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**中國太平洋保險(集團)股份有限公司**

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

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

**(Stock Code: 02601)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

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

The announcement is attached hereof for information purpose only.

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

Hong Kong, 27 April 2024

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

# Summary of Quarterly Solvency Report (Excerpts)

**Pacific Anxin Agricultural Insurance Co., Ltd.**

**1st Quarter of 2024**

## Company overview and contact information

Company name (Chinese):	太平洋安信农业保险股份有限公司
Company name (English):	Pacific Anxin Agricultural Insurance Company Limited
Legal representative:	SONG Jianguo
Registered address	3651 Gonghexin Road, Shanghai, the PRC.
Registered capital	1.08bn yuan
Business license number	00000089
Date opening for business	September 2004
Business scope	Agricultural insurance; property indemnity insurance; liability insurance including mandatory liability insurance; credit and guarantee insurance; short-term health and accident insurance; other types of property insurance relating rural areas and farmers; reinsurance of the above said insurance; insurance agency business (business which requires approval to be conducted after such approvals are granted, subject to approval documents or permits)
Business territories	Shanghai, Jiangsu Province, Zhejiang Province.
Contact person:	LI Mao
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## **I. Board chairman and management statement**

The report has been approved by chairman of the board of directors of the Company. The board chairman and senior management of the Company warrant that the contents of this report are true, accurate and complete and have fully complied with applicable laws and regulations, and that there is no false representation, misleading statement or material omissions; and they severally and jointly accept responsibility for the contents of this report.

Pacific Anxin Agricultural Insurance Company Limited

April 2024

## II. Basic information

### (I) Ownership structure and shareholders, and change during the reporting period

#### 1. Ownership structure and change

Types of shareholders	As at the beginning of the reporting period		Change of shares or stake				As at the end of the reporting period	
	Shares or contribution	Percentage (%)	Shareholder injection	Transfer from capital reserve and share dividends distribution	Share transfer	Sub-total	Shares or contribution	Percentage (%)
State	0	0%	0	0	0	0	0	0%
State-owned legal person	108,000	100%	0	0	0	0	108,000	100%
Private legal person	0	0%	0	0	0	0	0	0%
Foreign	0	0%	0	0	0	0	0	0%
Others	0	0%	0	0	0	0	0	0%
<b>Total</b>	<b>108,000</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>108,000</b>	<b>100%</b>

Note: (1) Shares apply to joint-stock companies (unit: 10,000 shares), and stake applies to non-joint-stock companies (unit: 10,000 yuan). (2) Ownership by state refers to the stake acquired by investment entities or departments on behalf of the state by way of capital contribution or following legal procedures. Such shares are registered by insurance companies as being owned by the entity or department. Ownership by state-owned legal persons refers to the stake acquired by state-owned enterprises, not-for-profit organisations and other entities by way of contributing capital to an independent insurance firm or acquired following legal procedures using assets legally in their possession. Such shares are registered by insurance companies as being owned by the state-owned enterprise, not-for-profit organisation and entity.

#### 2. De facto controller

The Company has no de facto controller. China Pacific Property Insurance Co., Ltd. is the majority shareholder, holding 67.78% of the shares of the Company.

#### 3. Shareholders and related parties as at the end of the reporting period

Names of shareholders	Types of shareholders	Shares held at the end of the reporting period	Shareholding percentage at the end of the reporting period (%)	Shares pledged or in lock-up
China Pacific Property Insurance Co., Ltd.	State-owned	73,205.68	67.78%	0

Shanghai Agricultural Development Co., Ltd.	State-owned	7,718.03	7.15%	0
Shanghai Minhang Asset Investment (Group) Co., Ltd.	State-owned	5,365.19	4.97%	0
Shanghai Nongfa Asset Management Co., Ltd.	State-owned	4,201.72	3.89%	0
Shanghai Fengxian District State-owned Asset Operation Co., Ltd.	State-owned	3,653.35	3.38%	0
Shanghai Baoshan Fiscal Investment Company	State-owned	3,150.84	2.92%	0
Shanghai Jiading Guangwo Asset Management Co., Ltd.	State-owned	2,504.59	2.32%	0
Shanghai Songjiang State-owned Asset Investment Management Group Co., Ltd.	State-owned	2,025.88	1.88%	0
Shanghai Huinong Investment Management Co., Ltd.	State-owned	1,817.99	1.68%	0
Shanghai Qingpu Asset Management Co., Ltd.	State-owned	1,719.37	1.59%	0
Shanghai Jinshan Capital Management Group Co. Ltd.	State-owned	1,640.50	1.52%	0
Shanghai Chongming Asset Operation Co., Ltd.	State-owned	996.86	0.92%	0
Total	— —	108,000.00	100.00%	0
Related party relations among shareholders	None			

Note: Types of shareholders refer to “state-owned”, “foreign” and “natural persons”, etc.

#### 4. Shareholding by directors, supervisors and senior management

None during the reporting period.

#### 5. Share transfer during the reporting period

None during the reporting period.

## **(II) Directors, supervisors and senior management at head-office level**

### **1. Directors, supervisors and senior management at head-office level**

#### 1.1 Directors

As of the end of March 2024, the 4th Board of Directors of the Company has 9 directors in total:

Mr. SONG Jianguo, born in December 1966, holds a master's degree. He has been serving as Chairman of the Company since February 2015 (approval document: CIRC Approval [2015] No. 143). Mr. SONG currently serves as Deputy General Manager of CPIC P/C and Dean of Tai'an Agricultural Insurance Research Institute. He previously served as General Manager of CPIC P/C Hainan Branch, General Manager of Property Liability Insurance Department of CPIC P/C, General Manager of CPIC P/C Shandong Branch, and Sales Director of CPIC P/C.

Mr. MAO Xiaojun, born in March 1967, received junior college education and the designation of Accountant. He has been serving as Non-executive Director of the Company since July 2015 (approval document: CIRC Approval [2015] No. 732). Mr. MAO currently serves as General Manager of Shanghai Shenlian Shengshi Enterprise Development Co., Ltd. He previously served as CFO of Shanghai Dalong Accounting Firm, and head of Investment Management Department of Shanghai Minhang Asset Investment Management (Group) Co., Ltd.

Mr. SHI Jian, born in November 1973, holds a bachelor's degree, and has been serving as Executive Director of the Company since September 2021 (approval document: CBIRC [2021] No. 680). Mr. SHI also serves as General Manager of the Company. Previously he served as Deputy General Manager (in charge) of Shanghai Western Operation Management Office of Shanghai Branch of China Life Insurance Company, Deputy General Manager of Business Management Department, General Manager of Market Development Department, and General Manager of Product Development and Reinsurance Department of Shanghai Anxin Agricultural Insurance

Co., Ltd. He also served as Assistant President, Vice President, Board Secretary, Executive Director, President (General Manager) of Anxin Agricultural Insurance Co., Ltd., as well as Deputy Marketing Director and General Manager of Strategic Account Department of CPIC Group.

Ms. XING Zhibin, born in June 1982, holds a bachelor's degree. She has been serving as Non-executive Director of the Company since February 2022 (approval document: CBIRC Approval [2022] No. 32). Ms. XING currently serves as head of Assets Supervision Section of Shanghai Agricultural Development Promotion Center. She previously served as Deputy Manager of Administrative Affairs Department of Shanghai Kaibo Property Management Co., Ltd., Deputy Head of Organization and Personnel Section of Shanghai Modern Agriculture Open Training Center, and Director of General Office of Shanghai Agricultural Development Promotion Center.

Mr. JIANG Shengzhong, born in July 1958, holds a doctoral degree. He has been serving as Independent Director of the Company since April 2018 (approval document: CBIRC Approval [2018] No. 4). Mr. JIANG is currently a professor and PhD supervisor of Nankai University. He also serves as Director of Agricultural Insurance Center of Finance College Nankai University , President of the Education Committee of the Insurance Society of China, Executive Director of China Society for Finance and Banking, Executive Director of Tianjin Insurance Society, and Honorary Director of Council of China Insurance News. Mr. JIANG was previously Dean of Insurance Department of Nankai University.

Mr. SHEN Chun, born in August 1971, holds a bachelor's degree. He has been serving as Independent Director of the Company since January 2019 (approval document: CBIRC Approval [2019] No. 44). Mr. SHEN currently serves as Director of Management Committee of Excellent Law Firm, Chairman of Wusong General Branch of Baoshan Committee of China Democratic National Construction Association, member of the Standing Committee of the 9th Baoshan District Political Consultative Conference, Law Enforcement Supervisor of CPC Political and Legal Commission of

Baoshan District, Legal Advisor of Government of Baoshan District. Mr. SHEN previously served as deputy head and partner of Shanghai Zhengming Law Firm.

Mr. ZHANG Qiao, born in November 1962, holds a doctoral degree. He has been serving as Independent Director of the Company since December 2022 (approval document CIRC Approval [2022] No. 851). Mr. ZHANG currently serves as executive member of the Agriculture Risk Management Council of China, Research Fellow of the National Research Centre on Agriculture and Rural Areas of China Agriculture University, and vice chair of the Panel of Monitoring and Early Warning of China Agricultural Institute. He previously served as Assistant Research Fellow, Deputy Research Fellow and Research Fellow of Agricultural Information Institute of the Chinese Academy of Agricultural Sciences, and lecturer of Shanxi University of Finance and Economics.

Mr. CHEN Sen, born in October 1970, holds a master's degree and membership of Society of Actuaries (SOA). He has been serving as Non-executive Director of the Company since March 2019 (approval document: CBIRC Approval [2019] No. 332). Mr. CHEN currently serves as Deputy General Manager, Finance Responsible Person, and Chief Actuary of CPIC P/C. He previously served as Senior Actuarial Analyst of Finance Department of Swiss Reinsurance Company (USA), Actuary of Analysis Department of Guy Carpenter & Company, Deputy General Manager, Chief Actuary, and Finance Responsible Person of China Property & Casualty Reinsurance Company.

Ms. ZHOU Li, born in March 1979, holds a bachelor's degree and the title of Accountant. She has been serving as Non-executive Director of the Company since June 2022 (approval document: CBIRC Approval [2022] No. 403). Ms. ZHOU currently serves as Assistant General Manager of Asset Management Centre of Shanghai Pudong State-owned Assets Investment Management Co., Ltd. Previously, she served as Deputy Manager of Finance Department of Shanghai Agricultural Development Asset Management Center, Head of Audit Office of Shanghai Agricultural Development Asset Management Co., Ltd., Manager of General Affairs Department

of Agricultural Development Asset Management Center of Shanghai Pudong State-owned Assets Investment Management Co., Ltd.

## 1.2 Supervisors

As of the end of March 2024, the 4th Board of Supervisors of the Company has 6 supervisors:

Mr. CHEN Yuanliang, born in June 1971, received post-graduate university education, and has been serving as Supervisor (employee representative) and Chairman of the Board of Supervisors of the Company since September 2023 (approval document: jinfu [2023] No. 260). Mr. CHEN also serves as Vice President of Tai'an Agricultural Insurance Institute. Previously he served as General Manager of CPIC P/C Baotou Central Sub-branch, Deputy General Manager of CPIC P/C Inner Mongolia Branch, General Manager of the Agricultural Insurance Business Unit, General Manager of the Agricultural Insurance Market Development Department, and General Manager of the Agricultural Insurance Management Department of CPIC P/C, General Manager of CPIC P/C Xinjiang Branch, and Deputy General Manager of Anxin Agricultural Insurance Co., Ltd.

Ms. ZHANG Wen, born in November 1984, holds a bachelor's degree. She has been serving as Supervisor of the Company since July 2022 (approval document: CBIRC Approval [2022] No. 403). Ms. ZHOU currently serves as Manager of Asset Management Department of Shanghai Kailun Investment Co. Ltd. She previously served as Executive Director, General Manager of Shanghai Xingbo Supplies Co., Ltd., General Manager of Business Development Management Department, Employee Representative Supervisor, and Director of Administration of Shanghai Fengxian SPD Rural Bank, Assistant President and then Deputy President of Shanghai Fengxian Branch of Ningbo Bank.

Ms. ZHANG Wenjuan, born in November 1983, holds a master's degree and national legal professional qualification. In December 2020, she became Employee Representative Supervisor of the Company (approval document: CBIRC [2020] No.

849). Ms. ZHANG also serves as Legal Responsible Person, Director of the Discipline Inspection Office, and General Manager of Legal Compliance Department/Risk Management Department of the Company. Previously, she served as Assistant General Manager, Deputy General Manager of Legal and Compliance Department of Anxin Agricultural Insurance Co., Ltd., Deputy General Manager (in charge) of Legal and Compliance Department of the Company, Deputy Director of the Discipline Inspection Office of the Company, Compliance Responsible Person of Shanghai Branch of the Company, and General Manager of Legal and Compliance Department of Shanghai Branch of the Company.

Mr. GUO Zongjie, born in December 1968, holds a bachelor's degree. He became Employee Representative Supervisor of the Company in December 2020 (approval document: CBIRC [2020] No. 860). Mr. GUO is currently head of the Office of the Board of Directors/Office of the Board of Supervisors, head of the Party Building Department, and Director of the Party Committee Office of the Company. Previously, he served as Director of the General Office and Party Committee Office of CPIC P/C Shandong Branch, General Manager of the Intermediary Business Department of CPIC P/C Shandong Branch, and Director of the Administrative Office and General Manager of the Development Planning Department of the Company.

Mr. CHENG Song, born in November 1979, holds a master's degree. He became Employee Representative Supervisor of the Company in February 2022 (approval document: CBIRC [2022] No. 32). Mr. CHENG currently serves as General Manager of Finance Department and Asset Management Department of the Company. Previously, he served as Senior Manager of Accounting Center of Financial Management Department of CPIC Group, and Deputy General Manager of Financial Department of CPIC P/C.

Mr. MIAO Huan, born in August 1983, holds a bachelor's degree. He became Supervisor of the Company in December 2021 (approval document: CBIRC Approval [2019] No. 973). Mr. MIAO currently serves as Executive Director of Shanghai Huijia Venture Capital Co., Ltd. and Executive Director

of Shanghai Jiading Weiye Investment Development Co., Ltd. Mr. MIAO previously served as Executive Director of Shanghai Jiading Guangwo Assets Management Co., Ltd, Business Assistant, and Business Manager of the Investment Management Department of Shanghai Jiading District State-owned Assets Management (Group) Co., Ltd., and Business Manager of Shanghai Jiading Venture Capital Management Co., Ltd.

### 1.3 Senior management at head-office level

As of the end of March 2024, the Company has 8 members of senior management:

Mr. SHI Jian, born in November 1973, holds a bachelor's degree, and has been serving as General Manager of the Company since July 2021 (approval document: CBIRC [2021] No. 609). Mr. SHI also serves as Executive Director of the Company. Previously he served as Deputy General Manager (in charge) of Shanghai Western Operation Management Office of Shanghai Branch of China Life Insurance Company, General Manager of Business Management Department, General Manager of Market Development Department, and General Manager of Product Development and Reinsurance Department of Shanghai Anxin Agricultural Insurance Co., Ltd. He also served as Assistant President, Vice President, Board Secretary, Executive Director, President (General Manager) of Anxin Agricultural Insurance Co., Ltd., as well as Deputy Marketing Director and General Manager of Strategic Account Department of CPIC Group.

Mr. ZHENG Kai, born in August 1972, holds a master's degree. He has been serving as Deputy General Manager and Board Secretary of the Company since May 2016 (approval documents: CIRC Approval [2016] No. 391, and CIRC Approval [2016] No. 383 respectively). Mr. ZHENG is also member of the Jing'an District Committee of CPPCC. Mr. ZHENG previously served as Deputy Head of Youth Work Department of Communist Youth League Shanghai Municipal Committee, Secretary-General of Shanghai Young Entrepreneurs Association, Deputy Director of Economic Division of Taiwan Affairs Office of Shanghai Municipal Government, head of Exchange and

Communication Division of Taiwan Affairs Office of Shanghai Municipal Government, head of Coordination Division of Taiwan Affairs Office of Shanghai Municipal Government, and General Manager of Shanghai Urban Areas Business Centre of Anxin Agricultural Insurance Co., Ltd.

Ms. LI Shuhui, born in July 1972, holds a master's degree and the title of Senior Auditor, CPA, CIA and CCSA. She has been serving as Finance Responsible Person and Deputy General Manager of the Company since December 2019 (approval documents: CBIRC Shanghai Approval [2019] No. 984, and CBIRC Shanghai Approval [2019] No. 983 respectively). She previously served as Deputy General Manager of the Second Division/Internal Audit Center, General Manager of Audit Technology Division of CPIC Group, Supervisor of CPIC Allianz Health, Internal Audit Responsible Person of Changjiang Pension, Supervisor of CPIC Online Services, Supervisor of Anxin Agricultural Insurance Co., Ltd, and General Manager of Finance Department and Asset Management Department of CPIC P/C, and Supervisor of CPIC P/C.

Mr. HUANG Xiaofeng, born in March 1971, holds a master's degree. He has been serving as Assistant General Manager of the Company (approval document: CBIRC [2022] No. 409) since June 2022. Previously, Mr. HUANG served as deputy head of Gaodong Township, head of Heqing Township, Pudong New Area, Shanghai, Deputy Director of Rural Affairs Office, Deputy Director of District Agricultural Committee of CPC Committee of Pudong New Area, member of CPC Committee of Anxin Agricultural Insurance Co., Ltd. and General Manager of its Shanghai Nanhui Sub-branch, Deputy Party Secretary and Deputy General Manager of Shanghai Branch of Anxin Agricultural Insurance Co., Ltd., member of CPC Committee/General Manager of Agricultural Insurance Market Development Department and General Manager of Agricultural Insurance Business Management Department of Pacific Anxin Agricultural Insurance Co., Ltd.

Mr. HU Dexiong, born in August 1983, holds a master's degree. He has been serving as Assistant General Manager of the Company since March 2024 (approval document: NAFR [2024] No.99). Mr. HU currently also serves as General Manager of the Product Development Department of the Company. He previously worked for Anxin

Agricultural Insurance Company Limited, serving as Deputy Manager of the Policy Research Office of the Agricultural Insurance Department, Deputy Manager of the Branch Management Section of the Strategic Development Department, Assistant General Manager and Deputy General Manager of the Strategic Development Department, Deputy General Manager of the Agricultural Insurance Market Development Department, Deputy General Manager (in charge) and General Manager of the Product Research and Development Department. He also served as General Manager of the Development & Planning Department of the Company.

Mr. WU Kaibing, born in July 1968, holds a doctoral degree and the title of Senior Auditor. He has been serving as Internal Audit Responsible Person since October 2017 (approval document: CIRC Approval [2017] No. 1191). Mr. WU currently serves as General Manager of the Internal Audit Department (South China) of CPIC Group. He previously served as Securities Research Head of the Shanghai Securities Department of SDIC Hainan, Assistant President of Shanghai Kaiquan Pump (Group) Co., Ltd., Deputy Director of the Financial Audit Division of CNAO's Shanghai Resident Office, Senior Auditor of the Second Division of the Internal Audit Centre of CPIC Group, Senior Auditor, and Deputy General Manager of the Internal Audit Business Department of Internal Audit Center of CPIC Group.

Mr. WU Gang, born in August 1970, holds a bachelor's degree. He has been serving as Compliance Responsible Person, and Chief Risk Officer of the Company (approval document: CBIRC [2022] No. 403) since June 2022. Previously, Mr. WU served as Assistant General Manager, Deputy General Manager (in charge) and General Manager of CPIC P/C Ningxia Branch, General Manager of CPIC P/C Gansu Branch, and General Manager of the Legal Affairs and Compliance Department of CPIC P/C.

Ms. YANG Guotao, born in January 1981, holds a master's degree and membership of China Association of Actuaries and FRM qualification. She has been serving as Chief Actuary of the Company since January 2020 (approval document: CBIRC Shanghai Approval [2019] No. 1096). Ms. YANG currently serves as General Manager of Actuarial Department of the Company. She previously worked in the capacity of actuarial service with China Continent Insurance Co. Ltd., served as Actuarial Responsible Person and Deputy General Manager (in charge) of the Actuarial

Department of Anxin Agricultural Insurance Co., Ltd.

**2. Changes to directors, supervisors and senior management at head-office level**

Position	Predecessors	Incumbents	Remarks
Assistant general manager	-	HU Dexiong	New appointments

**3. Information on compensation of directors, supervisors and senior management at head-office level**

None.

**(III) Subsidiaries, joint ventures or associate ventures**

None during the reporting period.

**(IV) Breaches and administrative penalties during the reporting period**

**1. Administrative penalties by financial regulators or other government departments against insurance companies and their directors, supervisors, and senior management at head-office level**

None.

**2. Misconduct which triggered judicial proceedings by directors, supervisors, management at department-head level or above at headquarters or senior management of provincial branch offices**

None.

**3. Regulatory measures against the Company by NAFR (former CBIRC)**

None during the reporting period.

### III. Main indicators

#### (I) Solvency margin ratios

unit: yuan

Item	As of the end of Q1 2024	As of the end of Q4 2023	Next quarter estimates
Admitted assets	7,512,075,380	7,376,956,650	7,858,902,496
Admitted liabilities	4,331,039,746	4,249,161,587	4,632,311,146
Actual capital	3,181,035,635	3,127,795,063	3,226,591,349
Tier-1 core capital	2,851,725,857	2,836,176,618	2,897,281,572
Tier-2 core capital	-	-	-
Tier-1 supplement capital	329,309,777	291,618,446	329,309,777
Tier-2 supplement capital	-	-	-
Minimum capital	880,904,362	831,242,758	912,300,045
Minimum capital for quantifiable risks	863,136,415	814,476,492	893,885,993
Minimum capital for life insurance risk	-	-	-
Minimum capital for non-life insurance risk	713,315,875	674,525,721	723,489,775
Minimum capital for market risk	386,629,248	368,104,659	394,002,207
Minimum capital for credit risk	289,595,476	267,471,014	330,033,288
Diversification effect for quantifiable risks	430,500,137	405,127,514	454,318,612
Loss absorption for special-type insurance contracts	-	-	-
Minimum capital for control risk	17,767,946	16,766,266	18,414,051
Supplement capital	-	-	-
Core solvency margin	1,970,821,496	2,004,933,860	1,984,981,527
Core solvency margin ratio	323.73%	341.20%	317.58%

Comprehensive solvency margin	2,300,131,273	2,296,552,305	2,314,291,304
Comprehensive solvency margin ratio	361.11%	376.28%	353.68%

## (II) Regulatory indicators for liquidity risk

LCR	Q1 2024		Q4 2023	
	Next 3 months	Next 12 months	Next 3 months	Next 12 months
LCR1 (under base scenario)	107.50%	103.32%	100.05%	103.16%
LCR2 (under stress scenario)-mandatory	185.08%	120.99%	161.49%	111.21%
LCR2 (under stress scenario)-self-testing	189.93%	128.19%	147.55%	117.05%
LCR3 (under stress scenario before asset disposal)-mandatory	90.14%	86.70%	87.11%	89.89%
LCR3 (under stress scenario before asset disposal)-self-testing	104.31%	97.67%	82.04%	100.18%
Retrospective adverse deviation ratio of net cash flows from operating activities	57.38%		65.56%	
Net cash flows YTD (unit: 10,000 yuan)	-844.50		1530.31	
Net cash flows in 2023(unit: 10,000 yuan)	1527.95		-1987.50	
Net cash flows in 2022 (unit: 10,000 yuan)	-1987.50		3041.26	

## (III) Other indicators for liquidity risk

unit: yuan

Indicators	Item	As of the end of/	As of the end of/
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		during Q1 2024	during Q4 2023
1. Net cash flows from operating activities	Amount	-132,013,339	225,580,844
	Cash inflow from operating activities YTD	337,632,617	2,372,726,503
	Cash outflow from operating activities YTD	469,645,956	2,147,145,658
2. Net cash flows from operating activities per 100 yuan in premiums	Amount	-29.9	11.36
	Net cash flows from operating activities YTD	-132,013,339	225,580,844
	Premiums YTD	441,447,168	1,984,901,736
3. Share of cash outflow for special types of business	Percentage	0.07%	24.42%
	Claims pay-out for business of special types	-	606,204,304
	Incurred and reported claim reserves for business of special types	242,313	-204,882,074
	Total claims pay-out	365,095,798	1,635,237,658
	Total incurred and reported claim reserves	-24,584,211	7,907,115
4. Written premiums growth year-on-year	Percentage	0.58%	13.33%
	Written premiums YTD	441,447,168	1,984,901,736
	Written premiums YTD for the same period of previous year	438,914,428	1,751,481,988
5. Share of cash and liquidity management instruments	Percentage	1.89%	1.78%

	Book value of cash and liquidity management instruments at the end of the period	131,182,534	126,616,058
	Total assets as at the end of the period	6,939,248,667	7,108,852,924
<b>6. Quarterly average financial leverage ratio</b>	Percentage	6.02%	2.06%
	Arithmetic mean of the ending balance of inter-bank lending, bond repurchase and other cash inflow from financing at the end of each month during the quarter	454,000,000	152,666,667
	Total assets as at the end of the period	7,544,248,667	7,411,852,924
<b>7. Share of domestic fixed income assets rated AA and below</b>	Percentage	0.33%	0.00%
	Book value of domestic fixed income assets rated AA and below at the end of the period	22,774,500.34	0
	Total assets as at the end of the period	6,939,248,667	7,108,852,924
<b>8. Share of investments in listed stocks with a stake of 5% or above</b>	Percentage	0.00%	0.00%
	Book value of investments in listed stocks with a stake of 5% or above at the end of the period	0	0
	Total assets as at the end of the period	7,544,248,667	7,411,852,924
<b>9. Proportion of receivables</b>	Percentage	22.64%	24.66%

	Premium receivables	572,979,867	408,441,006
	Reinsurance receivables	1,135,384,843	1,419,058,037
	Total assets as at the end of the period	7,544,248,667	7,411,852,924
10. Proportion of related party assets held by the Company	Percentage	0.00%	0.00%
	Total investment assets of related parties held by the Company	-	-
	Total assets as at the end of the period	7,544,248,667	7,411,852,924

#### (IV) Key business metrics

unit: yuan

Indicators	As at the end of/ during Q1 2024	As at the end of Q4 2024/YTD
GWPs	415,808,834	415,808,834
Net profits	8,842,922	8,842,922
Total assets	5,884,573,189	5,884,573,189
Net assets	3,012,260,624	3,012,260,624
Insurance contract liabilities	1,699,455,680	1,699,455,680
Basic earnings per share	0.008	0.008
ROE	0.29%	0.29%
ROA	0.15%	0.15%
Investment yield	0.63%	0.63%
Comprehensive investment yield	1.08%	1.08%
Profitability indicators	--	--
Combined ratio	--	102.98%

Expense ratio	--	12.73%
Loss ratio	--	90.25%
Proportion of commission and brokerage expenses	--	2.55%
Proportion of operating and administrative expenses	--	19.08%
Scale indicators	--	--
Written premiums	441,447,168	441,447,168
Written premiums of auto insurance	-	-
Written premiums of top 5 non-auto insurance business lines	404,929,036	404,929,036
Largest non-auto business line	267,567,806	267,567,806
Second largest non-auto business line	68,565,910	68,565,910
Third largest non-auto business line	48,297,961	48,297,961
Fourth largest non-auto business line	17,640,373	17,640,373
Fifth largest non-auto business line	2,856,986	2,856,986
Average vehicle premium of auto insurance	-	-
Written premiums by channels	441,447,168	441,447,168
Agency	28,231,203	28,231,203
Direct	388,686,132	388,686,132
Brokerage	24,529,833	24,529,833
Others	-	-

Note: Net profits, total assets, net assets, and insurance contract liabilities listed above were based on Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments revised and promulgated by the Ministry of Finance in 2017, and Accounting Standard for Business Enterprises No. 25 - Insurance Contracts revised and promulgated by the Ministry of Finance in 2020; basic earnings per share, ROE and ROA were calculated in accordance with the formula prescribed by Article 24 of Solvency Regulatory Standards of Insurance Companies No. 18 - Solvency Report, based on results of afore-mentioned indicators.

#### **(V) (Comprehensive) Investment yields in the past 3 years**

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Average investment yield in the past 3 years (%)	4.03%
Average comprehensive investment yield in the past 3 years (%)	3.60%

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### **IV. Risk management capabilities**

#### **(I) Company category**

The Company was incorporated in Shanghai in September 2004 as per approval of the former CIRC. In 2023, its written premiums amounted to 1.985bn yuan, and as of the end of 2023, total assets stood at 7.412bn yuan, with 3 provincial-level branch offices. According to Article 6 of Solvency Regulatory Standards of Insurance Companies No. 12: Solvency-aligned Risk Management Requirement and Assessment, it is a Category II insurance company.

#### **(II) The latest result of Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company**

The Company scored 76.69 points in the last on-site SARMRA assessment. As per Solvency Regulatory Standards of Insurance Companies No. 12: Solvency-aligned Risk Management Requirement and Assessment of Solvency Regulatory Standards of Insurance Companies (II) (CBIRC Document [2021] No. 51), the final score of the Company was 75.88 points.

#### **(III) Measures taken to improve solvency risk management and the latest status**

The Company scored 76.69 points in the last on-site SARMRA assessment. As per Solvency Regulatory Standards of Insurance Companies No. 12: Solvency-aligned Risk

Management Requirement and Assessment of Solvency Regulatory Standards of Insurance Companies (II) (CBIRC Document [2021] No. 51), the final score of the Company was 75.88 points. During the reporting period, the Company took further steps to enhance risk management. To be specific:

In respect of insurance risk, the Company completed the annual analysis report on insurance terms & clauses and premium rates for 2023, reviewing the development, management and operation of the Company's insurance products in the previous year; engaged external auditors to review its reserve assessment results for 2023; conducted a quarterly review of large claims and supervised claims settlement of major cases; completed renewal of major reinsurance treaties in agricultural insurance and non-marine insurance so as to mitigate catastrophe risks; completed assessment of treaties of ceded-in reinsurance to determine maximum retained amounts and prudently underwrite those treaties.

In terms of market risk, the Company formulated Rules on Management of Real Estate Leasing to strengthen management in the area; maintained regular communication with outsourced investment managers on market risk management of investment assets to guard against adverse impact of concentrated risk exposure on net profit and net assets; carried out quantitative assessment and quarterly analysis of ALM, which, among others, measured and analysed the impact of market fluctuations on investment yields, monitored the matching of costs and returns, with projections of key indicators to meet regulatory and in-house ALM requirements.

In terms of credit risk, we drafted special KPIs for performance evaluation to accelerate collection of receivables in 2024; reviewed the experience of receivables collection in the past to set reasonable targets for the future; improved the credit-worthiness management module of the reinsurance system to dynamically manage the credit risk of reinsurance; and closely followed developments of the reinsurance market with timely analysis and assessment of the credit risk status of reinsurance brokers, reinsurers, and ceders.

As for operational risk, we formulated and issued Measures for Risk Control Relating to Criminal Cases, and carried out relevant risk control assessment; conducted money laundering risk assessment for 2023; completed quarterly self-assessment on AML, with rectification of gaps in a timely manner; organised Company-wide

quarterly analysis and assessment of anti-fraud work and drafted quarterly fraud risk analysis reports; and formulated regulations such as Standards on Classification of Outsourced IT Personnel, IT Outsourcing Service Catalogue, and Indicators for Monitoring of IT Outsourcing Service Effectiveness and Quality, so as to strengthen daily management of outsourced personnel and improve IT outsourcing risk control.

With regard to liquidity risk, the Company continued to optimise cash flow projection modelling, enhanced retrospective review of net cash flows from operating activities, conducted review of cash flow budgets and analysed causes for adverse variance; tracked the status of claims, evaluated the impact of future claims pay-out on cash flows in a timely manner, so as to ensure sufficient liquidity and stable cash flows; continued to communicate with CPIC AMC to ensure an asset allocation compatible with needs for cash flows; reviewed and optimised the risk matrix of investment liquidity, continuously monitored and assessed market liquidity and interest rate movements and their impact on liquidation of its investment assets; promoted system iterations for receivables management; focused on collection of major receivables in inward reinsurance business, monitored status of recoveries for excess of loss treaties of agricultural crop insurance and weather-linked insurance, and submitted application for recoveries of adjusted variable fee and profit commission on non-marine treaties from previous years.

In terms of reputational risk, we conducted risk assessment and screening in the run-up to the Chinese New Year and the “March 15th” Consumer Protection Day; participated in annual training on reputational risk management organised by the Group, cemented the foundation of reputational risk management and enhanced collaboration in media crisis response.

For strategic risk, we evaluated execution status of the 2023 annual development plan; formulated the Business Development Plan of 2024 based on annual business objectives.

#### **(IV) Status of SARMRA self-assessment**

There was no such self-assessment in the quarter.

## **V. Integrated risk rating (differentiated supervision)**

### **(I) IRR results of the previous two quarters**

The Company was rated AAA at the IRR (differentiated supervision) by NAFR (formerly CBIRC) for both Q3 and Q4 of 2023.

As per Solvency Regulatory Standards No.11: Integrated Risk Rating (differentiated supervision) of Solvency Regulatory Standards of Insurance Companies (II) (CBIRC [2021] No. 51), the IRR(differentiated supervision) results will be in 4 categories, i.e., A, B, C, D, which can be further classified into AAA, AA, A, BBB, BB, and B, both by ascending order of risks.

### **(II) Measures taken or to be taken for improvement**

The Company's integrated risk rating (IRR) for Q4 2023 was AAA.

In the reporting quarter, the Company issued risk alerts on under-performing metrics, carried out data analysis and drafted plans for remedial actions. It'll continue to monitor the key metrics to ensure their stability and more pro-active risk management.

### **(III) Findings of self-assessment of operational, strategic, reputation and liquidity risks**

#### **1. Operational risk**

##### **1.1 Operational risk status**

In the quarter, first, the Company formulated rectification plans for various defects newly discovered in audits, carried out rectification with regular progress follow-up, urged relevant parties to complete rectification on time according to the plan; second, updated database of operational risk losses, with analysis and evaluation of such losses via risk management systems; third, amended and issued rules such as Regulations on Risk Control Relating to Criminal Cases and implemented them strictly to maintain effective control of operational risks.

## 1.2 Methods of operational risk assessment

Conducted self-review by business lines and reporting of major operational risk events as per Solvency Regulatory Standards of Insurance Companies No.11.

## 1.3 Process of operational risk assessment

In the quarter, first, the Company conducted an assessment of IRR operational risk status, organised a review by relevant departments of operational risk in mis-selling, fraudulent claims, mis-handling in investment, erroneous financial information disclosure, money laundering, information security and system failures, with follow-up rectification. Second, it monitored key indicators of operational risk in tandem with risk upper limits, management reports on operational risk and rectification of gaps, with clear definition of ownership by departments or branch offices, and may conduct self-review if circumstances require. Third, conducted risk assessment in money laundering, insurance frauds and consumer rights protection when launching new products or new business.

## 1.4 Results of operational risk assessment

The review indicated no serious flaws in operational risk.

## 2.Strategic risk

### 2.1 Status of strategic risk

The strategic risk facing the Company mainly includes the following:

First is potential risks arising from concentration of business in Shanghai. Second is the potential strategic risk arising from differentiated business strategies for agricultural insurance of CPIC P/C.

### 2.2 Methods of strategic risk assessment

Evaluation of market environment of industry strategic risk, the risk in formulation of strategic planning of the Company and the risk in implementation of its strategic planning, as per Solvency Regulatory Standards of Insurance Companies No.11.

### 2.3 Process of strategic risk assessment

Collected and analysed information on a regular basis, enhanced oversight of implementation status of plans made at the year beginning, and communicated the gaps to company middle and senior management.

### 2.4 Results of strategic risk assessment

Business development of the Company in the past 3 years has been volatile, which calls for intensified effort in market development and product innovation, particularly in areas other than Shanghai. At the same time, we will enhance performance evaluation against KPIs and take multiple measures to ensure healthy, steady premium growth and high-quality development.

## 3.Reputational risk

### 3.1 Status of reputational risk

In the reporting quarter, the Company conducted screening of its reputational risk, which showed that the risk was under control, and there was no major risks in media publicity.

### 3.2 Methods of reputation risk assessment

As per Solvency Regulatory Standards of Insurance Companies No.11, firstly, we monitored online media through the Group's monitoring platform; secondly, our spokesperson and brand specialists joined the Group's brand management team so that they can share and handle media information in a timely manner; thirdly, the Company issued the "Risk Early-warning" weekly reports to senior management and part-time reputational risk management staff to promptly identify and prevent potential risks. We also conducted a company-wide screening of potential reputational risks, further enhanced reputational risk management capabilities, continued to promote the establishment of a closed-loop entire-process reputational management system, so as to create a favourable environment for the Company's

sustainable, healthy and stable development.

### 3.3 Process of reputational risk assessment

Filed sensitive words with the Group. Used Group platform for collection and statistical analysis of media reports containing such sensitive words, which would enable early responses or mitigation measures.

### 3.4 Results of reputational risk assessment

During the reporting period, adverse media publicity of the Company stayed under control, and there were no incidents which may trigger reputational risk.

## 4. Liquidity risk

### 4.1 Status of liquidity risk

The Company derives liquidity mainly from cash received from premiums, net investment income, sales or maturity of investment assets and financing activities. Demand for liquidity mainly stems from cash needed for payment of claims, daily expenditures and dividends distributed to shareholders.

As a specialised agricultural insurance firm, it mainly faces two types of liquidity risk.

First is the time lag in settlement of agricultural insurance premium receivables by governments. As per Provisions on Fiscal Subsidies of Agricultural Insurance Premiums of Shanghai Municipal Government, the subsidy for agricultural insurance would be accrued in advance and settled in the next year. Thus, the time lag has an impact the Company's cash flows. To address this, it vigorously conducted communications with government agencies in charge of agriculture and finance at various levels, seeking to optimise the process of fiscal subsidy transfers so that it could receive the fund at an early date.

Second is agricultural insurance catastrophe risks. The agricultural insurance business of the Company is concentrated in the Yangtze River Delta, and given this geographical concentration and the characteristics of the business line, the

occurrence of natural catastrophes could lead to huge outflows of cash for claims payments within a short period of time. In response, the Company put in place mechanisms to closely monitor likelihood of disasters, issue early warning and prepare for relief and damage-reduction effort; in the event of natural catastrophes, the Company will initiate the contingency plan, conduct claims investigation in a timely manner, coordinate funds planning to ensure normal and stable cash flows.

Moreover, the Company continued communication with CPIC AMC to ensure an asset allocation compatible with the needs for matching of cash flows; conducted repurchase via securities market and inter-bank market to satisfy short-term needs for liquidity arising from business development.

As at the end of Q1 2024, LCR under the base scenario (LCR1) for the next 12 months and LCR under the stress scenario (LCR2) for the next 12 months were both above 100%, indicating a sound status in liquidity risk.

#### 4.2 Methods of liquidity risk assessment

Conducted calculation of liquidity coverage ratios, retrospective adverse deviation ratios of net cash flows from operating activities, net cash flows and stress testing of cash flows of the Company as per Solvency Regulatory Standards No. 13.

#### 4.3 Process for liquidity risk assessment

On a quarterly basis, the Finance Department formulates comprehensive budgets for operating and investment activities in light of the strategic and business plans of the Company, projects cash flows on a rolling basis to evaluate the impact on its liquidity.

#### 4.4 Results of liquidity risk assessment

The assessment indicated that all regulatory indicators of liquidity risk and cash flow stress testing pointed to sufficient liquidity to meet needs of the Company.

## **VI. Management analysis and discussions**

### **(I) Change to solvency and reasons**

As of the end of the quarter, the comprehensive and core solvency margin ratios of the Company was 361.11% and 323.73% respectively, maintaining a strong position, though down by 15.2pt and 17.5pt respectively from the preceding quarter.

Of this, actual capital was 3.181bn yuan, an increase of 53mn yuan from the previous quarter, mainly due to net profits of the quarter of 19mn yuan, an increase of 10mn yuan in agricultural insurance reserve for catastrophes, an increase of 22mn yuan in other comprehensive income and a decrease of 3mn yuan in non-admitted assets.

Minimum capital was 881mn yuan, increasing by 50mn yuan from the preceding quarter. Of this, minimum capital for insurance risk rose by 39mn yuan, as a result of composite cost, and increased minimum capital requirement for premium and reserve risk; minimum capital for market risk rose by 19mn yuan, due to increase in minimum capital for interest rate risk and risk of overseas equity prices; that for credit risk climbed by 22mn yuan, mainly due to increase in premium receivables and bank deposits, which led to higher minimum capital requirement for counter-party default risk; risk diversification effect increased by 25mn yuan.

### **(II) Change to liquidity risk indicators and reasons**

As of the end of the reporting quarter, cash and cash equivalents stood at 66.1825mn yuan, down by 8.4336mn yuan from 74.6161mn yuan in the previous quarter. The decrease was mainly due to decreased cash inflow from financial assets sold under repurchase during the quarter.

LCRs of the next 3 months and next 12 months under base scenarios (LCR1) were 107.50% and 103.32%, respectively.

LCR2s, or LCRs of the next 3 months and next 12 months under stress scenario (mandatory) were 185.08% and 120.99%, respectively.

LCR2s of next 3 months and next 12 months under stress scenarios (self-testing) were 189.93% and 128.19%, respectively.

LCR3s, or LCRs of the next 3 months and next 12 months under stress scenarios before asset disposal (mandatory) were 90.14% and 86.70%, respectively.

LCR3s of the next 3 months and next 12 months under stress scenarios before asset disposal (self-testing) were 104.31% and 97.67%, respectively.

The retrospective adverse deviation ratios of net cash flow from operating activities of the reporting and the previous quarters were 57.38% and 65.56%, respectively, mainly due to higher-than-estimated amounts in net cash flows from reinsurance business during the reporting quarter.

Net cash flow YTD was -8.4450mn yuan. That for the previous fiscal year was 15.2795mn yuan, and that for the year earlier was -19.8750mn yuan.

### **(III) Change to IRR and reasons**

The Company was rated AAA at the IRR (differentiated supervision) by National Administration of Financial Regulation (former CBIRC) for both Q3 and Q4 of 2023.

As per Solvency Regulatory Standards No.11: Integrated Risk Rating (differentiated supervision) of Solvency Regulatory Standards of Insurance Companies (II) (CBIRC [2021] No. 51), starting from Q1 2022, the IRR results will be in 4 categories, i.e., A, B, C, D, which can be further classified into AAA, AA, A, BBB, BB, and B, both by ascending order of risks.