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

57. COMMITMENTS

(1) CAPITAL COMMITMENTS

The Group had the following capital commitments relating to investments and property development projects.

(in RMB million)	31 December 2025	31 December 2024
Contracted, but not provided for	6,163	9,569
Authorized, but not contracted for	2,482	6,923
	8,645	16,492

(2) CREDIT COMMITMENTS

(in RMB million)	31 December 2025	31 December 2024
Bank acceptances	808,311	804,745
Guarantees issued	92,845	102,292
Letters of credit issued	228,388	174,586
Others	67,470	68,017
Subtotal	1,197,014	1,149,640
Unused limit of credit cards and loan commitments	902,641	956,170
Total	2,099,655	2,105,810
Credit risk weighted amounts of credit commitments	839,706	771,534

Credit commitments disclosed in the table above do not include the financial guarantees accounted for as insurance contracts by the Group.

(3) INVESTMENT COMMITMENTS

The Group's investment commitments to associates and joint ventures are as follows:

(in RMB million)	31 December 2025	31 December 2024
Contracted but not provided for	5,040	6,368

58. EMPLOYEE BENEFITS

(1) PENSION

The employees of the Group are mainly covered by various defined contribution pension plans. The Group makes and accrues contributions on a monthly basis to the pension plans, and relevant government authorities are responsible for the pension liability to retired employees. The Group is unable to forfeit any payments made, which are expensed as incurred. The Group has no other significant legal or constructive obligations for retirement benefits beyond the said contributions.

58. EMPLOYEE BENEFITS (CONTINUED)

(2) HOUSING BENEFITS

The employees of the Group are entitled to participate in and make contributions to various government sponsored funds for housing purposes. The Group contributes 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.

(3) MEDICAL BENEFITS

The Group makes monthly contributions for medical benefits to the local authorities in accordance with relevant local regulations for the employees. The Group's liability in respect of employee medical benefits is limited to the contributions payable in each period.

(4) KEY EMPLOYEE SHARE PURCHASE PLAN

The Group has adopted a Key Employee Share Purchase Plan for the key employees of the Company and its subsidiaries. Refer to Note 38 for more details.

(5) LONG-TERM SERVICE PLAN

The Company has adopted a Long-term Service Plan for the employees of the Company and its subsidiaries. Refer to Note 39 for more details.

59. CONTINGENT LIABILITIES

Owing to the nature of the Group's related business, the Group is involved in contingencies and legal proceedings in the ordinary course of business, including, but not limited to, being the plaintiff or the defendant in litigations and arbitrations. We may also be subject to regulatory investigations and actions. Such investigations and actions could develop into legal proceedings or enforcement actions, in which remedies could include fines, penalties, restitution or alterations in our business practices, and could result in additional expenses, limitations on certain business activities and reputational damage. Provision has been made for probable losses to the Group, including those claims where management can reasonably estimate the outcome of the lawsuits taking into account any applicable legal advice.

Many of these matters are also highly complex. It is therefore inherently difficult to predict the magnitude or scope of potential future losses arising from these matters. No provision has been made for pending assessments, litigation, potential contractual breaches, regulatory investigations and actions where the outcome cannot be reasonably estimated or where management considers the likelihood of loss to be low or remote. With respect to pending litigation, management believes that any resulting liabilities would not have a material adverse effect on the financial position or operating results of the Group or any of its subsidiaries.

60. EVENTS AFTER THE REPORTING PERIOD

(1) PROFIT DISTRIBUTION

On 26 March 2026, the Board of Directors of the Company approved the Profit Distribution Plan of the Company for 2025, and declared a final cash dividend of 2025 in the amount of RMB1.75 (tax inclusive) per share as disclosed in Note 17.

61. COMPARATIVE FIGURES

Certain comparative figures have been reclassified or restated to conform to the current year's presentation.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

62. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(1) STATEMENT OF FINANCIAL POSITION OF THE COMPANY

(in RMB million)	31 December 2025	31 December 2024
Assets		
Cash and amounts due from banks and other financial institutions	13,321	25,894
Financial assets purchased under reverse repurchase agreements	8,290	5,777
Financial assets at fair value through profit or loss	50,562	35,455
Financial assets at amortized cost	200	32,715
Debt financial assets at fair value through other comprehensive income	14,683	9,493
Investments in subsidiaries and associates	259,882	238,963
Investment properties	1,632	1,199
Property and equipment	142	21
Intangible assets	958	985
Right-of-use assets	-	85
Other assets	454	486
Total assets	350,124	351,073
Equity and liabilities		
Equity		
Share capital	18,108	18,210
Reserves	134,988	139,396
Treasury shares	-	(5,001)
Retained profits	124,272	148,425
Total equity	277,368	301,030
Liabilities		
Due to banks and other financial institutions	22,915	18,743
Derivative financial liabilities	16,271	7,871
Assets sold under agreements to repurchase	307	370
Income tax payable	169	-
Bonds payable	30,993	21,381
Lease liabilities	-	88
Other liabilities	2,101	1,590
Total liabilities	72,756	50,043
Total equity and liabilities	350,124	351,073

The statement of financial position of the Company was approved by the Board of Directors on 26 March 2026 and was signed on its behalf.

MA Mingzhe
Director

XIE Yonglin
Director

62. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

(2) RESERVE MOVEMENT OF THE COMPANY

For the year ended 31 December 2025							
(in RMB million)	Share premium	Financial assets at FVOCI reserves	Others	Surplus reserve fund	General reserve	Retained profits	Total
As at 1 January	122,812	257	3,768	12,164	395	148,425	287,821
Profit for the year	-	-	-	-	-	22,384	22,384
Other comprehensive income	-	(32)	13	-	-	-	(19)
Dividend declared	-	-	-	-	-	(46,537)	(46,537)
Employee Share Purchase Plan	-	-	479	-	-	-	479
Cancellation of repurchased shares	(4,899)	-	-	-	-	-	(4,899)
Others	-	-	31	-	-	-	31
As at 31 December	117,913	225	4,291	12,164	395	124,272	259,260

For the year ended 31 December 2024							
(in RMB million)	Share premium	Financial assets at FVOCI reserves	Others	Surplus reserve fund	General reserve	Retained profits	Total
As at 1 January	122,812	247	3,457	12,164	395	137,648	276,723
Profit for the year	-	-	-	-	-	54,779	54,779
Other comprehensive income	-	10	20	-	-	-	30
Dividend declared	-	-	-	-	-	(44,002)	(44,002)
Employee Share Purchase Plan	-	-	284	-	-	-	284
Others	-	-	7	-	-	-	7
As at 31 December	122,812	257	3,768	12,164	395	148,425	287,821

According to the Company's articles of association, the Company shall set aside 10% of its net profit determined in its statutory financial statements, prepared in accordance with PRC Accounting Standards, to a statutory surplus reserve fund. The Company can cease such profit appropriation to this fund if its balance reaches 50% of the Company's registered share capital. The Company may also make appropriations from its net profit to the discretionary surplus reserve fund provided the appropriation is approved by a resolution of the shareholders. These reserves cannot be used for purposes other than those for which they are created. Profits are used to offset prior year losses before allocations to such reserves.

Subject to resolutions passed in shareholders' meetings, the statutory surplus reserve fund, discretionary surplus reserve fund and capital reserve can be transferred to share capital. The balance of the statutory surplus reserve fund after transfers to share capital shall not be less than 25% of the registered capital.

In accordance with the relevant regulations, general reserves should be set aside to cover catastrophic or other losses as incurred by companies operating in the insurance, banking, trust, securities, futures and fund businesses. The Group's respective entities engaged in such businesses would need to make appropriations for such reserves based on their respective year-end profit or risk assets, as determined in accordance with PRC Accounting Standards, and based on the applicable PRC financial regulations, in their annual financial statements. Such reserves are not available for profit distribution or transfer to capital.

In accordance with the relevant regulations, the net profit after tax of the Company for profit distribution is deemed to be the lower of (i) the retained profits determined in accordance with PRC Accounting Standards and (ii) the retained profits determined in accordance with IFRS Accounting Standards.

Ping An Milestones

1988	■	Founding of the Company	Ping An Insurance Company was established as the first joint-stock insurance company in China.
1992	■	Expanding nationwide	The Company was renamed Ping An Insurance Company of China, becoming a national insurer.
1994	■	Foreign investors	Ping An brought on board Morgan Stanley and Goldman Sachs as its shareholders, becoming the first domestic financial institution to have foreign investors.
1995	■	Founding of Ping An Securities	Ping An made a breakthrough in non-insurance financial business by establishing Ping An Securities Co., Ltd.
1996	■	Building trust business presence	Ping An acquired ICBC Pearl River Delta Financial Trust Joint Company, which was then renamed Ping An Trust & Investment Company.
2002	■	Stake acquired by HSBC	HSBC Group took a stake in Ping An, becoming its single largest shareholder.
2003	■	Founding of the Group	Ping An Insurance (Group) Company of China, Ltd. was established, being a pilot company for integrated operations in China's financial industry.
2004	■	H-share listing	Ping An Group enhanced its capital strength by going public in Hong Kong, which was the largest initial public offering ("IPO") in Hong Kong that year.
2007	■	A-share listing	Ping An Group was listed on the Shanghai Stock Exchange, which was the world's largest IPO of an insurer by then.
2011	■	Acquiring SDB	Ping An became the controlling shareholder of Shenzhen Development Bank, which later merged with the former Ping An Bank, was renamed Ping An Bank, and built banking business presence nationwide.
2012	■	Founding of Lufax	Lufax was established as Ping An began to build finance enablement business presence.
2016	■	Record high written premium	Ping An Life's written premium exceeded RMB300 billion, and new business premium exceeded RMB100 billion.
2017	■	Market cap exceeded RMB1 trillion	Ping An hit a record high with a market cap of over RMB1 trillion, ranking No.1 among insurance groups and joining top 10 financial services groups worldwide. Ping An's brand value ranked No.1 in the global insurance industry in several international ratings.
2018	■	Ping An Rural Communities Support	In response to the government's call for poverty alleviation, Ping An launched "Ping An Rural Communities Support" (comprising "Village Industry, Village Health Care, and Village Education" programs) in nine provinces or autonomous regions nationwide at its 30th anniversary.
2020	■	Fighting COVID-19	Ping An fought the global pandemic promptly by providing insurance protection, healthtech, charitable donations and so on.
2021	■	Implementing health care ecosystem strategy	Ping An built a closed loop of supply, demand and payment by exploring the innovative "insurance + health care" synergistic model to provide customers with "worry-free, time-saving, and money-saving" health care services.
2022	■	Upgrading the logo slogan	Ping An returned its logo slogan to "Expertise Creates Value" to highlight its commitment to providing the most professional financial advisory, family doctor and senior care concierge services, aiming to build a century-old trusted, first-choice service brand.
2023	■	35th Anniversary	In celebration of its 35th anniversary, Ping An provided numerous customers with "worry-free, time-saving, and money-saving" "integrated finance + health and senior care" services via thanksgiving programs, and gave back to society via charitable activities.
2024	■	Upgrading the "worry-free, time-saving, and money-saving" value proposition	Ping An comprehensively upgraded its "worry-free, time-saving, and money-saving" value proposition as 242 million customers' "most professional financial adviser, family doctor, and senior care concierge."
2025	■	Reform and innovation: AI in ALL	Consistently solidifying its AI foundation, Ping An leveraged advanced technologies to overcome "time, space, cost and efficiency" constraints in traditional financial, health and senior care services, and realized a transition from "niche-market low-frequency services" to "mass-market inclusive services" to provide customers with "worry-free, time-saving, and money-saving" experience.

Glossary

In this Report, unless the context otherwise indicates, the following expressions shall have the following meanings:

Ping An, Company, the Company, Group, the Group, Ping An Group	Ping An Insurance (Group) Company of China, Ltd.
Ping An Life	Ping An Life Insurance Company of China, Ltd., a subsidiary of the Company
Ping An Health Insurance	Ping An Health Insurance Company of China, Ltd., a subsidiary of the Company
Ping An Annuity	Ping An Annuity Insurance Company of China, Ltd., a subsidiary of the Company
Ping An P&C, Ping An Property & Casualty	Ping An Property & Casualty Insurance Company of China, Ltd., a subsidiary of the Company
Ping An Bank	Ping An Bank Co., Ltd., a subsidiary of the Company
SDB, Shenzhen Development Bank	Shenzhen Development Bank Co., Ltd. became an associate of the Company in May 2010, became a subsidiary of the Company in July 2011 and was renamed "Ping An Bank Co., Ltd." on July 27, 2012
Ping An Wealth Management	Ping An Wealth Management Co., Ltd., a subsidiary of Ping An Bank
Ping An Trust	Ping An Trust Co., Ltd., a subsidiary of the Company
Ping An Securities	Ping An Securities Co., Ltd., a subsidiary of Ping An Trust
Ping An Financial Leasing	Ping An International Financial Leasing Co., Ltd., a subsidiary of the Company
Ping An Asset Management	Ping An Asset Management Co., Ltd., a subsidiary of the Company
Ping An Overseas Holdings	China Ping An Insurance Overseas (Holdings) Limited, a subsidiary of the Company
Ping An Financial Technology	Shenzhen Ping An Financial Technology Consulting Co., Ltd., a subsidiary of the Company
Ping An Technology	Ping An Technology (Shenzhen) Co., Ltd., a subsidiary of Ping An Financial Technology
Ping An Finserve	Shenzhen Ping An Finserve Co., Ltd., a subsidiary of Ping An Financial Technology
Lufax Holding	Lufax Holding Ltd, a subsidiary of Ping An Financial Technology

Glossary

Ping An Health	Ping An Healthcare and Technology Company Limited, a subsidiary of Ping An Financial Technology
OneConnect	OneConnect Financial Technology Co., Ltd., a subsidiary of Ping An Financial Technology
Ping An HealthKonnnect	HealthKonnnect Medical and Health Technology Management Company Limited, a subsidiary of Ping An Financial Technology
New Founder Group	New Founder Holding Development Company Limited, a subsidiary of Ping An Life
Founder Securities	Founder Securities Co., Ltd., a subsidiary of New Founder Group
CP Group Ltd.	Charoen Pokphand Group Company Limited, a parent company of C.P. Group
RMB	Chinese Renminbi unless otherwise specified
CAS	The <i>Accounting Standards for Business Enterprises</i> and other relevant regulations issued by the Ministry of Finance of the People's Republic of China
IFRS	The <i>International Financial Reporting Standards</i> issued by the International Accounting Standards Board
Written premium	All premiums received from insurance policies underwritten by the Company, which are prior to the significant insurance risk testing and separation of hybrid contracts
HKEX	Hong Kong Exchanges and Clearing Limited
The Stock Exchange of Hong Kong, SEHK	The Stock Exchange of Hong Kong Limited
SEHK Listing Rules	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
SSE	Shanghai Stock Exchange
SSE Listing Rules	The Rules Governing the Listing of Stocks on Shanghai Stock Exchange
Corporate Governance Code	The Corporate Governance Code as contained in Appendix C1 to the SEHK Listing Rules
SFO	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

Model Code	The Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the SEHK Listing Rules
Articles of Association	The Articles of Association of Ping An Insurance (Group) Company of China, Ltd.
PBC	The People' s Bank of China
Ministry of Finance	The Ministry of Finance of the People' s Republic of China
CBIRC	The former China Banking and Insurance Regulatory Commission
NFRA	The National Financial Regulatory Administration
CSRC	The China Securities Regulatory Commission

Corporate Information

REGISTERED NAMES

Full name of the Company (Chinese/English)

中國平安保險(集團)股份有限公司

Ping An Insurance (Group) Company of China, Ltd.

Short name of the Company (Chinese/English)

中國平安

Ping An

LEGAL REPRESENTATIVE

Ma Mingzhe

TYPES OF SECURITIES AND LISTING PLACES

A share Shanghai Stock Exchange

H share The Stock Exchange of Hong Kong Limited

STOCK SHORT NAMES AND CODES

A share 中國平安 601318

H share Ping An 2318 (HKD counter)

Ping An-R 82318 (RMB counter)

AUTHORIZED REPRESENTATIVES

Michael Guo

Sheng Ruisheng

SECRETARY OF THE BOARD OF DIRECTORS

Sheng Ruisheng

COMPANY SECRETARY

Sheng Ruisheng

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DESIGNATED MEDIA FOR A-SHARE INFORMATION DISCLOSURE

China Securities Journal

Shanghai Securities News

Securities Times

Securities Daily

WEBSITES FOR PUBLICATION OF REGULAR REPORTS

www.sse.com.cn

www.hkexnews.hk

LOCATION OF REGULAR REPORTS AVAILABLE FOR INSPECTION

Board Office of the Company

CONSULTING ACTUARY

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AMERICAN DEPOSITARY SHARES REGISTRAR

The Bank of New York Mellon



The front cover of the annual report has "Ping An A" as the core visual element, which symbolizes Ping An's ultimate professionalism and simplicity in customer experience. Golden mountains and rivers, along with pine trees and cypress trees, not only signify Ping An's consistent growth momentum, but also represent the brand's enduring vitality.

