

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

China Pacific Life Insurance Co., Ltd.

1st Quarter of 2024

Company overview and contact person

Company name (Chinese):	中国太平洋人寿保险股份有限公司
Company name (English):	China Pacific Life Insurance Co., Ltd.
Legal representative:	PAN Yanhong
Registered address:	71 Shouning Road, Huangpu District, Shanghai, China
Registered capital:	8.6282bn yuan
Business license number:	000015
Date opening for business:	November 2001
Business scope:	Life/health insurance denominated in RMB yuan and foreign currencies including life insurance, health insurance, personal accident insurance, etc.; reinsurance of the above said insurance; statutory life/health insurance; agency and business dealings with domestic and overseas insurers and organizations, loss adjustment, claims and other business entrusted from overseas insurance organizations; insurance funds investment as prescribed by The Insurance Law and relevant laws and regulations; international insurance activities as approved; other international insurance business as approved by the former CIRC. [To conduct business subject to approval according to laws and regulations, permission of relevant departments is required.]
Business territories:	Beijing, Shanghai, Tianjin, Chongqing, Heilongjiang Province, Jilin Province, Liaoning Province, Hebei Province, Shanxi Province, Shandong Province, Anhui Province, Jiangsu Province, Zhejiang Province, Fujian Province, Jiangxi Province, Guangdong Province, Hainan Province, Guangxi Zhuang Autonomous Region, Hunan Province, Hubei Province, Henan Province, Yunnan Province, Guizhou Province, Sichuan Province, Shaanxi Province, Gansu Province, Xinjiang Uygur Autonomous Region, Ningxia Hui Autonomous Region, Inner Mongolia Autonomous Region, Qinghai Province (with

offices in 5 vice-provincial level municipalities such as Dalian, Qingdao, Ningbao, Xiamen, Shenzhen, where the insurance regulator also has branch offices)

Contact person: HAN Shuwan
Office Tel. number: 021-33965311
Email: hanshuwan@cpic.com.cn

CONTENTS

I. BOARD CHAIRMAN AND MANAGEMENT STATEMENT	8
II. BASIC INFORMATION	8
III. KEY INDICATORS	18
IV. RISK MANAGEMENT CAPABILITIES	21
V. INFORMATION ON IRR (DIFFERENTIATED SUPERVISION)	23
VI. MANAGEMENT ANALYSIS AND DISCUSSIONS	26

I. Board chairman and management statement

The report has been approved by chairman of the board of directors. 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.

II. Basic information

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

1. Ownership structure (unit: 10,000 shares or RMB yuan 10,000)

Types of shareholders	As at the beginning of the reporting period		Shareholder injection	Change			As at the end of the reporting period	
	Shares or contribution	Percentage (%)		Transfer from capital reserve and share dividends distribution	Share transfer	Sub-total	Shares or contribution	Percentage (%)
State Domestic legal person	14,733.69	1.708	-	-	-	-	14,733.69	1.708
Foreign Natural person	-	-	-	-	-	-	-	-
Others (listed company)	848,086.31	98.292	-	-	-	-	848,086.31	98.292
Total	862,820	100	-	-	-	-	862,820	100

2. De facto controller

The Company has no de facto controller. China Pacific Insurance (Group) Co. Ltd. is the majority shareholder of the Company, holding 98.292% of its shares.

3. Shareholding information and related party relations as at the end of the reporting period

Information on shareholders (by descending order of shareholding percentage as of the end of the reporting period, unit: 10,000 shares or RMB yuan 10,000)

Names of shareholders	Types of shareholders	Change to shareholding or contribution during the reporting period	Shares held as at the end of the reporting period	Shareholding percentage as at the end of the reporting period (%)	Shares pledged or in lock-up
China Pacific Insurance (Group) Co., Ltd.	Listed company	-	848,086.31	98.292	-
Shenergy Group Co., Ltd.	State-owned	-	4,711.59	0.546	-
Shanghai State-Owned Assets Operation Co., Ltd.	State-owned	-	4,689.24	0.544	-
Shanghai Haiyan Investment Management Company Limited	State-owned	-	3,218.11	0.373	-
Yunnan Hehe (Group) Co., Ltd.	State-owned	-	2,114.75	0.245	-
Related party relations between shareholders	Of the 5 shareholders of the Company, with the exception of CPIC Group, all are concurrently shareholders of CPIC Group. Other than that, the Company is not aware of any related party relations between its shareholders.				

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 headquarters

1. Basic information of directors, supervisors and senior management at headquarters

(1) Directors

As of the end of March 2024, the 7th Board of Directors¹ of the Company has 5 directors in total:

Mr. MA Xin, born in April 1973, has a master's degree. He has been serving as Director of

¹ On 1 April 2024, as approved by the 43rd extraordinary meeting of the 7th Board of Directors, CAI Qiang (John) ceased to serve as general manager (CEO) of the Company. In the absence of a successor, Ms. PAN Yanhong has been designated as Acting Responsible Person of the Company, performing the duties of general manager for the time being.

the Company since March 2018 (approval document: CIRC Approval [2018] No. 320). Mr. MA currently serves as Vice President of CPIC Group, and Chairman of CPIC Health. He previously served General Manager of Shaanxi Branch of CPIC Life, General Manager of Strategic Planning Department, Director of Strategic Transformation Office, Transformation Director, and Board Secretary of CPIC Group, Director of CPIC P/C, and Director of Changjiang Pension.

Mr. SU Shaojun, born in February 1968, holds a PhD degree and a title of senior engineer. He has been serving as Director of the Company since December of 2021 (approval document: CBIRC Approval [2021] No. 1033). Mr. SU currently serves as Board Secretary of CPIC Group and Director of CPIC P/C. Previously, he served as Assistant General Manager and Deputy General Manager of the Underwriting Department, Deputy General Manager and General Manager of Beijing Branch, General Manager of Development Planning Department, head of the Board Office, head of the Office of the Board of Supervisor, General Manager of Telemarketing Department of CPIC P/C, head of the Strategic Research Center and Deputy Transformation Director of CPIC Group.

Mr. ZHANG Yuanhan, born in November 1967, holds a master's degree and is a director of China Association of Actuaries, a member of the Society of Actuaries and American Academy of Actuaries. He has been serving as Director of the Company since March 2018 (approval document: CIRC [2018] No.327). Mr. ZHANG is also Chief Actuary and Finance Responsible Person of CPIC Group, Director of CPIC P/C, and Director of CPIC Health. Mr. ZHANG previously served as Chief Actuary of Citi Group TRV-Citi Insurance headquarters, Chief Actuary, Deputy General Manager and Vice President of MetLife Insurance Company Limited (Shanghai), Chief Actuary of Sino Life Insurance Co., Ltd., Deputy General Manager, CFO and Chief Actuary of Sun Life Everbright Life Insurance Co., Ltd., Chief Risk Officer and Chief Actuary of CPIC Health, and Director of CPIC AMC.

Mr. CAI Qiang (John)², born in July 1967, holds a bachelor's degree. Mr. CAI is a CLU, ChFC, and CFP. He has been serving as Executive Director of the Company (approval document: CBIRC [2021] No. 390) since May 2021. Currently, he serves as General Manager (CEO) of the Company, Director of CPIC Life Hong Kong, and Director of LL Global. Previously, he

² On 1 April 2024, as approved by the 43rd extraordinary meeting of the 7th Board of Directors, CAI Qiang (John) ceased to serve as general manager (CEO) of the Company.

served as insurance agent, regional manager, and regional director of AXA U.S., General Manager (agency business) and CEO of AXA Hong Kong consecutively, CEO of AIA China, Regional CEO of AIA Group, and Vice Chairman and President of WE DOCTOR GROUP.

Ms. PAN Yanhong, born in August 1969, holds a master's degree and a title of Senior Accountant, and is a Chinese Certified Public Accountant. She has been serving as Chairman of the Company since May 2021 (approval document: CBIRC [2021] No.421). Ms. PAN currently also serves as Executive Director of the Company, Director of CPIC AMC, Chairman of CPIC Capital and CPIC Life Hong Kong. Ms. PAN previously served as Deputy CFO, CFO, Deputy General Manager, Vice Chairperson, and General Manager of the Company, Finance Responsible Person, Vice President, and Executive Vice President of CPIC Group, as well as Director of CPIC Health and Changjiang Pension respectively.

(2) Supervisors

As of the end of March 2024, the 7th Board of Supervisors of the Company has 3 supervisors:

Mr. FENG Jintao, born in November 1976, holds a master's degree. He has been serving as Supervisor of the Company (approval document: CBIRC [2021] No. 438) since June 2021. He currently serves as Transformation Director of the Company. Previously, he served as Director of Individual Business Department of CPIC Life Shandong Branch, member of the Party Committee and Deputy General Manager of CPIC Life Shandong Branch, General Manager of Individual Business Marketing Department and Individual Business Management Department of the Company, Party Secretary/ General Manager of CPIC Life Henan Branch, concurrently Party Secretary/ General Manager of CPIC Life Yudong Branch, General Manager of Individual Business Planning Department/ Career Agent Management Department of the Company.

Mr. SUN Peijian³, born in September 1963, has a master's degree. He has been serving as

³ The Board of Supervisors of the Company received the resignation of Mr. SUN Peijian on Jan. 19, 2024. Mr. SUN proposed to resign as Chairman of the Board of Supervisors and Supervisor of the Company due to retirement. Because of his resignation, the number of supervisors of the Company will fall below the minimum required level as per laws and regulations. Therefore, the Company agreed that Mr. SUN will continue to perform his duties until his successor obtained regulatory approval for qualifications and formally assumed the role of a supervisor.

Chairman of the Board of Supervisors of the Company since August 2019 (approval document: CBIRC Shanghai [2019] No.673). Mr. SUN currently serves as Chairman of the Board of Supervisors of CPIC P/C. Previously, he served as Assistant General Manager, Deputy General Manager, General Manager of Reinsurance Department of CPIC, Assistant General Manager, Deputy General Manager, Compliance Responsible Person, Compliance Director, Vice President and Chief Risk Officer of CPIC Group, Director of CPIC P/C, CPIC Life and CPIC AMC respectively, General Manager and Chairman of CPIC Health.

Mr. ZHANG Lei, born in July 1976, holds a master's degree in economics and a title of senior auditor. He has been serving as Supervisor of the Company (approval document: CBIRC [2021] No. 397) since June 2021. He currently also serves as General Manager of Legal and Compliance Department of the Company, and head of Office of the Board of Supervisors of the Company. Previously, he served as Deputy Director of Computerised Auditing Division, Deputy Director (in charge), Director of Social Security Audit Division, and Director of Corporate Audit Division of Shanghai Special Representative Office of National Audit Office, Chief Auditor (life insurance) of Audit Technology Department of Audit Center of CPIC Group, Chief Auditor (life insurance) of Digitalised Audit Technology Department of CPIC Group, General Manager of Investment Audit Department of CPIC Group, and Internal Audit Responsible Person of Changjiang Pension.

(3) Senior management at headquarters

As of the end of March 2024, the Company has 12 members of senior management in total:

Mr. CAI Qiang (John) served as General Manager (CEO) of the Company during the reporting period. Please refer to Basic Information of Directors above for Mr. CAI's biography.

Mr. WANG Guangjian, born in June 1965, has a master's degree. Mr. WANG currently serves as Executive Deputy General Manager of the Company (approval document: CBIRC [2019] No.637), and Compliance Responsible Person (approval document: CBIRC [2023] No.85) and Chief Risk Officer of the Company. Mr. WANG previously served as Deputy

Manager, Manager of the Planning and Finance Department of CPIC Urumqi Branch, Deputy General Manager of CPIC Life Urumqi Branch, Deputy General Manager of CPIC Taiyuan Branch, General Manager of CPIC Life Shanxi Branch, General Manager of CPIC Life Shandong Branch, Assistant to Chairman of the Management Committee of CPIC Life, Deputy General Manager/ Chief Compliance Officer, Chief Risk Officer of CPIC Life, Chairman of the Board of Supervisors of CPIC Life, Executive Director and General Manager of the Group Business Center of Pacific Medical & Health Management Co., Ltd. Mr. WANG holds a title of accountant. He has been serving as Executive Deputy General Manager of the Company since August 2019, as Chief Risk Officer of the Company since July 2022, and as Compliance Responsible Person since March 2023.

Mr. WEI Lin, born in July 1972, holds a master's degree. He currently serves as Deputy General Manager of the Company (approval document: CBIRC [2018] No.449), Executive Director and General Manager of Pacific Elderly Care Investment Management Co., Ltd., Chairman and Legal Representative of Pacific ORPEA (Shanghai) Elderly Care Service Co., Ltd., Director of CPIC (Dali) Elderly Home Co., Ltd., and Executive Director of Pacific Medical & Health Management Co., Ltd. Mr. WEI previously served as Chief Staff Member of the CIRC Chengdu Office, Deputy Director of the General Management Division of CIRC Sichuan Bureau, Deputy Director of the General Office of CIRC Sichuan Bureau, Deputy Director (in charge) of the Personnel and Education Division of CIRC Sichuan Bureau, Senior Manager of the Board Office of China Insurance (Holdings) Co., Ltd., General Manager of Investment Management Department of Taiping Group, and General Manager of Taiping Elderly Care Investment Company. Mr. WEI has been serving as Deputy General Manager of the Company since June 2018.

Mr. YE Peng, born in March 1972, holds a master's degree. He is currently Deputy General Manager of the Company (approval document: CBIRC Shanghai [2019] No.638), Finance Responsible Person (approval document: CBIRC Shanghai [2019] No.689), Director of Changjiang Pension, Director of CPIC Life HK, and Executive Director of Beijing Borui Heming Insurance Brokerage Co., Ltd. Mr. YE previously served as Assistant General Manager, CFO, Board Secretary, and Deputy General Manager of Changjiang Pension. Mr. YE holds a title of senior accountant and is a certified public accountant and tax advisor in

China. He is also a senior member of FAIA, and a member of IFA/IPA. He took up his current position in August 2019.

Mr. LI Jinsong, born in June 1969, holds a master's degree. He currently serves as Deputy General Manager of the Company (approval document: CBIRC Shanghai [2020] No. 781).

Mr. LI previously served as General Manager of CPIC Life Sichuan Branch, General Manager of the Bancassurance Department of CPIC Life, Assistant General Manager of CPIC Life, Deputy Marketing Director of CPIC Group and General Manager of the Strategic Customer Department of CPIC Group. He took up his current position as Deputy General Manager of the Company in December 2020.

Ms. CHEN Xiujuan, born in June 1971, holds a master's degree. She is currently Chief Actuary of the Company (approval document: CIRC [2014] No.770). Ms. Chen previously served as deputy head of Actuarial Section of the Actuarial Department of CPIC Life, senior specialist, Assistant General Manager (in charge), Deputy General Manager (in charge), and General Manager of the Actuarial Department of CPIC Life. Ms. CHEN has professional qualifications of an actuary, and is an executive director of the Chinese Association of Actuaries. She took up her current position in September 2014.

Mr. DAI Chuanjiang, born in September 1973, holds a bachelor's degree. He is currently Assistant General Manager of the Company (approval document: CBIRC Shanghai [2019] No. 662) and Director of CPIC Life Hong Kong. Mr. DAI previously served as Assistant Manager, Deputy Manager of CPIC Life Bijie Central Sub-Branch, Deputy Manager (in charge), Manager of Guiyang Business Department of CPIC Guizhou Branch, Deputy Manager of Business Division of CPIC Life Guizhou Branch, Manager of Individual Business Management Department of CPIC Life Guizhou Branch, Assistant General Manager, Deputy General Manager of CPIC Life Guizhou Branch, and Senior Deputy General Manager, General Manager of CPIC Life Shanghai Branch. He took up his current position in August 2019.

Mr. TAI Fuchun, born in December 1967, holds a master's degree. He currently serves as Assistant General Manager of the Company (approval document: CBIRC [2021] No. 745).

Mr. TAI previously served as Assistant General Manager, Deputy General Manager and

General Manager of CPIC Life Shanxi Branch, General Manager of the Customer Resource Management Department of CPIC Life, General Manager of CPIC Life Shandong Branch, Deputy Chief Internal Auditor of CPIC Group, and Internal Audit Responsible Person (Life Insurance) of CPIC Group. Prior to that, Mr. TAI served as Cadre of the General Office of the Standing Committee of the Shanxi Provincial People's Congress. He took up his current positions in October 2021.

Mr. JIANG Yifeng, born in January 1978, holds a doctoral degree. He currently serves as Board Secretary (approval document: CBIRC [2021] No. 976), Assistant General Manager (approval document: CBIRC [2021] No. 746) of the Company. Mr. JIANG previously served as Deputy General Manager of the Human Resources Department of CPIC Life, General Manager of CPIC Life Ningxia Branch, General Manager of CPIC Life Shaanxi Branch, head of the Office of All-around Transformation of CPIC Group, and General Manager of CPIC Life Zhejiang Branch, and Acting Responsible Person of CPIC Life Shanghai Branch. He took up his current positions in October 2021.

Mr. HUANG Kun, born in November 1977, holds a bachelor's degree. He currently serves as Assistant General Manager (approval document: CBIRC [2021] No. 748) and Chief Information Officer of the Company, and Director of Shanghai Dabao Guisheng Information Technology Co., Ltd. Mr. HUANG previously served as Technical Director and Chief Architect of Digital China Rongxin Software Co., Ltd., Vice President of Digital China Engineering Institute, Executive Director, and General Manager of China Qicheng (Beijing) Technology Co., Ltd., and General Manager of Bank Cloud Credit Business Center of OneConnect Financial Technology Co., Ltd. of Ping An Group. He took up his current positions in October 2021.

Mr. ZHU Xuesong, born in November 1969, holds a bachelor's degree. He currently serves as Assistant General Manager (approval document: CBIRC [2021] No. 1033) and Chief Operation Officer of the Company. Mr. ZHU previously served as Attending Surgeon at the Third Affiliated Hospital to Shanghai Textile Industry Bureau, head of the Group Insurance Operation Department of Taiping Life, Deputy General Manager of Taiping Pension Shanghai Branch, General Manager of the Group Insurance Business Department and

Chief Operating Officer of the Operation Department of AIA China, Chief Operation Technology Officer of FWD China, General Manager of FWD Technology Co., Ltd., and Executive COO of WeDoctor Group. He took up his current positions in December 2021.

Mr. YU Yun, born in June 1965, holds a bachelor's degree. He currently serves as Internal Audit Responsible Person of the Company (approval document: CBIRC [2021] No. 975), and Deputy Chief Internal Auditor of CPIC Group. Mr. YU previously served as General Manager of CPIC Xinjiang Karamay Central Sub-branch, Manager of the Individual Business Department of CPIC Xinjiang Branch, Assistant General Manager, Deputy General Manager, Deputy General Manager (in charge) and General Manager of CPIC Xinjiang Branch, and General Manager of CPIC Beijing Branch. Prior to that, Mr. YU served as Director of Administration of the Finance Bureau of Karamay City, Xinjiang. He took up his current positions in December 2021.

2. Changes to directors, supervisors and senior management of headquarters

(1). Changes to directors

Mr. ZHANG Weidong ceased to serve as a director of the Company on 19 Jan. 2024.

Mr. WU Junhao ceased to serve as a director of the Company on 1 March 2024.

(2). Changes to supervisors

None during the reporting period

(3). Changes to senior management

Due to retirement, Mr. ZHANG Shuming ceased to serve as deputy general manager of the Company on 27 Feb. 2024.

(III) Subsidiaries, joint ventures or associates

Were there any subsidiaries, joint ventures or associates as at the end of the reporting period? (Yes No)

Company name	Number of shares (10,000 shares)			Shareholding percentage (%)		
	As at the beginning of Q1	As at the end of Q1	Change	As at the beginning of Q1	As at the end of Q1	Change
Changjiang Pension Insurance Co., Ltd.	186,486	186,486	-	62.16	62.16	-
City Island Developments Limited	0.1	0.1	-	100.00	100.00	-
Tianjin Trophy	35,369	35,369	-	100.00	100.00	-
Pacific Insurance Elderly Care Investment Management Co., Ltd.	500,000	500,000	-	100.00	100.00	-
Pacific Health Care Management Co. Ltd.	100,000	100,000	-	100.00	100.00	-
CPIC Elderly Care Development (Chengdu) Co. Ltd.	98,700	98,700	-	100.00	100.00	-
CPIC Elderly Care (Hangzhou) Co. Ltd.	100,600	100,600	-	100.00	100.00	-
CPIC Elderly Care (Xiamen) Co. Ltd.	90,000	90,000	-	100.00	100.00	-
CPIC Elderly Care (Nanjing) Co. Ltd.	34,856	44,356	9,500	100.00	100.00	-
CPIC Rehab & Retirement (Shanghai) Industrial Development Co. Ltd.	25,000	25,000	-	100.00	100.00	-
CPIC Elderly Care (Zhengzhou) Co. Ltd.	36,850	44,850	8,000	100.00	100.00	-
CPIC Elderly Care (Beijing) Co. Ltd.	75,700	75,700	-	100.00	100.00	-
CPIC Elderly Care (Wuhan) Co. Ltd.	98,000	98,000	-	100.00	100.00	-
CPIC Health Management (Sanya) Co. Ltd.	31,388	35,888	4,500	100.00	100.00	-
CPIC Elderly Care (Guangzhou) Co. Ltd.	-	34,867	34,867	-	100.00	100.00
Beijing Borui Heming Insurance Agency Co. Ltd.	5,200	5,200	-	100.00	100.00	-
China Pacific Life Insurance (Hong Kong) Company Limited	100,000	100,000	-	100.00	100.00	-
Shanghai Dabao Guisheng Information Technology Co. Ltd.	1,020	1,020	-	34.00	34.00	-
Shanghai Rui Yong Jing Property Development Co. Ltd.	983,500	983,500	-	70.00	70.00	-
Shanghai Shantai Health Care Technology Co. Ltd.	4,000	4,000	-	13.21	13.21	-
Zhongbao Rongxin Private Equity Fund Management Co. Ltd.	150,000	150,000	-	10.14	10.14	-

Lianren Healthcare Big Data Technology Co. Ltd.	50,000	50,000	-	20.00	20.00	-
-------------------------------------------------	--------	--------	---	-------	-------	---

Note: Shareholding percentages of Shanghai Shantai Health Care Technology Co. Ltd. and Lianren Health Care Big Data Technology Co. Ltd. were based on subscribed capital contribution. As at 31 March 2024, the change of registered capital was not fully paid-in, and based on paid-in capital, the shareholding of the Company was 14.66% and 24.31% respectively.

(IV) Breaches and penalties during the reporting period

1. Administrative penalties the Company and its directors, supervisors and senior management of headquarters received from financial regulators or other government departments.

During the reporting period, the Company received an administrative penalty from SAFE Shanghai Branch, on the grounds that the Company failed to file FOREX documentation as required, and submitted materials contained erroneous data. The conduct was rated as a medium-level breach, and the regulator required the Company to make corrections, issued a warning and imposed a fine of 150,000 yuan.

2. Misconduct by directors, supervisors, management at department level and above of headquarters and senior management of provincial-level branches which triggered judicial proceedings

None during the reporting period.

3. Regulatory measures taken by NAFR (former CBIRC) against the Company during the reporting period

During the reporting period, there was no regulatory measures against the Company by the NAFR (formerly CBIRC). However, local branches of the regulator took regulatory measures against the Company: Chaoyang Key Sub-branch of Liaoning Branch, Bayin'guoleng Key Sub-branch of Xinjiang Branch, Shaanxi Branch, and Guizhou Branch each received an administrative penalty; besides, Sanmenxia Key Sub-branch of Henan Branch, Yulin Key Sub-branch of Guangxi Branch, Hebei Branch, and Qinzhou Key Sub-branch of Guangxi Branch each received a Regulatory Notice; Xinyu Key Sub-branch of Jiangxi Branch, Jieyang Key Sub-branch of Guangdong Branch, Fuzhou Key Sub-branch of Jiangxi Branch, and Jiangxi Branch each received a Regulatory Opinion Letter.

III. Key indicators

(I) Key solvency metrics

unit: 10,000 RMB yuan

Indicators	As at the end of this quarter	As at the end of the preceding quarter	Next quarter estimates
Admitted assets	207,023,231	201,062,189	211,845,495
Admitted liabilities	176,617,978	169,861,725	181,889,303
Actual capital	30,405,253	31,200,464	29,956,192
Tier 1 core capital	15,552,184	16,198,217	14,438,485
Tier 2 core capital	1,199,836	1,199,838	1,999,836
Tier 1 supplement capital	13,648,437	13,797,986	13,513,092
Tier 2 supplement capital	4,796	4,423	4,778
Minimum capital	15,531,879	14,872,302	15,886,785
Minimum capital for quantifiable risks	15,747,133	15,078,416	16,106,958
Minimum capital for control risk	-215,254	-206,114	-220,173
Supplement capital	-	-	-
Core solvency margin	1,220,141	2,525,753	551,536
Core solvency margin ratio (%)	108%	117%	103%
Comprehensive solvency margin	14,873,374	16,328,162	14,069,407
Comprehensive solvency margin ratio (%)	196%	210%	189%

(II) Regulatory indicators for liquidity risk

Items	As at the end of /during this quarter	As at the end of /during the preceding quarter
Liquidity coverage ratio (LCR) (%)		
LCR under base scenario (LCR1)		
Next 3 months	121%	107%
Next 12 months	106%	103%
LCR under stress scenario (LCR2)		
Next 3 months	633%	577%
Next 12 months	236%	228%
LCR under stress scenario before asset disposal (LCR3)		
Next 3 months	96%	133%

Items	As at the end of /during this quarter	As at the end of /during the preceding quarter
Next 12 months	82%	88%
Retrospective adverse deviation ratio of net cash flows from operating activities (%)	-11%	45%
Net cash flow YTD (RMB yuan 10,000)	1,879,096	-2,213,845

(III) Other indicators for liquidity risk

unit: 10,000 RMB yuan

Indicators	As at the end of /during this quarter	As at the end of /during the preceding quarter
1. Net cash flow from operating activities	4,776,196	13,256,061
2. Comprehensive surrender ratio (%)	0.50%	1.81%
3-1. Net cash flow from participating accounts	1,135,354	1,669,823
3-2. Net cash flow from universal accounts	305,118	1,000,123
4. Written premiums growth year-on-year	-2.31%	3.24%
5. Ratio of cash and liquidity instruments (%)	1.70%	0.84%
6. Quarterly average financial leverage ratio (%)	3.56%	4.90%
7. Share of domestic fixed income assets rated AA (inclusive) and below (%)	2.30%	3.22%
8. Share of investments in listed stocks with a stake of 5% or above (%)	0.31%	0.29%
9. Share of receivables (%)	0.96%	0.47%
10. Share of related party assets held by the Company (%)	4.21%	3.93%

(IV) Key business metrics

unit: 10,000 RMB yuan

Indicators	As at the end of this quarter/during this quarter	YTD
Gross written premiums	9,168,632	9,168,632
Net profits	959,364	959,364
Total assets	209,993,490	209,993,490
Net assets	13,427,925	13,427,925
Insurance contract liabilities	186,892,643	186,892,643
Basic earnings per share (RMB yuan)	1.11	1.11
ROE (%)	7.28%	7.28%
ROA (%)	0.47%	0.47%
Investment yield (%)	0.28%	0.28%
Comprehensive investment yield (%)	1.69%	1.69%

Note: Gross written premiums in the table above was based on Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, Accounting Standard for Business Enterprises No. 25 - Insurance Contracts, Accounting Standard for Business Enterprises No. 26 - Reinsurance contracts promulgated by the Ministry of Finance (MoF) in 2006, and Provisions on Accounting Treatment of Insurance Contracts by MoF in 2009 (collectively referred to as "old accounting standards"). Investment yields, comprehensive investment yields, average investment yields in the past 3 years and average comprehensive investment yields in the past 3 years were prepared in accordance with relevant provisions of Solvency Regulatory Standards of Insurance Companies No. 18 - Solvency Report, based on results under the old accounting standards. Net profits, total assets, net assets, and insurance contract liabilities were prepared according to Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, Accounting Standard for Business Enterprises No. 23 - Transfer of Financial Assets, Accounting Standard for Business Enterprises No. 24 - Hedge Accounting and Accounting Standard for Business Enterprises No. 37 - Presentation of Financial Instruments and Accounting Standard for Business Enterprises No. 25 - Insurance Contracts (hereinafter referred to as the "new insurance standards") amended and issued by MoF in 2017 and 2020 sequentially. Basic earnings per share, ROE and ROA were prepared according to relevant provisions of Solvency Regulatory Standards of Insurance Companies No. 18 - Solvency Report, based on results under the new accounting standards.

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

Indicators	Results
Average investment yield in the past 3 years (%)	3.71%
Average comprehensive investment yield in the past 3 years (%)	3.23%

IV. Risk management capabilities

(I) Company overview

Established in November 2001, the Company is the life insurance subsidiary of CPIC Group. As per Articles 5 and 6 of Solvency Regulatory Rules No. 12: Solvency Aligned Risk Management Requirements and Assessment on classification of insurance companies, it is a Category I insurance company. As of the end of Q1, 2024, its written premiums amounted to 105.9bn yuan, with total assets of 2,099.9bn yuan, and 35 provincial-level branches.

(II) Results of the last SAMRA evaluation

In 2022, the regulator carried out a SARMRA evaluation of the Company, which scored 84.50 points. Of this, infrastructure and environment of risk management was 17.06 points, targets and instruments of risk management was 8.89 points,

insurance risk management was 8.43 points, market risk management was 8.36 points, credit risk management was 8.37 points, operational risk management was 8.39 points, strategic risk management was 8.4 points, reputation risk management was 8.28 points, liquidity risk management was 8.32 points.

(III) Measures taken to improve risk management and implementation status during the reporting period

The Company attaches great importance to risk management. It identifies gaps in solvency risk management systems and takes effective remedial actions to enhance solvency risk management based on findings of regulatory assessment of its peers as well as those of its own internal audits. Below is a summary of what was done in Q1 2024.

First, monitored risk tolerance, key risk metrics of the Company, conducted special analysis of key risks and formulated an enterprise risk management report, which was submitted to the senior management.

Second, proceeded with amendments to risk tolerance and key risk metrics in 2024 as per Group requirements for integrated risk control, developed a list of annual key risk metrics.

In Q2 of 2024, the Company intends to focus on the following areas for its solvency risk management.

First, improve timeliness and quality of filed data as per Provisions on Regulatory Ratings of Life/health Insurance Companies.

Second, release risk tolerance and key risk indicators for 2024, with monitoring, reporting and tracking on a regular basis.

(IV) Information on SARMRA self-assessment

Not applicable during the reporting period.

V. Information on IRR (differentiated supervision)

(I) Results of IRR in the previous two quarters

The feed-back from the regulator concerning the results of the IRR (differentiated supervision) indicated an AA rating of the Company for both Q3 and Q4 of 2023.

(II) Measures taken or to be taken for rectification

The Company continued to enhance the IRR testing and evaluation system, keeping tabs on risk metrics and seeking to improve the timeliness and accuracy of monitoring; issued risk early warning in a timely manner via the monitoring and analysis of changes to metrics on a regular basis; in the meantime, stepped up risk topical research and mitigation programmes, such as conducting in-depth study of cause and trends of risks, identifying patterns and coming up with mitigation recommendations, with follow-up remedial actions. To date, the Company has issued a number of management policies on IRR, followed by amendments according to regulatory requirements, implemented quarterly data filing and internal rating of branches and put in place long-term mechanisms for the work. At the same time, a dedicated IRR management system is in use, covering data filing, data analysis, rectification and reporting.

Going forward, it will strengthen control of risks in business operation, focusing on root-causes and the front-line business, and use IRR to motivate branch offices in compliance and basic management.

(III) Self-assessment of operational risk, strategic risk, reputational risk and liquidity risk

As per requirements for IRR under C-ROSS II, the Company continued to strengthen its in-house testing and evaluation system for IRR, continuously reviewed risk metrics to improve the timeliness and accuracy of the monitoring; issued risk early warning in a timely manner via the monitoring and analysis of changes to metrics on a regular basis.

1. Methods, processes and results of self-assessment

As part of its work in quarterly IRR, the Company organises, on a quarterly basis, a self-review of operational risk, strategic risk, reputational risk and liquidity risk involving relevant departments so as to evaluate its risk status in an objective way. Departments

involved would monitor various indicators according to assignment of responsibilities, and in the event of detection of abnormalities, would follow up and identify their causes, so as to track the development of risks and roll out remedial actions in a timely manner; and in the absence of such remedial actions, they would formulate rectification plans with deadlines. The actual status as of the end of each quarter would be submitted by departments within their scope of responsibilities to the lead department, which, in turn, would compile the data, report them to company management and file with the regulator. The latest self-assessment indicated that unquantifiable risks were under control, and no material flaws or triggers of risks were detected.

2. Status of unquantifiable risks

In operational risk, the Company issued Regulations on Operational Risk Management and relevant supportive policies, which clearly defined the responsibility of operational risk management and established day-to-day risk mitigation mechanisms. The Company continuously monitored and analysed its operational risk status using management tools such as self-assessment, operational risk data loss recovery and key risk indicators. The Company strived for a matrix-based compliance risk management system, with branches focusing on coordination, business lines bearing primary responsibilities, and all departments and positions getting involved. This matrix approach ensures optimal mechanisms for ownership of the objectives and sharing of resources and responsibilities relating to compliance and risk control. The Company continued to increase the use of IT in operational risk control so that operational execution in key areas can be controllable and traceable. The Company takes risk screening seriously: all head-office departments and branches carry out various risk assessments from time to time as per regulatory and corporate rules. In Q1 2024, monitoring of key risk indicators and data loss recovery indicated that the Company's overall operational risk was manageable.

On the side of reputational risk, in January 2024, the Company issued the revised Implementation Rules on Reputational Risk Management as per C-ROSS II requirements to further improve the governance structure and working mechanism of reputational risk management. It set great store by risk screening, conducted risk screening on a regular basis or ad hoc to strengthen at-source control of negative media publicity; set up the working group for reputational risk management at

headquarters level, with full-time/part-time reputational risk management positions in each department at head-office level and branches in order to improve coordination in public opinion response; gave priority to training and drills in daily management of public opinion, and conducted differentiated training and drills for three key teams (spokespersons, branding specialists, and full-time/part-time reputational risk management personnel), and carried out special training and emergency drills on important occasions such as “March 15th” Consumer Rights Protection Day. In Q1 2024, the Company monitored, detected and handled 43 reports (original) of adverse publicity on the media, lower than for the same period in 2023. Of this, there were 10 Level III reports, accounting for 23.3%, 33 Level IV reports, representing 76.7%, and there were no Level I or II incidents, indicating manageable reputational risk. Self-media and social media remained a high-risk area. In terms of content, the share of mis-selling and claims disputes, as well as regulatory administrative penalties was relatively high.

As for strategic risk, the implementation of strategies of the Company is in a healthy status. In terms of factors which may impact its business operation and fulfillment of its strategic objectives, China’s economic recovery is on track, and yet effective demand remains weak; the life insurance market faces challenges amid tightening of financial regulation. In response to changes of the market environment, the Company persisted in high-quality development, consolidated achievements of the 1st phase of Changhang Transformation, promoted the 2nd phase of transformation, focused on building a customer-oriented cycle of value creation. It deepened organisational restructuring and promoted corporate culture, seeking to build a customer-oriented, value-creating, and dynamic organisation with agile evolution. At the same time, the Company continued to boost channel diversification underpinned by new models for the agency channel, bancassurance and the group channel. Going forward, it will deepen the 2nd phase of Changhang Transformation to maximise value creation for customers.

With respect to liquidity risk, the Company established a cash flow management system for investment accounts covering assets and liabilities, front-line departments and back-office departments. To be concrete, the system includes the projection, review, analysis and transfer of cash flows of investment accounts. It conducts account-specific

cash flow projections at year-end, month-end and in the event of material adjustment of business plans, with analysis of discrepancies between actual cash flows and projections. It also sets limits on discrepancies depending on size of accounts and profiles of liabilities. In the event of breaches of such tolerances, a detailed explanation for material cash flow discrepancies is required. Meanwhile, the Company conducts liquidity emergency drills on a regular basis to ensure effective response in cases of risk incidents; put in place mechanisms for early warning, with the focus shifting from crisis handling to early warning and prevention, which can enhance overall liquidity risk management. LCRs under all scenarios were solid. Relevant indicators showed that the liquidity management of the Company was sound and effective, with the liquidity risk overall under control.

VI. Management Analysis and Discussions

(I) Changes to solvency analysis this quarter

As of the end of this quarter, the core solvency margin ratio of the Company was 108%, with a margin of 12.20141bn yuan, down by 9pt from the previous quarter; comprehensive solvency margin ratio of the Company was 196%, with a margin of 148.73374bn yuan, down by 14pt from the previous quarter. Reasons for change are as follows:

1. As of the end of the quarter, actual capital amounted to 304.05253bn yuan, versus 312.00464bn of the previous quarter, down by 2.5%, mainly due to:

(1) Capital market volatility and changes of insurance contract liabilities under solvency reporting, and therefore core capital decreased by 6.46035bn yuan in the quarter.

(2) Supplement capital increased by 1491.76mn yuan.

2. As of the end of this quarter, minimum capital amounted to 155.31879bn yuan, versus 148.72302bn as of the end of the previous quarter, up by 4.4%, mainly due to:

(1) During the quarter, minimum capital for insurance risk increased by 1,341.35mn yuan, and of this, that for life insurance rose by 1,542.57mn yuan, and that for non-life insurance fell by 201.22mn yuan;

(2) During the quarter, minimum capital for market risk increased by 4.80084bn

yuan, and of this, that for interest rate risk fell by 734.64mn yuan, that for equity prices risk rose by 4.98140bn yuan, and that for overseas asset prices risk increased by 2.95321bn yuan;

(3) During the quarter, minimum capital for credit risk increased by 1.42696bn yuan, and of this, that for credit spread rose by 3.77026bn yuan, and that for defaults of counter-parties fell by 1.12669bn yuan;

(4) Risk diversification effect and loss absorption increased by 881.98mn yuan, which decreased minimum capital requirement;

(5) Subtraction from minimum capital by control risk increased by 91.40mn yuan from the preceding quarter.

(II) Changes to regulatory liquidity risk indicators

LCR for the next 3 months was 121%, and that for the next 12 months 106%, which can satisfy the minimum requirement of 100%. The LCR in the next 12 months under the stress scenario after and before disposal of assets was 236% and 82%, respectively, staying solid.

(III) Analysis of changes to IRR

As per notice of the regulator, the Company was rated AA at the IRR for Q4 2023, maintaining an A-class rating. In recent years, it continued to implement new rules on IRR under C-ROSS II, put in place long-term work mechanisms, enhanced rectification and early-warning of indicators; at the same time, it pressed ahead with Changhang Transformation and strived to address various risks via strategic transformation. Going forward, the Company will stay focused on the long term, uphold compliance in business operation, strengthen risk control and accelerate high-quality development.