

Summary of Solvency Report

China Pacific Insurance (Group) Co., Ltd.

2021 Interim

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I. Basic information

(1) Registered address:

1 South Zhongshan Road, Huangpu District, Shanghai, PRC.

(2) Legal representative:

KONG Qingwei

(3) Business scope

Invest in controlling stakes of insurance companies; supervise and manage the domestic and international reinsurance business of the insurers under its control; supervise and manage the investments by the insurers under its control; participate in international insurance activities as approved.

(4) Contacts for solvency information disclosure:

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II. Group ownership structure and changes to member companies

Please refer to our 2021 Interim Report for detailed information.

III. Main indicators

Items	As at the end of the reporting period	As at the beginning of the reporting period
Core solvency margin ratio	274%	282%
Core solvency margin (10K RMB)	41,117,836	41,212,169
Comprehensive solvency margin ratio	279%	288%
Comprehensive solvency margin (10K RMB)	32,941,204	33,347,786

IV. Actual capital

Items	As at the end of the reporting period	As at the beginning of the reporting period
Actual capital (10K)	51,294,469	51,076,552
Tier 1 core capital (10K RMB)	50,294,469	50,076,552
Tier 2 core capital (10K RMB)	–	–

Tier 1 supplement capital (10K RMB)	1, 000, 000	1, 000, 000
Tier 2 supplement capital (10K RMB)	-	-

V. Required capital

Items	As at the end of the reporting period	As at the beginning of the reporting period
Required capital (10K RMB)	18, 353, 265	17, 728, 766
Required capital for quantitative risks (10K RMB)	18, 353, 265	17, 728, 766
1)Required capital for parent company	-	-
2)Required capital for insurance member company	18, 353, 265	17, 728, 766
3)Required capital for banking member company	-	-
4)Required capital for securities member company	-	-
5)Required capital for trust member company	-	-
6)Required capital for quantifiable Group specific risks	-	-
7)Increase in required capital for risk diversification effect	-	-
8)Decrease in required capital for risk diversification effect	-	-
Required capital for control risk (10K RMB)	-	-
Supplement capital (10K RMB)	-	-

Note: Detailed regulations are yet to be promulgated by the CBIRC regarding the required capital for quantifiable Group specific risks, increase in required capital for risk aggregation effect, decrease in required capital for risk diversification effect, required capital for control risk, and supplement capital.

VI. Material events

During the reporting period, there was no material investment losses, no major guarantees for external parties, no financial crisis incurred by the Group's subsidiaries or associates, or their takeovers by regulators.

VII. Group specific risks

(1) Risk contagion

As per regulatory requirements, the Company has set up risk quarantine mechanisms for its business operation, personnel management, fund management, information systems and internal transactions, etc., to effectively prevent the spread of relevant risks within the Group and to minimize the risk of contagion.

(2) Risk due to opaque organizational structure

As a listed insurance group, the Company boasts a clear ownership structure and sound corporate governance. The focus on insurance as its core business supplemented by other related business effectively prevents the risk of losses incurred by the Company as a result of opaque organizational structure.

(3) Concentration risk

As per regulatory requirements, the Company and its member insurers identify, evaluate, monitor and report on the concentration risk of various types on a regular basis, including the concentration risk of investment and reinsurance counter-parties, insurance and non-insurance business and investment assets, which effectively prevented the aggregation of a single risk or risk portfolios at the Group level, or a material threat to the Group's solvency and liquidity.

(4) Non-insurance risk

The Company's deployment in non-insurance sectors is aligned with its strategy of focusing on the core business of insurance, and thus the non-insurance risk is limited in both magnitude and impact. In strict compliance with regulatory rules, it prudently manages investment in non-insurance areas, continuously monitors and prevents the adverse effect on the solvency of both the Group and its member insurers by the business operation of its non-insurance member companies.

Summary of Quarterly Solvency Report

China Pacific Property Insurance Co., Ltd.

2nd Quarter of 2021

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I. Basic information

(I) Registered address

South Tower, Bank of Communications Financial Building, 190 Middle Yincheng Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, the PRC

(II) Legal representative

GU Yue

(III) Business scope and territories

1. Business scope

Property indemnity insurance; liability insurance; credit and guarantee insurance; short-term health and personal accident insurance; reinsurance of the above said insurance; insurance funds investment as approved by relevant laws and regulations; other business as approved by the CBIRC.

2. Business territories

The People's Republic of China (excluding Hong Kong, Macao and Taiwan)

(IV) Ownership structure and shareholders

1. Ownership structure

Equity categories	Shares or contributed amounts (10K shares)	Percentage (%)
Domestic shares held by legal entities	1,947,000	100
Domestic shares held by natural persons	-	-
Foreign shares	-	-
Others	-	-
Total	1,947,000	100

2. Top 10 shareholders

Names of shareholders	Shares held as at the end of the reporting period	Percentage of shareholding (%)
China Pacific Insurance (Group) Co., Ltd.	19,178,214,743	98.50
Shenergy Group Co., Ltd.	90,874,742	0.47
Shanghai Haiyan Investment Management Company Limited	90,620,982	0.46
Yunnan Hehe (Group) Co.,Ltd.	59,586,361	0.31
Shanghai State-owned Assets Operation Co., Ltd.	50,703,172	0.26
Total	19,470,000,000	100.00

(V) Controlling shareholder or de facto controller

China Pacific Insurance (Group) Co., Ltd. is the majority shareholder of the Company, holding 98.5% of its stake.

(VI) Subsidiaries, joint or associate ventures

Name of companies	Number of shares (10K)	Percentage of the shareholding (%)
Shanghai Binjiang-Xiangrui Investment and Construction Co., Ltd.	1,071	35.70
China Pacific Anxin Agricultural Insurance Co., Ltd.	36,490	52.13
Shanghai Juche Information Technology Co., Ltd.	148	25.20
Zhongdao Automobile Assistance Co., Ltd	1,280	20.32
CPIC Euler Hermes Credit Insurance Sales Co., Ltd	2,550	51.00
Shanghai Lexiang Sijin Technology Joint-stock Co. Ltd.	369	6.16
Shanghai Heji Business Management Partnerships (LP)	20,000	99.00

(VII) Directors, supervisors and senior management

1. Directors

Mr. SU Shaojun, born in February 1968, has a PhD degree. He has been serving as Director of the Company since May 2021 (approval document: CBIRC [2021] No. 377). Mr. SU currently serves as Board Secretary and Deputy Director on Transformation Matters of CPIC Group, and Director of CPIC Capital Company Limited. He previously served as Assistant General Manager, Deputy General Manager of Underwriting Department of CPIC P/C, Deputy General Manager, General Manager of CPICP/C Beijing Branch, General Manager of Development and Planning Department of CPIC P/C, Head of Board Office of CPIC P/C, Head of Supervisory Board Office of CPIC P/C, General Manager of Tele-marketing Center of CPIC P/C, and Head of Strategy Research Center of CPIC Group.

Mr. WU Junhao, born in June 1965, has a master's degree. He has served as Director of the Company since August 2012 (approval document: CIRC P/C [2012] No.796). Mr. WU currently serves as Manager of Financial Management Department of Shenergy (Group) Co., Ltd., Non-executive Director of CPIC Group, and Director of CPIC Life. He is also Director of Shanghai ICY New Energy Venture Capital Co., Ltd., Supervisor of Orient Securities Co., Ltd., Director of Chengdu Xinshen Venture Capital Co., Ltd., Supervisor of Shanghai ICY Capital Management Ltd., and Supervisor of Everbright Banking Co., Ltd. Mr. WU previously served as Supervisor of Shanghai Pharmaceuticals Holding Co., Ltd., a company listed on SSE and on SEHK, and Director of Shanghai Jiulian Group Co., Ltd.

Mr. ZHANG Weidong, born in October 1970, holds a bachelor's degree. He has been serving as Director of the Company since March 2018 (approval document: CBIRC [2018] No.3). Mr. ZHANG currently serves as Compliance Responsible Person and Legal Councilor of CPIC Group and Director of CPIC Life, CPIC AMC and Changjiang Pension respectively. Mr. ZHANG previously served as Board Secretary of the Company, Chief Risk Officer and General Manager of Legal and Compliance Department and Risk Management Department of CPIC Group respectively, Head of Board Office and Supervisor Office of CPIC Group respectively, and Board Secretary of CPIC Life and CPIC AMC respectively.

Mr. ZHANG Yuanhan, born in November 1967, holds a master's degree. He has been serving as Director of the Company since March 2018 (approval document: CBIRC [2018] No.68). Mr. ZHANG is also Finance

Responsible Person and Chief Actuary of CPIC Group, Director of CPIC Life and CPIC AMC respectively, Director, Chief Actuary of CPIC Health, and Director of CPIC Capital Company Limited. He 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., and Chief Risk Officer of CPIC Health.

Mr. ZHANG Yuhua, born in November 1967, holds a master's degree. He has been serving as Director of the Company since May 2021 (approval document: CBIRC [2021] No. 378). Mr. ZHANG currently serves as Deputy General Manager of CPIC P/C. Previously, he served as Deputy General Manager of CPIC P/C Shenzhen Branch, General Manager of CPIC P/C Sichuan Branch. Prior to that, Mr. ZHANG served as Deputy Director of the Secretary and Administration Department of the Hong Kong and Macao Affairs Office of the State Council, Member of the Standing Committee of the Heze Municipal Party Committee, Deputy Mayor of Heze Municipal Government, Deputy Secretary of Party Leadership Group of Heze, and Party Secretary of the State-owned Assets Supervision and Administration Commission of Shandong Province.

Mr. YU Bin, born in August 1969, holds a master's degree. He has been serving as Director of the Company since September 2019 (approval document: CBIRC Shanghai [2019] No.804). Mr. YU currently serves as Vice President of CPIC Group. Previously, Mr. YU served as Deputy General Manager of the Non-Marine Insurance Department of the Company, Deputy General Manager of Underwriting and Claims Department of the Company, General Manager of Market Development Center of the Company, General Manager of Marketing Department of the Company, Chief Marketing Officer, Deputy General Manager of the Company, and Assistant President of CPIC Group.

Mr. GU Yue, born in June 1965, holds a master's degree. He has been serving as Chairman of the Company since March 2015 (approval document: CIRC [2015] No. 228). Mr. GU was appointed as Acting Responsible Person of the Company by the 2nd extraordinary meeting of 2021 of the 6th Board of Directors on 2 March 2021. Mr. GU also serves as Chairman of CPIC HK and Director of CPIC AMC. Previously, Mr. GU served as Director and General Manager of the Company, Chairman of Board of Supervisors and Director of CPIC Life, Chairman of Board of Supervisors of CPIC AMC, Director of CPIC Health, and Board Secretary, Chief Auditing Officer, Internal Auditing Responsible Person, Vice President and Finance Responsible Person,

and Executive Vice President of CPIC Group.

2. Supervisors

Mr. Sun Peijian, born in September 1963, holds a master's degree and has been serving as Supervisor of the Company since September 2019 (approval document CBIRC Shanghai [2019] No. 803). He was appointed as Chairman of Board of Supervisors of the Company in October 2019. Mr. SUN currently serves as Chief Risk Officer of CPIC Group, Chairman of Board of Supervisors of CPIC Life and Director of CPIC Capital Company Limited. Previously, Mr. SUN served as Assistant General Manager, Deputy General Manager of Reinsurance Department of CPIC Group, Deputy General Manager, General Manager of Reinsurance Department of CPIC Group, Assistant General Manager, Deputy General Manager, Compliance Responsible Person, Compliance Director, and Vice President of CPIC Group, Director of CPIC P/C, CPIC Life and CPIC AMC respectively, and Chairman and General Manager of CPIC Health.

Ms. LI Shuhui, born in July 1972, holds a master's degree, and has been serving as Supervisor of the Company since April 2018 (approval document: CBIRC [2018] No. 125). Ms. LI currently serves as General Manager of Finance Department/Asset Department of the Company, Supervisor of CPIC Online, Deputy General Manager and Finance Responsible Person of Anxin Agricultural Insurance. Previously, she served as General Manager of Audit Center/Audit Technology Division of CPIC Group, Supervisor of CPIC Health, Internal Auditing Responsible Person of Changjiang Pension, Supervisor of Pacific Insurance Elderly Caring Investment Management Co., Ltd., and Supervisor of Anxin Agricultural Insurance.

Mr. CAO Junhua, born in March 1966, has a PhD degree. He has been serving as Supervisor of the Company since May 2021 (approval document: CBIRC [2021] No. 376). Mr. CAO currently serves as Chief Auditor of Internal Audit Management Department of CPIC Group. Previously, he served as Head of Secretary Department of General Office of CPIC Life, Deputy Chief of Board Office of CPIC Group, Assistant General Manager of CPIC P/C Suzhou Branch, Deputy General Manager of Legal Compliance Department of CPIC P/C Suzhou Branch, Head of Specialized Capacity-building Team of Audit Center of CPIC Group, Deputy General Manager (in charge of work), General Manager of General Audit Department of Audit Center of CPIC Group, General Manager of Audit Department (North China) of Audit Center of CPIC Group.

3. Senior management

Mr. GU Yue, born in June 1965, holds master's degree. He has been serving as Chairman of the Company since March 2015 (approval document: CIRC [2015] No. 228). Mr. GU Yue was appointed as Acting Responsible Person of the Company by the 2nd extraordinary meeting of 2021 of the 6th Board of Directors on 2 March 2021. Mr. GU also serves as Chairman of CPIC HK and Director of CPIC AMC. Previously, Mr. GU served as Director and General Manager of the Company, Chairman of Board of Supervisors and Director of CPIC Life, Chairman of Board of Supervisors of CPIC AMC, Director of CPIC Health, and Board Secretary, Chief Auditing Officer, Internal Auditing Responsible Person, Vice President and Finance Responsible Person, and Executive Vice President of CPIC Group.

Mr. ZHANG Yuhua, born in November 1967, holds a master's degree. He has been serving as Deputy General Manager of the Company since April 2021 (approval document: CBIRC [2021] No. 226). Mr. ZHANG currently also serves as Director of the Company. Previously, he served as Deputy General Manager of CPIC P/C Shenzhen Branch, General Manager of CPIC P/C Sichuan Branch, Secretary of Discipline Inspection Commission of CPIC P/C, and Deputy Party Secretary of CPIC P/C. Prior to that, Mr. ZHANG served as the Deputy Director of the Secretary and Administration Department of the Hong Kong and Macao Affairs Office of the State Council, Member of the Standing Committee of the Heze Municipal Party Committee, Deputy Mayor of Heze Municipal Government, Deputy Secretary of Party Leadership Group of Heze, and Party Secretary of the State-owned Assets Supervision and Administration Commission of Shandong Province.

Mr. ZENG Yi, born in June 1965, holds a master's degree, and has been serving as Deputy General Manager of the Company since March 2017 (approval document: CIRC [2015] No. 543). Previously, Mr. ZHENG served as Chief Operating Officer of CPIC P/C, Director of Auto Insurance Business of CPIC P/C, General Manager of CPIC P/C Chongqing Branch.

Mr. SONG Jianguo, born in December 1966, holds a master's degree. He has been serving as Deputy General Manager of the Company since August 2012 (approval document: CIRC P/C Insurance [2011] No. 380). Mr. SONG also serves as Chairman of China Pacific Anxin Agricultural. Previously he served as General Manager of CPIC P/C Hainan Branch, General Manager of Property and Liability Insurance Department of

CPIC P/C, General Manager of CPIC P/C Shandong Branch, Sales Director of CPIC P/C, and Party Secretary of Marine Insurance Business Operation Center of CPIC P/C.

Mr. ZHANG Dong, born in October 1963, holds a master's degree. He has been serving as Deputy General Manager and Compliance Responsible Person (approval documents: CIRC [2014] No. 750 and CIRC [2014] No. 753 respectively), Chief Risk Officer, and Transformation Promotion Director of the Company since September 2014. Previously, Mr. ZHANG served as Sales Director and General Manager of Group Business Department of CPIC Life, Party Secretary and General Manager of CPIC Life Jiangsu Branch, Member of Party Committee of CPIC AMC, Secretary of Discipline Inspection Committee of Party Committee of CPIC AMC, Supervisor of CPIC AMC, Chairman of Labor Union of CPIC AMC, Member of Discipline Inspection Committee of Party Committee of CPIC Group, Vice Chairman of Labor Union of CPIC Group, Supervisor of CPIC AMC, and Supervisor of Pacific Ocean Asset Management Co., Ltd.

Mr. XI Yulin, born in November 1962, has a bachelor's degree, and has been serving as Deputy General Manager of the Company since June 2015 (approval document: CIRC [2015] No. 543). He has also been serving as Executive Director, and General Manager of CPIC Online since August 2017. Previously, Mr. XI served as Party Secretary, General Manager of CPIC P/C Suzhou Branch, and Assistant General Manager (auto insurance) of the Company.

Mr. CHEN Sen, born in October 1970, holds a master's degree. He has been serving as Chief Actuary of the Company since October 2015 (approval document: CIRC [2015] No. 949), and Finance Responsible Person of the Company since June 2017 (approval document: CIRC [2017] No. 520) and his appointment qualification of being the Deputy General Manager of the Company granted by CBIRC in June 2021 (approval document: CBIRC [2021] No. 497)¹ Currently, Mr. CHEN also serves as Director of China Pacific Anxin Agricultural. Previously, he served as Deputy General Manager, Finance Responsible Person and Chief Actuary of China Property & Casualty Reinsurance Company Limited. Prior to that, Mr. CHEN worked at the New York headquarters of Guy Carpenter & Company, and the North American headquarters of Swiss Re.

¹ Mr. CHEN Sen was appointed as the Deputy General Manager of the Company on 9 August 2021.

Mr. ZHANG Yu, born in April 1965, holds a bachelor's degree. He has been serving as Deputy General Manager of the Company since May 2021(his qualification for Assistant General Manager was approved in October 2019 via the approval document CBIRC Shanghai [2019] No. 826). Previously, he served as Deputy General Manager of CPIC P/C Suzhou Central Sub-branch, Deputy General Manager of CPIC P/C Suzhou Branch, Deputy General Manager of CPIC P/C Shanghai Branch, General Manager of CPIC P/C Ningbo Branch, General Manager of CPIC P/C Shanghai Branch, and Assistant Manager (non-auto insurance) of the Company.

Mr. SU Zhanwei, born in June 1966, holds a master's degree. He has been serving as Assistant General Manager (non-auto insurance) of the Company since October 2019 (approval document: CBIRC Shanghai [2019] No. 841). Prior to that, Mr. SU served as Assistant General Manager, Deputy General Manager, and General Manager of CPIC P/C Henan Branch, Head of General Office of CPIC P/C and Head of Office of Board of Directors and Head of Office of Board of Supervisors of CPIC P/C, and General Manager of Corporate Customer Department/Bancassurance Department of CPIC P/C.

Ms. TAO Lei, born in September 1977, holds a master's degree. She has been serving as interim Board Secretary². Ms. TAO currently also serves as Head on Transformation Matters for the Company, Head of Office for Deepening Transformation, General Manager of Development and Planning Department, Head of Board Office, and Head of Supervisory Board Office of the Company. Previously, she served as Assistant General Manager, Deputy General Manager of Tele-marketing Department of CPIC P/C, Deputy General Manager (in charge of work) of Project Management Department of CPIC Online, General Manager of Marketing Department of CPIC Online, General Manager of Shanghai Sub-center of Tele-marketing Center of CPIC P/C, and Deputy General Manager of Tele-marketing Center of CPIC P/C.

Mr. XU Zhichun, born in October 1962, holds a master's degree. He has been serving as Internal Auditing Responsible Person of the Company (approval document: CBIRC Shanghai [2019] No. 956) since November 2019. Previously, Mr. XU served as Deputy General Manager, General Manager of CPIC P/C Wuxi Branch, General Manager of Claims Department and Auto Insurance Claims Department of CPIC P/C respectively, General Manager of CPIC P/C Guangdong Branch, General Manager of Operations Center of CPIC P/C, and

² Ms. TAO Lei was appointed as the Assistant to General Manager and Board Secretary on 9 August 2021.

General Manager of Shanghai Sub-Center of Operations Center of CPIC P/C.

(VIII) Contacts for solvency information disclosure

Contact person: CHEN Mo

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E-mail: chenmo-004@cpic.com.cn

II. Main indicators

Item	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Core solvency margin ratio	224%	234%
Core solvency margin (10K RMB)	2,520,057	2,626,192
Comprehensive solvency margin ratio	273%	285%
Comprehensive solvency margin (10K RMB)	3,520,057	3,626,192
Latest IRR result		B
Premium income (10K RMB)	3,811,915	4,344,147
Net profit (10K RMB)	140,510	209,742
Net assets (10K RMB)	4,623,984	4,674,362

III. Actual capital

Item	As at the end of this quarter	As at the end of last quarter
Admitted assets (10K RMB)	20,607,593	20,327,402
Admitted liabilities (10K RMB)	15,057,965	14,746,110
Actual capital (10K RMB)	5,549,628	5,581,292
Tier 1 core capital (10K RMB)	4,549,628	4,581,292
Tier 2 core capital (10K RMB)	-	-

Tier 1 supplement capital (10K RMB)	1,000,000	1,000,000
Tier 2 supplement capital (10K RMB)	-	

IV. Required capital

Item	As at the end of this quarter	As at the end of last quarter
Required capital (10K RMB)	2,029,571	1,955,100
Required capital for quantitative risks (10K RMB)	2,059,224	1,983,664
1) Required capital for insurance risk (10K RMB)	1,495,568	1,414,343
2) Required capital for market risk (10K RMB)	511,665	489,920
3) Required capital for credit risk (10K RMB)	738,288	754,861
Required capital for control risk (10K RMB)	-29,653	-28,565
Supplement capital (10K RMB)	-	-
1) Counter-cyclical supplement capital (10K RMB)	-	-
2) Supplement capital of D-SIIs (10K RMB)	-	-
3) Supplement capital of G-SIIs (10K RMB)	-	-
4) Other supplement capital (10K RMB)	-	-

V. Integrated risk rating (IRR)

The Company was rated B in IRR for both Q4 of 2020 and Q4 of 2021.

VI. Risk management status

(I) The latest CBIRC Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company

In 2018, the former CIRC conducted Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company, and the result was 82.88 points: 16.73 points for risk management infrastructure and environment, 7.55 for risk management

objectives and tools, 8.60 for insurance risk management, 8.32 for market risk management, 8.38 for credit risk management, 7.66 for operational risk management, 8.68 for strategic risk management, 8.28 for reputation risk management, and 8.68 for liquidity risk management.

(II) Measures taken to improve solvency risk management and the latest results in the reporting period

During the quarter, the Company mainly took the following measures to improve the infrastructure of risk management, enhance prevention of major risks and foster the culture of risk management.

First, in infrastructure of risk management, it updated and issued the 2021 Risk Appetite Framework based on its strategic objectives, development levels and business profiles, with continuous monitoring of relevant indicators; drafted Provisional Rules on Management of Foreign Exchange Risk and Foreign Exchange Position to manage foreign exchange risk.

Second, given current key risks of the industry, it organised a specific risk review covering the entire organisation, focusing on reputation risk, credit & guarantee insurance for financing purposes and contract management in a bid to address potential risks and enhance the foundation of risk control.

Third, conducted annual self-assessments: initiated annual risk management & internal control self-evaluation to consolidate foundation of internal control; launched the 2021 annual risk management capabilities self-assessment for all-around evaluation of its capabilities in risk management.

Fourth, boosted risk management culture with the focus on 2 themes: 1) the launch of “Risk Management & Compliance Month”, with the theme of “ownership and participation”. The event encapsulated a number of activities such as “My Commitments: Risk Control Objectives”, “My Practice: Universal Ownership”, “My Stories: Adding Value via Risk Control” and “My Quiz: Inculcating Risk Control Philosophies”, in a bid to create an enabling cultural environment for risk management and compliance of “ getting everybody on board and benefiting all”, entrench the corporate values of “Compliance is the productivity”, provides a safeguard for high-quality development and project an image of compliance. 2) in compliance with CBIRC

requirements, conducted the “Internal Control and Compliance Year” to consolidate progress in Rectification of Irregularities, enhance internal control and compliance management, foster the culture for prudent business operation and lay a solid foundation for high-quality development.

VII. Liquidity risk

(I) Liquidity risk management indicators

(1) Net cash flow

Item	During/as at the end of this quarter
Net cash flow (10K RMB)	-20,778

(2) Comprehensive current ratio

Item	Within 3 months	Within 1 year	Above 1 year
Comprehensive current ratio	75.7%	53.9%	235.7%

(3) Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio	361.3%	302.5%

(II) Liquidity risk analysis and mitigation

(1) Cash flows

In this quarter, net cash flow of the Company was -RMB208 million, a decrease of RMB4.25 billion from the previous quarter

Net cash flow from the business activities of the Company was RMB2.61 billion, an increase of RMB2.96 billion from the previous quarter. Of this, cash inflow from primary insurance premiums reached RMB38.6 billion, up by 13.4%; cash outflows from claims payout rose by 3.1% to RMB21.4 billion.

Net cash flow from the Company's investment activities was RMB5.54 billion. Of this, cash inflow from recovery of investment and payment of investment income reached RMB14.74 billion, up by 72.2% from the previous quarter; cash paid to acquire investments was RMB9.08 billion, down by 29.3%. The substantial increase in cash received from investment in this quarter is the result of normal asset allocation in light of the current investment strategy of the Company.

Net cash outflow from financing activities was RMB8.34 billion, mainly as a result of refunding of financial assets sold under agreements to repurchase and payment of cash dividend for shareholders.

(2) Liquidity indicator analysis

The Company has allocated a certain proportion of highly liquid assets in its SAA to meet liquidity requirements. Therefore, its liquidity coverage ratio is 361.3% and 302.5% under stress scenario 1 and 2 respectively in the next quarter, enough to meet short-term cash flow requirements arising from business volatility.

To mitigate liquidity risk, the Company attaches importance to daily cash flow management, coordinates cash flows from business, investment and financing activities to ensure sufficient liquidity to meet needs of surrenders, claims and other benefits payments. It will continue to monitor changes to its liquidity status and enhance risk management capabilities.

VIII. Regulatory measures taken against the Company

(I) Regulatory measures taken against the company by CBIRC

During the reporting period, CBIRC has not taken any regulatory measures against the Company headquarters.

(II) Corrective measures taken by the Company

None.

Summary of Quarterly Solvency Report

Pacific Health Insurance Co., Ltd.

2nd Quarter of 2021

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I. Basic information

(I) Registered address: 13th Floor, Building No. 1, 1229 Century Avenue, China
(Shanghai) Pilot Free Trade Zone, Shanghai, the PRC

(II) Legal representative: MA Xin

(III) Business scope and territories

1. Business scope:

Health and personal accident insurance denominated in RMB yuan and foreign currencies; health insurance commissioned by the government or supplementary to state medical insurance policies; reinsurance of the above said insurance; health insurance-related agency and consulting business; insurance funds investment as approved by relevant laws and regulations; other business as approved by the CIRC.

2. Business territories:

Shanghai, Beijing, Guangdong Province, Sichuan Province

(IV) Ownership structure and shareholders:

1. Ownership structure

Equity category	Number of shares or contributed amounts (10K shares)	Percentage (%)
Domestic shares held by legal entities	170,000.00	100.00
Domestic shares held by natural persons	–	–
Foreign shares	–	–
Others	–	–
Total	170,000.00	100.00

2. Top 10 shareholders

Name of shareholders	Shares held or amounts contributed as at the end of the reporting period (10K shares)	Percentage of the shareholding (%)
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1.China Pacific Insurance (Group) Co., Ltd.	144, 586. 70	85. 051
2. China Pacific Life Insurance Co., Ltd	25, 413. 30	14. 949

(V) Controlling shareholder or de facto controller:

China Pacific Insurance (Group) Co., Ltd.holds 85.051% of the Company’s stake and is thus its controlling shareholder.

(VI) Subsidiaries, joint or associate ventures:

Company name	Number of shares held (10k shares)	Percentage of the shareholding (%)
Shanghai Proton & Heavy Ion Hospital	10,000	20

(VII) Directors, supervisors and senior management

1. Directors (6 in total):

Mr. MA Xin, born in April 1973, has a master's degree. He has been serving as Chairman of the Company since January 2021 (approval document: CBIRC Approval [2021] No. 4). He has been serving as the acting Responsible Person of the Company (pending approval from CBIRC) since June 2021. Mr. MA currently serves as Vice President of CPIC Group, Director of CPIC Life and Changjiang Pension respectively. He previously served as Manager of Individual Business Department and Assistant General Manager of CPIC Life Xi’an Branch, Deputy General Manager and General Manager of CPIC Life Shaanxi Branch, and Transformation Director, Head of Strategic Transformation Office and General Manager of the Strategic Planning Department of CPIC Group, Board Secretary of CPIC Group, and Director of CPIC P/C.

Mr. WANG Mingchao, born in October 1976, holds a master's degree and title of senior Human Resources Professional. He has been serving as Director of the Company (approval document: CBIRC [2019] No.856) since October 2019. Mr. WANG currently also serves as Deputy Marketing Officer of CPIC Group. Previously, he served as Head

of Cadre's Division of Human Resources Department of CPIC Life, Assistant General Manager of Human Resources Department of CPIC Life, Head, Deputy Head of Party Affairs Department/Organization and Cadre Department of CPIC Life, Senior Deputy General Manager of CPIC Life Shanghai Branch, General Manager of Cooperation Business Department of CPIC Life, General Manager, Head of Sales, SBU Head of CPIC Life Shanghai Branch (Operations Department), Board Secretary of CPIC P/C, and Head of Board Office of CPIC Group.

Mr. Benjamin DENG, born in November 1969, has a master's degree and is a chartered financial analyst and a financial risk manager. He has served as Director of the Company since May 2021 (approval document: CBIRC [2021] No.340). Mr. DENG currently serves as Chief Investment Officer of CPIC Group, Chief Investment Officer of CPIC HK, and Director of CPIC Capital Company Limited, CPIC Life, and CPIC AMC respectively. His previous stints include mid-office head of the Group Risk Management Department of AIG, market risk management head of AIG's Asia Pacific Division (excluding Japan), market risk director, investment analysis director, investment solutions and derivatives director, and director of China strategic projects of AIA.

Mr. ZHANG Weidong, born in October 1970, holds a bachelor's degree. He has been serving as Director of the Company since May 2021 (approval document: CBIRC [2021] No.341). Mr. ZHANG currently serves as Compliance Responsible Person and General Counsel of CPIC Group, and Director of CPIC P/C, CPIC Life, CPIC AMC and Changjiang Pension respectively. Mr. ZHANG previously served as General Manager of Legal Compliance Department and Risk Management Department, Risk & Compliance Officer and Chief Risk Officer of CPIC Group, Head of Board Office of CPIC Group, and Board Secretary of CPIC P/C, CPIC Life and CPIC AMC.

Mr. ZHANG Yuanhan, born in November 1967, holds a master's degree and is a member of Society of Actuaries and American Academy of Actuaries respectively, and director of China Association of Actuaries. He has been serving as Chief Actuary of the Company since August 2020 (approval document: CBIRC [2020] No.479), and Director of the Company (approval document: CBIRC [2021] No.280) since April 2021. Mr. ZHANG

currently serves as Director, Chief Actuary of the Company, Chief Actuary, Finance Responsible Person of CPIC Group, and Director of CPIC Life, CPIC P/C and CPIC AMC and CPIC Capital Company Limited respectively. Mr. ZHANG previously served as Chief Actuary of the Company (29 January 2016-27 December 2019), acting Chief Actuary, Chief Risk Officer of the Company, Deputy General Manager, CFO, Chief Actuary of Sun Life Everbright Life Insurance Co., Ltd, Director of Sun Life Everbright Asset Management Co., Ltd, Chief Actuary of Sino Life Insurance Co., Ltd., Chief Actuary, Deputy General Manager and Vice President of MetLife Insurance Company Limited (Shanghai), and Chief Actuary of Citi Group TRV-Citi Insurance headquarters.

Ms. PAN Yanhong, born in August 1969, holds a master's degree and title of senior accountant and is a Chinese CPA. She has been serving as Director of the Company since March 2015 (approval document: CIRC [2015] No.263).Ms. PAN currently serves as Chairman of CPIC Life, and Director of Changjiang Pension and CPIC AMC respectively. Ms. PAN previously served as Executive Vice President and Finance Responsible Person of CPIC Group, Director of CPIC P/C, and Deputy General Manager of Finance Department of CPIC Life.

2. Supervisors (3 in total):

Mr. GU Qiang, born in January 1967, holds a master's degree and title of senior accountant. He has been serving as Chairman of the Board of Supervisors of the Company (approval document: CRIC [2021] No. 165) since March 2021. Mr. GU currently serves as Employee Representative Supervisor of CPIC Group, Chairman of the Board of Supervisors of CPIC AMC and Chairman of the Board of Supervisors of Changjiang Pension. Mr. GU formerly was a lecturer at the Department of Finance and Insurance of Shanghai University of Finance and Economics, senior auditor of Pricewaterhouse Da Hua Certified Public Accountants, Deputy Manager of Integrated Planning Department and Manager of the International Business Department of Wanguo Securities Co., Ltd., Vice President and CFO of Shanghai Branch of American International Underwriters, served as Deputy Chief Accountant, CFO, Finance Responsible Person and Deputy General Manager of CPIC P/C, Vice President and CFO of China Pacific Anxin Agricultural Insurance Co., Ltd.

Ms. HU Shuangzhu, born in September 1980, holds a master's degree, is a certified internal auditor, certified information system auditor, financial risk manager, and has CRMA qualification. She has been serving as Supervisor of the Company since August 2016 (approval document: CIRC [2016] No.814). Ms. HU currently serves as Internal Control Chief Auditor of Internal Audit Center, Audit Technology Division of CPIC Group. Previously, Ms. HU served as Senior Manager of PricewaterhouseCoopers Business Consulting (Shanghai) Co., Ltd., and Chief Auditor of Internal Audit Center, Internal Audit Business Division of CPIC Group.

Ms. XUE Yongxian, born in November 1976, holds a master's degree. She has been serving as Supervisor (employee representative) of the Company (approval document: CRIC [2017] No. 161) since February 2017. Ms. XUE currently serves as General Manager of Shanghai Branch of the Company and Head of Life Individual Cross-selling Business Center. Previously, she served as General Manager of Sales Management Department of the Company, Deputy General Manager of Group Business Department Planning and Training Division of CPIC Life, Assistant General Manager of Group Business Department Accident Insurance Division of CPIC Life, Assistant General Manager and Senior Manager of Group Business Department Direct Sales Supervision Division of CPIC Life, and Section Head of Group Business Department of CPIC Life.

3. Senior management (9 in total)

Mr. MA Xin, born in April 1973, has a master's degree. He has been serving as Chairman of the Company since January 2021 (approval document: CBIRC [2021] No. 4). He has been serving as Acting Responsible Person of the Company (no approval document) since June 2021. Mr. MA currently serves as Vice President of CPIC Group, Director of CPIC Life and Changjiang Pension respectively. He previously served as Manager of Individual Business Department and Assistant General Manager of CPIC Life Xi'an Branch, Deputy General Manager and General Manager of CPIC Life Shaanxi Branch, and Transformation Director, Head of Strategic Transformation Office and General Manager of the Strategic Planning Department of CPIC Group, Board Secretary of CPIC Group, and Director of CPIC P/C.

Mr. LI Jieqing, born in November 1968, holds a bachelor's degree. He has been serving as Deputy General Manager of the Company (approval document: CRIC [2016] No. 450) since May 2016. Previously, Mr. LI served as Director of Risk and Compliance and Compliance Responsible Person of CPIC Group, General Manager of Risk Management Department of CPIC Group, Director of CPIC P/C, CPIC Life, CPIC AMC and the Company respectively.

Mr. ZHANG Yuanhan, born in November 1967, holds a master's degree and is a member of Society of Actuaries, American Academy of Actuaries, and director of China Association of Actuaries. He has been serving as Chief Actuary of the Company since August 2020 (approval document: CBIRC [2020] No.479), and Director of the Company (approval document: CBIRC [2021] No.280) since April 2021. Mr. ZHANG currently serves as Director, Chief Actuary of the Company, Chief Actuary, Finance Responsible Person of CPIC Group, and Director of CPIC Life, CPIC P/C and CPIC AMC and CPIC Capital Company Limited respectively. Mr. ZHANG previously served as Chief Actuary of the Company (29 January 2016-27 December 2019), Acting Chief Actuary, Chief Risk Officer of the Company, Deputy General Manager, CFO, Chief Actuary of Sun Life Everbright Life Insurance Co., Ltd, Director of Sun Life Everbright Asset Management Co., Ltd, Chief Actuary of Sino Life Insurance Co., Ltd., Chief Actuary, Deputy General Manager and Vice President of MetLife Insurance Company Limited (Shanghai), and Chief Actuary of Citi Group TRV-Citi Insurance headquarters.

Mr. ZHOU Bin, born in April 1966, has received a post-graduate education. He has been serving as Deputy General Manager of the Company (approval document: CIRC [2016] No.450) since May 2016. Mr. Zhou is also Chief Risk Officer of the Company and Council Member of Shanghai Pacific Blue Charity Foundation. Previously, Mr. ZHOU served as General Manager of Information Technology Center Human Resources and Comprehensive Management Department of CPIC Group, Deputy Head of Cadre and Personnel Division of Shanghai Municipal Commission of Financial Industry (temporary post), and General Manager of Human Resources Department of CPIC Group.

Mr. ZHOU Qing, born in January 1978, holds a master's degree and legal professional qualification. He has been serving as Board Secretary of the Company since March 2015 (approval document: CIRC [2015] No.167). Mr. ZHOU is also General Manager of Strategic Development Department of the Company and General Manager of Beijing Branch of the Company. Previously, Mr. ZHOU served as Deputy General Manager of Investor Relations Department of CPIC Group, General Manager of Administration and Personnel Department of the Company, General Manager of Legal and Compliance Department of the Company, and Compliance Responsible Person of the Company.

Mr. JIANG Honglang, born in November 1964, holds a doctoral degree and title of senior auditor. He has been serving as Internal Auditing Responsible Person of the Company since January 2019 (approval document: CBIRC [2019] No.128). Mr. JIANG currently serves as General Manager of Digital Audit Technology Department of CPIC Group. Previously, he served as Senior Auditor of Internal Audit Department of CPIC Group, Deputy General Manager of Internal Audit Management Department of CPIC Group, and General Manager of Remote Internal Audit Department of CPIC Group. Prior to that, he served as associate professor of Institute of Applied Mathematics of Guizhou University of Technology.

Ms. WEN Qin, born in October 1975, holds a bachelor's degree and has legal professional qualification. She has been serving as Compliance Responsible Person of the Company since September 2019 (approval document: CBIRC [2019] No.796). Ms. WEN is also Legal Responsible Person and General Manager of Risk and Compliance Department of the Company. Previously, she served as Assistant General Manager and Legal Responsible Person of Legal Compliance Department of Cathay Life Insurance Co., Ltd., and General Manager and Legal Responsible Person of Legal Compliance Department of Lujiazui Cathay Life Insurance Co., Ltd.

Ms. YIN Yanling, born in June 1972, holds a master's degree and is a member of China Association of Actuaries. She has been serving as Acting Finance Responsible Person of the Company since March 2021 (no approval document). Previously, she served as Head of the Actuary Management Division of Planning and Finance Department of CPIC Group, Assistant General Manager of Planning and Finance Department of CPIC Group, Deputy

General Manager (in charge) of Financial Investment Department/Actuary Department, Deputy General Manager (in charge) of Financial Management Department/Actuary Department, Deputy General Manager of Risk Management Department/Risk Monitoring Department, General Manager of Financial Management Department/Actuary Department, and General Manager of Actuary Department of CPIC Group, and General Manager of Actuary Department of CPIC Life.

Notes:

1) Starting from 12 June 2021, CHEN Wei no longer served as General Manager and Director of Pacific Health Insurance Co., Ltd., and Ma Xin acted as Acting General Manager of Pacific Health Insurance Co., Ltd.

2) Starting from 1 June 2021, Samson IP no longer served as Deputy General Manager of the Company.

3) Starting from 23 April 2021, Uwe Michel and Solmaz Altin no longer served as Director of the Company; starting from 15 April 2021, ZHANG Yuanhan served as Director of the Company; starting from 14 May 2021, Benjamin DENG and ZHANG Weidong served as Director of the Company.

(VIII) Contacts for solvency information disclosure

1. Contact person: CHANG Zhi
2. Telephone number: +86-21-33963458

II. Main indicators

Items	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Core solvency margin ratio	165%	138%
Core solvency margin (10K RMB)	53,443.24	35,251.05
Comprehensive solvency margin ratio	165%	138%
Comprehensive solvency margin (10K RMB)	53,443.24	35,251.05
Latest IRR result	-	A
Premium income (10K RMB)	99,087.21	176,654.76

Net profit (10K RMB)	5,394.55	9,776.64
Net assets (10K RMB)	147,533.99	139,940.56

III. Actual capital

Items	As at the end of this quarter	As at the end of last quarter
Admitted assets (10K RMB)	880,662.36	960,124.92
Admitted liabilities (10K RMB)	744,909.85	831,231.67
Actual capital (10K RMB)	135,752.51	128,893.25
Tier 1 core capital (10K RMB)	135,752.51	128,893.25
Tier 2 core capital (10K RMB)	–	–
Tier 1 supplement capital (10K RMB)	–	–
Tier 2 supplement capital (10K RMB)	–	–

IV. Required capital

Items	As at the end of this quarter	As at the end of last quarter
Required capital (10K RMB)	82,309.27	93,642.20
Required capital for quantitative risks (10K RMB)	81,883.48	93,157.78
1) Required capital for insurance risk (10K RMB)	70,659.99	82,862.36
2) Required capital for market risk (10K RMB)	16,789.10	16,778.57
3) Required capital for credit risk (10K RMB)	13,079.92	11,544.59
Required capital for control risk (10K RMB)	18,645.53	18,027.74
Supplement capital (10K RMB)	425.79	484.42
1) Counter-cyclical supplement capital (10K RMB)	–	–
2) Supplement capital of D-SIIs (10K RMB)	–	–
3) Supplement capital of G-SIIs (10K RMB)	–	–
4) Other supplement capital (10K RMB)	–	–

V. Integrated risk rating (IRR)

The Company received an A rating for both Q4 of 2020 and Q1 of 2021 at the IRR.

VI. Risk management status

(I). The latest CBIRC Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company

During the reporting period, the Company received 78.96 points in the regulatory SARMRA assessment. The same score, as per regulatory notice, was used as the result for 2020 SARMRA assessment. To be specific, 78.96 consisted of 14.07 points for risk management infrastructure and environment, 7.54 points for risk management objectives and tools, 8.02 points for insurance risk management, 8.00 points for market risk management, 8.00 points for credit risk management, 8.36 points for operational risk management, 8.08 points for strategic risk management, 8.22 points for reputation risk management, and 8.68 points for liquidity risk management.

(II). Measures taken to improve solvency risk management and the latest results in the reporting period.

During the reporting period, as per regulatory requirements such as Insurance Company Solvency Regulatory Standards No. 11: Solvency Aligned Risk Management Requirements and Assessment, and in view of its risk profiles and risk status, the Company mainly formulated its Annual Compliance and Risk Management Programme, updated its Risk Upper Limits and conducted an independent risk review as part of its effort to improve the solvency risk management system. At the same time, in compliance with regulatory rules and as part of its daily work, it continuously pushed for implementation of risk management processes in 7 categories, conducted identification, analysis, evaluation, control and reporting of the 7 risk categories, with alerts for high-risk areas and formulation of multiple mitigation measures.

VII. Liquidity risk

(I) Liquidity risk management indicators

1. Net cash flow

Items	During/as at the end of this quarter
Net cash flow (10K RMB)	-14,459.33

2. Comprehensive current ratio

Items	Within 3 months	Within 1 year	1-3 years	3-5 years	Above 5 years
Comprehensive current ratio	62%	48%	360%	51,541%	4,242,826%

3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio (%)	2,140%	2,109%

(II) Liquidity risk analysis and countermeasures

Indicators of the Company's liquidity risk, such as the net cash flow in the foreseeable future, the comprehensive current ratio of various durations, and the liquidity coverage ratio under stress scenarios, are all in the normal range. Therefore, its liquidity is enough to meet short-term cash flow requirements arising from business volatility.

To mitigate liquidity risk, the Company strictly abides by regulatory requirements on solvency cash flow projections while considering impact of business development and changes of market environment, enhances daily cash flow management, coordinates cash flows from business, investment and financing activities and evaluates the effectiveness of liquidity risk management systems and policies on a regular basis.

VIII. Regulatory measures taken against the Company

(I) Regulatory measures taken against the Company by CBIRC

CBIRC has not taken any regulatory measures against the Company.

(II) Corrective measures taken by the Company

None.

Summary of Quarterly Solvency Report

China Pacific Life Insurance Co., Ltd.

2nd Quarter of 2021

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I. Basic information

(I) Registered address

1 Zhongshan Road (South), Huangpu District, Shanghai, the PRC

(II) Legal representative

PAN Yanhong

(III) Business scope and territories

1. 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 business as approved by the CIRC.

2. 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.

(IV) Ownership structure and shareholders :

1. Ownership structure (10k shares or 10k RMB)

Equity category	Shares as at the end of the reporting period	Percentage (%)
Domestic shares held by legal entities	842,000	100
Domestic shares held by natural persons	-	-
Foreign shares	-	-
Others	-	-
Total	842,000	100

2. Top 10 shareholders (10k shares or 10k RMB)

Name of shareholders	Shares held at the end of the reporting period	Percentage of the shareholding (%)
China Pacific Insurance (Group) Co., Ltd.	827,621.84	98.292
Shenergy Group Co., Ltd.	4,597.90	0.546
Shanghai State-Owned Assets Operation Co., Ltd.	4,576.09	0.544
Shanghai Haiyan Investment Management Company Limited	3,140.45	0.373
Yunnan Hehe (Group) Co., Ltd.	2,063.72	0.245

(V) Controlling shareholder or de facto controller

China Pacific Insurance (Group) Co., Ltd. is the controlling shareholder, holding 98.292% of the shares of the Company.

(VI) Subsidiaries, joint or associate ventures

Company name	Number of shares (10k shares)			Shareholding percentage (%)		
	As at the beginning of this quarter	As at the end of this quarter	Change amount	As at the beginning of this quarter	As at the end of this quarter	Change percentage
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.	300,000	300,000	-	100.00	100.00	-
Pacific Health Care Management Co. Ltd.	50,000	50,000	-	100.00	100.00	-
CPIC Elderly Care Industry Development (Chengdu) Co. Ltd.	68,000	71,500	3,500	100.00	100.00	-
CPIC Elderly Care (Hangzhou) Co. Ltd.	63,000	65,000	2,000	100.00	100.00	-
CPIC Elderly Care (Xiamen) Co. Ltd.	45,000	45,000	-	100.00	100.00	-
CPIC Elderly Care (Nanjing) Co. Ltd.	8,400	10,900	2,500	100.00	100.00	-
CPIC Rehab & Retirement (Shanghai) Industrial Development Co. Ltd.	19,500	19,500	-	100.00	100.00	-
CPIC Elderly Care (Wuhan) Co. Ltd.	2,000	42,808	40,808	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	-	40.00	40.00	-
Lianren Healthcare Big Data Technology Co. Ltd.	50,000	50,000	-	25.00	25.00	-
Changjiang Pension-CHEMCHINA Infrastructure Debt Investment	2,142	2,142	-	71.40	71.40	-

Scheme							
Changjiang Pension-Sichuan Tietou Xugu High-speed Infrastructure Debt Investment Scheme	205	205	-	34.17	34.17	-	
Ningbo Zhilin Investment Management (LP)	241,632	241,632	-	90.00	90.00	-	
Jiaxing Yishang Private Equity Investment Partners (LP)	95,000	95,000	-	94.72	94.72	-	
Yangtze River Delta Integration Industry Equity Investment Partners (LP)	199,478	199,478	-	27.75	27.75	-	
Taijiashan Health Care Industry (Shanghai) Equity Investment Partners (LP)	65,000	105,000	40,000	99.01	99.01	-	
Shanghai Junhe Tongyi Start-ups Industrial Equity Investment Fund Partners (LP)	297,800	297,800	-	99.97	99.97	-	
Shanghai Yibao Health Care Technology Centre (LP)	60,000	60,000	-	100.00	100.00	-	
CPIC AMC Yongquan Yihao Customized Product	48,000	48,000	-	100.00	100.00	-	
CPIC-Jiangsu Communications Holding Debt Investment Plan (Phase 1)	4,000	4,000	-	100.00	100.00	-	
CPIC – Gansu HATG Debt Investment Plan	600	600	-	100.00	100.00	-	
Changjiang Pension-SDIC (Shanghai) Technology Commercialization Equity Investment Fund	770	770	-	100.00	100.00	-	
Changjiang Pension-Ansteel Infrastructural Projects Debt Investment Plan	1,800	1,800	-	72.00	72.00	-	
Changjiang Pension-CHINALCO Debt Investment Plan	1,110	1,110	-	37.00	37.00	-	
Changjiang Pension-Golden Industries Selective Equity Asset Management	12,148	12,148	-	94.55	94.55	-	
Changjiang Pension-Golden Industries Selective Equity Asset Management No.2	20,000	66,468	46,468	100.00	100.00	-	
Changjiang Pension-Golden Industries Quantifying Growth Asset Management Product	-	9,000	9,000	-	100.00	100.00	
Guolian'An Zengfu One-year Term Open-ended Bond Securities Investment Fund	500,000	500,000	-	99.80	99.80	-	
Guolian'An Zengyu One-year Term Open-ended Bond Securities Investment Fund	598,658	598,658	-	99.83	99.83	-	
Guolian'An New Blue Chips & Dividend One-year Term Open-ended Hybrid Securities Investment Fund	25,000	25,000	-	96.15	96.15	-	
Dongfanghong Dingyuan 3-month Term Open-ended Hybrid Securities Investment Fund	186,896	186,896	-	99.47	99.47	-	
Zhong Ou Growth 3-month Term Open-ended Hybrid Securities Investment Fund	100,000	100,000	-	99.01	99.01	-	
Harvest Value 3-month Term	181,572	181,572					

Open-ended Investment Fund	Hybrid	Securities			-	99.45	99.45	-
Guotai Jinfu Open-ended Investment Fund	Hybrid	3-month Term Securities	100,000	100,000	-	99.01	99.01	-
Invesco Great Wall Taibao Term Open-ended Investment Fund	Hybrid	3-month Term Securities	100,000	100,000	-	99.01	99.01	-
Fullgoal Rongtai Open-ended Investment Fund	Hybrid	3-month Term Securities	100,000	100,000	-	99.01	99.01	-
CMS Shengyang Open-ended Investment Fund	Hybrid	3-month Term Securities	100,000	100,000	-	99.01	99.01	-
GF Securities Ruixuan Open-ended Investment Fund	Hybrid	3-month Term Securities	100,000	100,000	-	99.01	99.01	-

Note: Changjiang Pension-CHEMCHINA Infrastructure Debt Investment Scheme, Changjiang Pension-Sichuan Tietou Xugu High-speed Infrastructure Debt Investment Scheme, CPIC AMC Yongquan Yihao Customized Product, Changjiang Pension-CHINALCO Debt Investment Plan, Guolian'An Zengfu One-year Term Open-ended Bond Securities Investment Fund, Guolian'An Zengyu One-year Term Open-ended Bond Securities Investment Fund, Guolian'An New Blue Chips & Dividend One-year Term Open-ended Hybrid Securities Investment Fund, Dongfanghong Dingyuan 3-month Term Open-ended Hybrid Securities Investment Fund, Zhong Ou Growth 3-month Term Open-ended Hybrid Securities Investment Fund, Harvest Value 3-month Term Open-ended Hybrid Securities Investment Fund, Changjiang Pension-Golden Industries Selective Equity Asset Management, CPIC – Jiangsu Communications Holding Debt Investment Plan (Phase 1), CPIC – Gansu HATG Debt Investment Plan, Changjiang Pension-SDIC (Shanghai) Technology Commercialization Equity Investment Fund, Changjiang Pension-Ansteel Infrastructural Projects Debt Investment Plan, Ningbo Zhilin Investment Management (LP), Jiaxing Yishang Private Equity Investment Partners (LP), Yangtze River Delta Integration Industry Equity Investment Partners (LP), Shanghai Junhe Tongyi Start-ups Industrial Equity Investment Fund Partners (LP), and Shanghai Yibao Health Care Technology Centre (LP), Taijiashan Health Care Industry (Shanghai) Equity Investment Partners (LP), Changjiang Pension-Golden Industries Selective Equity Asset Management No.2, Changjiang Pension-Golden Industries Quantifying Growth Asset Management Product, Guotai Jinfu 3-month Term Open-ended Hybrid Securities Investment Fund, Invesco Great Wall Taibao 3-month Term Open-ended Hybrid Securities Investment Fund, Fullgoal Rongtai 3-month Term Open-ended Hybrid Securities Investment Fund, CMS Shengyang 3-month Term Open-ended Hybrid Securities Investment Fund, GF Securities Ruixuan 3-month Term Open-ended Hybrid Securities Investment Fund are structured entities.

(VII) Directors, supervisors and senior management

1. Directors

The 7th Board of Directors of the Company has 7 directors in total:

Mr. MA Xin, born in April 1973, has a master's degree. He has been serving as Director of the Company since March 2018 (approval document: CIRC Approval [2018] No. 320). Mr. MA currently serves as Vice President of CPIC Group, Director of Changjiang Pension, and Chairman of CPIC Health. He previously served Assistant General Manager of Chengnan Sub-branch of CPIC Xi'an Branch, Assistant Manager of the Life Insurance General Management Department and Group Insurance Department of Chengnan Sub-branch of CPIC Xi'an Branch, Deputy Head, and Deputy Manager of Marketing Management

Department of Chengdong Sub-branch, Manager of Individual Business Department and Assistant General Manager of CPIC Life Xi'an Branch, Deputy General Manager and General Manager of CPIC Life Shaanxi Branch, Director of CPIC P/C, Transformation Director, Director of Strategic Transformation Office, GM of Strategic Planning Department, and Board Secretary of CPIC Group.

Mr. Benjamin DENG, born in November 1969, has a master's degree and is a chartered financial analyst and financial risk manager. He has served as Director of the Company since May 2020 (approval document: CBIRC Shanghai [2020] No.220). Mr. DENG currently serves as Chief Investment Officer of CPIC Group, Director of CPIC AMC and CPIC Capital Company Limited respectively, and Chief Investment Officer of CPIC HK. Mr. DENG's previous stints include cadre of the Personnel Department of the Ministry of Foreign Trade and Economic Cooperation, mid-office head of the Group Risk Management Department of AIG, market risk management head of AIG's Asia Pacific Division (excluding Japan), market risk director, investment analysis director, investment solutions and derivatives director, and director of China Strategic Projects of AIA.

Mr. WU Junhao, born in June 1965, has a master's degree. He has served as Director of the Company since July 2012 (approval document: CIRC Life [2012] No.816). Mr. WU currently serves as Manager of the Financial Management Department of Shenergy (Group) Co., Ltd., Non-executive Director of CPIC Group, and Director of CPIC P/C. He is also Director of Shanghai Chengyi New Energy Venture Capital Co., Ltd., Supervisor of Orient Securities Co., Ltd., Director of Chengdu Xinshen Venture Capital Co., Ltd., Supervisor of Shanghai Chengyi Capital Co., Ltd., Supervisor of Everbright Banking Co., Ltd., Chairman of the Supervisory Board of Shanghai Shenergy Leasing Co., Ltd., and Chairman of the Supervisory Board of Shanghai Shenergy Chengyi Equity Investment Co., Ltd. Mr. WU was also a Supervisor of Shanghai Pharmaceuticals Holding Co., Ltd. (SSE stock code: 601607, SEHK stock code: 02607), a company listed on SSE and on SEHK, and Director of Shanghai Jiulian Group Co., Ltd.

Mr. ZHANG Weidong, born in October 1970, holds a bachelor's degree. He has served as

Director of the Company since March 2018 (approval document: CIRC [2018] No.330). Mr. ZHANG currently serves as Chief Compliance Officer and Chief Legal Councilor of CPIC Group and Director of CPIC P/C, CPIC AMC and Changjiang Pension respectively. Mr. ZHANG previously served as General Manager of Legal Compliance Department and Risk Management Department, Risk & Compliance Officer and Chief Risk Officer of CPIC Group, Head of Board Office of CPIC Group, and Board Secretary of CPIC P/C, CPIC Life and CPIC AMC.

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 served 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, CPIC AMC and CPIC Capital Company Limited respectively, and Chief Actuary and Director China Pacific Health Co., Ltd. Mr. ZHANG previously served as Chief Risk Officer of CPIC Health, Chief Actuary of Citi Group TRV-Citi Insurance headquarters, Chief Actuary, Deputy GM and Vice President of MetLife Insurance Company Limited (Shanghai), Chief Actuary of Sino Life Insurance Co., Ltd., and Deputy GM, CFO and Chief Actuary of Sun Life Everbright Life Insurance Co., Ltd.

Mr. CAI Qiang, born in July 1967, holds a bachelor's degree. Mr. CAI is a CLU, ChFC, and CFP. He has been serving as Director of the Company (approval document: CBIRC [2021] No. 390) since May 2021. Currently, he serves as Executive Director and General Manager (CEO) of the Company. Previously, he served as insurance agent, regional manager, and regional director of AXA U.S., General Manager (agency business) and CEO of AXA Hong Kong, 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 the title of Senior Accountant, and is a Chinese Certified Public Accountant. She has been serving as Chairman of the Company since June 2021 (approval document: CBIRC [2021] No.421). Ms. PAN currently also serves as Director of CPIC AMC, CPIC Health and Changjiang Pension respectively. Ms. PAN previously served as Deputy CFO, CFO, Deputy General Manager, Vice

Chairperson, and General Manager of the Company, and Finance Responsible Person, Vice President, and Executive Vice President of CPIC Group.

2. Supervisors

The 7th Board of Supervisors of the Company has 3 supervisors:

Mr. SUN Peijian, born in September 1963, has a master's degree. He has been serving as Chairman of the Board of Supervisors of the Company since August 2019 (approval document: CBIRC Shanghai [2019] No.673). Mr. SUN currently serves as Chief Risk Officer of CPIC Group, Chairman of Board of Supervisors of CPIC Life and Director of CPIC Capital Company Limited. Previously, he served as Assistant General Manager, Deputy General Manager, General Manager of Reinsurance Department of CPIC Group, Deputy General Manager, General Manager of the Reinsurance Department of CPIC Group, Assistant General Manager, Deputy General Manager, Chief Compliance Officer, Head of Compliance, and Vice President of CPIC Group, Director of CPIC P/C, CPIC Life and CPIC AMC respectively, General Manager and Chairman of CPIC Health.

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 General Manager of Individual Business Planning Department of the Company. Previously, he served as Director of Individual Business Department of CPIC Life Shandong Branch, Deputy General Manager of CPIC Life Shandong Branch, General Manager of Individual Business Marketing Department and Individual Business Management Department of the Company, and General Manager of CPIC Life Henan Branch, concurrently General Manager of CPIC Life Yudong Branch.

Mr. ZHANG Lei, born in July 1976, holds a master's degree 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 Investment Audit Department of CPIC Group and Internal Audit Responsible Person of Changjiang Pension.

Previously, he served as Deputy Director of Computer Audit Division, Deputy Director (in charge of work), 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, and Chief Auditor (life insurance) of Digitalized Audit Technology Department of CPIC Group.

3. Senior management

As of the end of June 2021, the Company has 14 members of senior management in total:

Mr. CAI Qiang, born in July 1967, holds a bachelor's degree. He has been serving as Executive Director, General Manager (CEO) of the Company (approval document: CBIRC [2021] No. 390) since June 2021. Previously, he served as Regional Director of AXA U.S., General Manager and CEO of AXA Hong Kong, CEO of AIA China, Regional CEO of AIA Group, and Vice Chairman and President of WE DOCTOR GROUP. Mr. CAI is a CLU, ChFC, and CFP.

Mr. WANG Guangjian, born in June 1965, has a master's degree. Mr. HUANG currently serves as the Executive Deputy General Manager of the Company (approval document: CBIRC [2019] No.637) and General Manager of the Group Business Unit of the Company. He is also Director of Shanghai Dabao Guisheng Information Technology Co., Ltd., and supervisor of Shanghai Insurance Exchange. Mr. WANG previously served as Deputy Manager, Manager of the Planning and Finance Department of CPIC Urumqi Branch, Deputy GM of CPIC Life Urumqi Branch, Deputy GM of CPIC Taiyuan Branch, GM of CPIC Shanxi Branch, GM of CPIC Shandong Branch, assistant to the Chairman of the Operation Committee of CPIC Life, Deputy GM and Chief Compliance Officer, Chief Risk Officer of CPIC Life, Chairman of the Board of Supervisors of CPIC Life, and Executive Director of Pacific Medical Health Management Co., Ltd. Mr. WANG holds a title of accountant. He has served as the Executive Deputy General Manager of the Company since August 2019.

Mr. ZHOU Xiaonan, born in April 1966, holds a master's degree. He currently serves as Deputy General Manager (approval document: CIRC [2014] No.770), Chief Compliance Officer (approval document: CBIRC [2018] No.595), and Chief Risk Officer of the Company.

Mr. ZHOU previously served as General Manager of CPIC Life Nanyang Central Sub-Branch, Assistant General Manager, Deputy General Manager, and General Manager of CPIC Henan Branch, and General Manager of CPIC Guangdong branch. Mr. ZHOU has served as Deputy General Manager of the Company since August 2014.

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 CPIC Pension Industry Investment Management Co., Ltd., Chairman of Shanghai Ruiyongjing Real Estate Development Co., Ltd., Chairman and Legal Representative of Pacific ORPEA (Shanghai) Pension Enterprise 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 of the Personnel and Education Division of CIRC Sichuan Bureau, Senior Manager of the Board Office of China Insurance (Holdings) Co., Ltd., GM of Investment Management Department of Taiping Group, and General Manager of Taiping Pension Industry Investment Company. Mr. WEI has served as Deputy General Manager of the Company since June 2018.

Mr. DAI Wenhao, born in January 1974, holds a master's degree. He currently serves as Deputy GM of the Company (approval document: CBIRC [2018] No.440). Mr. DAI previously served as Manager of Information Technology Department and Human Resources Department of CPIC Life Ningbo Branch, assistant to GM, Deputy GM of the Information Technology Department of CPIC Life Ningbo Branch, GM of the Control Management Center of CPIC Life Ningbo Branch, GM of Contract Department and Operation and Planning Department of CPIC Life Ningbo Branch, GM of CPIC Life Jiangxi Branch, GM of CPIC Life Henan Branch and GM of CPIC Life Yudong Branch. He took up his current position in June 2018.

Mr. CUI Shunxin, born in July 1963, has a master's degree. He is currently Deputy GM of the Company (approval document: CIRC [2014] No.770). Mr. CUI previously served as head of

Finance Department of State-Owned Hemp Products Factory in Wen'an County, Hebei Province, deputy director of the factory, deputy head of the Finance Department of the Economic Committee of Wen'an County, Hebei Province, manager and assistant to GM of CPIC Langfang Branch, Deputy GM of CPIC Tangshan Branch, Deputy GM, GM of CPIC Tangshan Central Sub-Branch, assistant to GM, Deputy GM, GM of CPIC Life Hebei Branch, GM of CPIC Life Henan Branch, and assistant to GM of CPIC Life. Mr. CUI holds the title of accountant. He took up his current position in April 2018.

Mr. YE Peng, born in March 1972, holds a master's degree. He is currently Deputy GM of the Company (approval document: CBIRC Shanghai [2019] No.638), CFO (approval document: CBIRC Shanghai [2019] No.689), and director of Changjiang Pension. Mr. YE previously served as accountant of the Financial Department of Shanghai Power Equipment Co., Ltd., auditor of Audit Department, and head of Accounting Department of AIA Shanghai Branch, staff member of the Shanghai Representative Office of John Hancock Life Insurance Company, manager of Finance Department of John Hancock Tian'an Life Insurance Co., Ltd., chief accountant, CPC committee member of John Hancock Tian'an Life Insurance Co., Ltd., GM of Finance Department of Changjiang Pension, Deputy Financial Director, Assistant GM, CFO, Board Secretary, and Deputy GM 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 GM of the Company (approval document: CBIRC Shanghai [2020] No. 781). Mr. LI previously served as GM of CPIC Life Sichuan Branch, GM of the Bancassurance Department of CPIC Life, Assistant GM of CPIC Life, Deputy Marketing Director of CPIC Group and GM of the Strategic Customer Department of CPIC Group. He took up his current position as Deputy GM 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 Division of the Actuarial Department of CPIC Life, senior specialist of the Actuarial Department of CPIC Life, Assistant GM, Deputy GM, and GM of

CPIC Life. Ms. CHEN has professional qualification of actuary, and is an executive director of the China Association of Actuaries. She took up her current position in September 2014.

Mr. ZHANG Shuming, born in December 1963, holds a bachelor degree. He is currently Deputy GM of the Company (approval document: CBIRC [2018] No.502) and GM of CPIC Jiangsu Branch. Mr. ZHANG previously served as GM of CPIC Life Baoding Central Sub-Branch, GM of CPIC Life Qinhuangdao Central Sub-Branch, assistant to GM and Deputy GM of CPIC Life Hebei Branch, GM of CPIC Life Gansu Branch, GM of CPIC Life Heilongjiang Branch, and assistant to GM of CPIC Life. Prior to that, he was GM of Ping An Insurance Qinhuangdao Central Sub-branch. He took up his current position in June 2019.

Mr. LI Jing, born in September 1972, holds a master's degree. He is currently Assistant GM of the Company (approval document: CBIRC Shanghai [2019] No. 660) and director of Lianren Healthcare Big Data Technology Co., Ltd. Mr. LI previously served as deputy division head, division head of the Group Business Department of CPIC Life, division head of the Development and Planning Department of CPIC Life, Deputy GM of CPIC Life Ningbo Branch, assistant to GM of the Development and Planning Department of CPIC Life, Deputy GM, GM of the Market Department of CPIC Life, GM of CPIC Life Sichuan Branch, and GM of CPIC Life Zhejiang Branch. He took up his current position in August 2019.

Mr. DAI Chuanjiang, born in September 1973, holds a bachelor's degree. He is currently Assistant GM of the Company (approval document: CBIRC Shanghai [2019] No. 662). Mr. DAI previously served as assistant to Manager, Deputy Manager of CPIC Life Bijie Central Sub-Branch, Deputy Manager, 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 GM, Deputy GM of CPIC Life Guizhou Branch, and Senior Deputy GM, GM 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 is currently Audit Responsible Person of the Company (approval document: CBIRC Shanghai [2020] No. 815),

Deputy Chief Auditing Officer of CPIC Group. Mr. TAI previously served as General Manager of CPIC Life Shanxi Branch, General Manager of Customer Resource Management Department of CPIC Life, General Manager of CPIC Life Shandong Branch, Member of Party Committee of Audit Center of GPIC Group. He took up his current positions in January 2021.

Mr. PAN Feng, born in October 1972, holds a master's degree. He is currently Board Secretary of the Company (approval document: CBIRC Shanghai [2019] No. 678), and deputy head of the Board Office of CPIC Group. Mr. PAN previously served as deputy head of the Foreign Affairs Division of the General Office of CPIC Group, Senior External Affairs Manager of the Administration and Personnel /Administration Management Department of CPIC Group, and Deputy GM, GM of the Strategic Planning Department/Investor Relations Department of CPIC Group. Prior to that, Mr. PAN worked at Bank of China Changzhou Branch and China Construction Bank Shanghai No.6 Sub-Branch. He took up his current positions in August 2019.

(VIII) Contacts for solvency information disclosure

Contact person: XIAO Junshi

Office number: +86-21-33965144

Email address: xiaojunshi@cpic.com.cn

II. Main Indicators

Items	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Core solvency margin ratio	234%	240%
Core solvency margin (10K RMB)	21,640,481	22,405,794
Comprehensive solvency margin ratio	234%	240%
Comprehensive solvency margin (10K RMB)	21,640,481	22,405,794
Latest IRR result	-	A
Premium income (10K RMB)	4,601,028	9,543,833
Net profit (10K RMB)	750,338	536,966
Net assets (10K RMB)	9,563,516	9,860,725

III. Actual Capital

Items	As at the end of this quarter	As at the end of last quarter
Admitted assets (10K RMB)	158,031,750	151,046,230
Admitted liabilities (10K RMB)	120,227,228	112,688,158
Actual capital (10K)	37,804,521	38,358,072
Tier 1 core capital (10K RMB)	37,804,521	38,358,072

Tier 2 core capital (10K RMB)	–	–
Tier 1 supplement capital (10K RMB)	–	–
Tier 2 supplement capital (10K RMB)	–	–

IV. Required Capital

Items	As at the end of this quarter	As at the end of last quarter
Required capital (10K RMB)	16,164,040	15,952,278
Required capital for quantitative risk (10K RMB)	16,412,693	16,197,673
1) Required capital for insurance risk (10K RMB)	4,872,472	4,805,906
2) Required capital for market risk (10K RMB)	16,309,048	16,133,106
3) Required capital for credit risk (10K RMB)	3,229,283	3,196,255
4) Diversification effect for quantitative risks (10K RMB)	4,198,050	4,139,600
5) Loss absorption effect for special-type insurance contracts (10K RMB)	3,800,060	3,797,994
Required capital for control risk (10K RMB)	(248,652)	(245,395)
Supplement capital (10K RMB)	–	–
1) Counter-cyclical supplement capital (10K RMB)	–	–
2) Supplement capital of D-SIIs (10K RMB)	–	–
3) Supplement capital of G-SIIs (10K RMB)	–	–
4) Other supplement capital (10K RMB)	–	–

V. Integrated risk rating (IRR)

The Company received an A rating for both Q4 of 2020 and Q1 of 2021, according to feed-backs from the regulator on the IRR results.

VI. Risk management status

(I) The latest CBIRC Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company

The Company's SARMRA score for 2017 was 83.03 points. To be specific, it received 16.12 points for risk management infrastructure and environment, 8.82 points for risk management objectives and tools, 8.36 points for insurance risk management, 8.00 points for market risk management, 8.00 points for credit risk management, 8.38 points for operational risk management, 8.96 points for strategic risk management, 8.33 points for reputation risk management, and 8.06 points for liquidity risk management.

In 2018, 2019 and 2020, the regulator conducted no SARMRA assessment of the Company.

(II) Measures taken to improve solvency risk management and the latest status in the reporting period

The Company attaches great importance to risk management. Although exempt from

SARMRA assessment between 2018 and 2020, it continued to identify gaps in solvency risk management systems and took effective remedial actions based on an analysis of findings in relation to the regulatory assessment of its peers as well as those of its own internal audits. Below is a summary of what was done in Q2 2021.

First, conducted studies of regulatory documents of C-ROSS Phase II, and initiated special training thereof, reviewed gaps in corporate policies with launch of follow-up amendments to improve its risk control system.

Second, initiated SARMRA self-assessment of 2021 and optimised its risk management capabilities in light of C-ROSS Phase II.

Third, enhanced risk management IT systems to gradually achieve data integration between risk management systems and other systems to cement risk management infrastructure.

Fourth, conducted risk screening, assigned responsibilities to departments, and urged them to formulate remedial actions so as to improve overall risk control effectiveness.

In Q3 of 2021, the Company intends to focus on the following areas for its solvency risk management.

First is to monitor the status of implementation of corrective measures based on previous risk reviews to ensure continued progress.

Second is to complete the SARMRA self-assessment for 2021 and initiate another round of rectification based on assessment findings/ gaps identified.

Third is to step up standardization of risk control capabilities at branch offices, align SARMRA requirements with on-the-ground building of their internal control system, improve policies and processes in a bid to further enhance risk management capability of branch offices.

Fourth is to deepen studies of “2 falsities”, identify previously unnoticed risks and their manifestations, develop risk management tools, design a full-process control system spanning products, branch offices and personnel to address the issue of “2 falsities”.

VII. Liquidity risk

(I) Liquidity risk management indicators

1. Net cash flow

Item	During/as at the end of this quarter
Net cash flow (10K RMB)	13,127,717

2. Comprehensive current ratio

Item	Within 3 months
Comprehensive current ratio	117%

3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio -Company level	2013%	2015%

(II) Liquidity risk analysis and mitigation

Liquidity risk is projected to be largely manageable in the next quarter. The Company has taken the following measures to pro-actively mitigate potential liquidity risk:

1. Introduce cash budgeting management which enables a planned coordination of cash surplus/ shortage. Cash budgeting management includes: cash in the treasury at the beginning of the period, projected cash inflows during the period and cash needed in the period. The mechanism enables the Company to know when there will be a shortage of cash, and how to address the issue; or when there will be cash surplus so that plans can be made for necessary investment.
2. Continue to boost business mix restructuring, formulate effective financial policies to boost the growth of profitable business, and in particular, protection and long-term regular pay business; at the same time optimize the mix of universal life business, adjust the sales strategy of participating insurance business from bancassurance, and control the surrender risk of unit-linked business.
3. Optimize asset mix, balance between asset liquidity and investment yield; keep a healthy gearing ratio and ensure long-term debt repayment capability; maintain healthy short-term debt repayment capability and enhance monitoring of the current ratio and quick ratio.
4. Closely follow the development of business surrenders, with review and analysis thereof on a regular basis; ensure rational asset allocation based on cash flows of the Company.
5. The impact on liquidity has been duly considered before the Company makes business plans, sells new products or withdraws products from the market, develops or adjusts distribution channels, formulates policyholders' dividend policy for participating insurance business and determines crediting rate for universal life insurance, conducts other insurance business activities such as policy surrenders, payment of benefits and claims and policy loans. The impact is reflected in the cash flow stress testing. The Company will ensure effective ALM based on its actual situation to mitigate the liquidity risk.

6. Closely monitor major events that might lead to liquidity risks, such as irregular concentration of surrenders, expected major maturity payments or survival benefit pay-outs, major claims events, severe investment losses, financial crisis incurred by major counter-parties, significant changes to the Company's credit-ratings, severe adverse publicity of the Company, and the loss of key distributional channels and other material events.

VIII. Regulatory measures taken against the Company

(I) Regulatory measures taken against the Company by CBIRC

The Company headquarters received an administrative penalty from CBIRC Guangxi Branch and a Regulatory Opinion Letter from CBIRC in Q2 2021.

(II) Corrective measures taken by the Company

The Company will continue to enhance internal control, address the root-causes of risk issues, strengthen its overall compliance and risk management capabilities.

Summary of Quarterly Solvency Report

China Pacific Anxin Agricultural Insurance Co., Ltd.

2nd Quarter of 2021

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I. Basic information

(I) Registered address

Agricultural Insurance Building, 3651 Gonghexin Road, Shanghai, the PRC.

(II) Legal representative

SONG Jianguo

(III) Business scope and territories

1. 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 (subject to approval by regulators as per relevant laws and regulations);

2. Business territories

Shanghai, Jiangsu Province, Zhejiang Province.

(IV) Ownership structure and shareholders

1. Ownership structure (10k shares or 10k RMB)

Equity category	Shares or contributed amounts	Percentage (%)
Domestic shares held by legal entities	70,000	100
Domestic shares held by natural persons	-	
Foreign shares	-	
Others	-	
Total	70,000	100

2. Top 10 shareholders (10k shares or 10k RMB)

Names of shareholders	Shares held or amounts contributed at the end of the reporting period	Percentage of shareholding
China Pacific Property Insurance Co., Ltd.	36,490.08	52.13%
Shanghai Agricultural Development Co. Ltd.	7,718.03	11.03%
Shanghai Minhang Asset Investment Co., Ltd.	5,365.19	7.67%
Shanghai Nongfa Asset Management Center	4,201.72	6.00%
Shanghai Baoshan Fiscal Investment Company	3,150.84	4.50%
Shanghai Jiading Guangwo Asset Management Co., Ltd.	2,504.59	3.58%
Shanghai Fengxian District State-owned Asset Operation Co., Ltd.	2,368.95	3.38%
Shanghai Songjiang State-owned Asset Investment Management Co., Ltd.	2,025.88	2.89%
Shanghai Huinong Investment Management Co., Ltd.	1,817.99	2.60%
Shanghai Qingpu Asset Management Co., Ltd.	1,719.37	2.46%

(V) Controlling shareholder or de facto controller

The Company has no de factor controller. China Pacific Property Insurance Co., Ltd. is the majority shareholder, holding 52.13% of the shares of the Company.

(VI) Subsidiaries, joint or associate ventures

None during the reporting period

(VII) Directors, supervisors and senior management

As of the end of June 2021, the 3rd Board of Directors of the Company has 8 Directors:

1. Directors

As of the end of the reporting period, the 3rd Board of Directors of the Company has 8 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, holds the title 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 Head of Investment Management Department of Shanghai Minhang Asset Investment Management (Group) Co., Ltd., and CFO of Shanghai Dalong Accounting Firm.

Mr. JIANG Shengzhong, born in July 1958, holds a doctoral degree. He has served 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 Nankai University Finance College, Vice President 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 a teacher of Finance Department of Nankai University and Dean of Insurance Department of Nankai University.

Mr. SUN Chaocai, born in January 1956, holds a bachelor's degree and the title of Level-2 Research Fellow. He has been serving as Independent Director of the Company since May 2016 (approval document: CIRC Approval [2016] No. 391). Mr. SUN previously served as Deputy Director and Director of Institute of Crop Breeding and Cultivation of Shanghai Academy of Agricultural Sciences.

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 Head of Excellent Law Firm, Vice Chairman of the China Democratic National Construction Association Baoshan Committee Wusong General Branch, Member of 8th Baoshan District Political Consultative Conference, Law Enforcement Supervisor of Baoshan District Political and Legal Committee, and Member of Baoshan District Government Legal Adviser Thinktank. Mr. SHEN previously served as Deputy Head and Partner of Shanghai Zhengming Law Firm.

Mr. ZHANG Jianliang, born in June 1966, holds a bachelor's degree and the title of veterinarian and political work coordinator. He has been serving as Non-executive Director of the Company since July 2015 (approval document: CIRC Approval [2015] No. 732). Mr. ZHANG currently serves as Director and Party-branch Secretary of Shanghai Sewing Machine Institute. He previously served as Assistant General Manager of Shanghai Agricultural Development Asset Management Center.

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 Chief Actuary of CPIC P/C. He previously served as Actuary of Analysis Department of Guy Carpenter & Company, Senior Actuarial Analyst of Finance Department of Swiss Reinsurance Company (USA), Deputy General Manager, Chief Actuary, and Finance Responsible Person of China Property & Casualty Reinsurance Company respectively.

Mr. YIN Wenqian, born in April 1966, holds a bachelor's degree. He has been serving as Non-executive Director of the Company since January 2019 (approval document: CBIRC Approval [2019] No. 136). Mr. YIN currently serves as Deputy Director of Shanghai Agricultural Development Promotion Center. He previously served as Principal Staff Member of Economic and Commercial Division of Shanghai Municipal Agriculture Commission and Chief of Planning and Development Section of Chongming County Tourism Bureau.

2. Supervisors

As of the end of June 2021, the 3rd Board of Supervisors of the Company has 6 Supervisors:

Mr. CHEN Yuanliang, born in June 1971, holds a master's degree. In December 2020, he became Supervisor and Chairman of the Board of Supervisors of the Company (approval document: CBIRC [2020] No. 859). Mr. CHEN is currently General Manager of CPIC P/C Xinjiang Branch and Vice President of Shanghai Tai'an Agricultural Insurance Research Institute. Previously, Mr. CHEN 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 Agricultural Insurance Business Department, Agricultural Insurance Market Development Department, and Agricultural Insurance Business Management Department of CPIC P/C, and Deputy General Manager of Anxin Agricultural Insurance Co., Ltd.

Ms. ZHANG Wenjuan, born in November 1983, holds a master's degree, the title of Business Economist 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 of the Company, Deputy General Manager (in charge) of Legal Compliance Department/Risk Management Department, Director of the Discipline Inspection Office of the Company and concurrently serves as Compliance Responsible Person of CPIC Shanghai Branch and General Manager of Legal and Compliance Department of CPIC Shanghai Branch. Previously, she served as Assistant General Manager, Deputy General Manager of Legal Compliance Department/Risk Management Department of the Company, and Deputy Director of Discipline Inspection and Supervision Office of the Company.

Ms. XIA Haiying, born in November 1975, holds a bachelor's degree and the title of Business Economist. She became Supervisor of the Company in January 2019 (approval document: CBIRC Approval [2019] No. 54). Ms. XIA currently serves as Deputy Head of Financial Auditing Department of Shanghai Songjiang State-owned Asset Management (Group) Co., Ltd.

Ms. XU Qianqian, born in July 1978, holds a bachelor's degree. She became Supervisor of the Company in January 2019 (approval document: CBIRC Approval [2019] No. 7). Ms. XU currently serves as Executive Director and Legal Person of Shanghai Jiading Weiye Investment Development Co., Ltd., Director of Siwave Inc., and Supervisor of West Shanghai Group. She previously served as Deputy Director of Party and Government Affairs Office (Division of Party and Masses Affairs) of Shanghai Jiading District State-owned Asset Management (Group) Co., Ltd., Senior Business Manager of General Office of Shanghai Jiading District State-owned Asset Management (Group) Co., Ltd., and Head of Personnel of Human Resources Department of Shanghai Jiading District State-owned Asset Management (Group) Co., Ltd.

Mr. WENG Yingchun, born in January 1976, holds a master's degree. He has been serving as Supervisor of the Company since July 2017 (approval document: CIRC Approval [2017] No. 708). Mr. WENG currently serves as Deputy General Manager of Shanghai Pudong Water (Group) Co., Ltd. He previously served as Deputy Chief of Fund Raising Section of Shanghai Nanhui District State-owned Assets Management Office, Head of General Administration Section of Shanghai Nanhui District State-owned Assets Management Committee, and Assistant Consultant of Enterprise Cadre Division (Assessment and Distribution Division) of Shanghai Nanhui District State-owned Assets Management Committee.

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

3. Senior management

As of the end of June 2021, the Company has 7 members of senior management:

Mr. SONG Jianguo¹, 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 also serves as temporary person in charge of the Company, 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 Head of Sales of CPIC P/C.

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 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 Economy 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 Sales Outlet of Anxin Agricultural Insurance Co., Ltd.

Mr. HUANG Xiongfei, born in March 1963, holds a bachelor's degree and the title of Accountant. He has been serving as Deputy General Manager of the Company since May 2016 (approval document: CIRC Approval [2016] No. 391). Mr. HUANG previously served as Department Manager of Chuansha Sub-branch of Shanghai Branch of Agricultural Bank of China, Department Manager of Pudong Branch of Shanghai Rural Commercial Bank, Deputy General Manager of Shanghai Pudong Sub-branch of Anxin Agricultural Insurance Co., Ltd., General Manager of Shanghai Nanhui Sub-branch of Anxin Agricultural Insurance Co., Ltd., and General Manager of Shanghai Branch 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 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). Ms. LI currently serves as General Manager of the Finance Department/Asset Department of CPIC P/C. She previously served as Deputy General Manager of Internal Audit Center/Second Division of CPIC Group, General Manager of Internal Audit Center/Audit Technology

¹ Mr. SONG Jianguo ceased to serve as the temporary person in charge, and Mr. SHI Jian became the General Manager of the Company on 30 July 2021.

Division of CPIC Group, Supervisor of CPIC Allianz Health, Internal Auditing Responsible Person of Changjiang Pension, and Supervisor of Anxin Agricultural Insurance Co., Ltd.

Mr. ZHUANG Yi, born in December 1969, holds a master's degree and the title of Accountant. He has been serving as Compliance Responsible Person of the Company since January 2014 (approval document: CIRC Approval [2014] No. 6). Mr. ZHUANG is also Chief Risk Officer of the Company. He previously served as Deputy Director (in charge) of the Internal Audit Division of PICC Shanghai Branch, General Manager of the Auto Insurance Department of PICC Shanghai Branch, General Manager of Jing'an Sub-branch of PICC Shanghai Branch, General Manager of the Customer Service Department of PICC Shanghai Branch, General Manager of the Auto Insurance Department of Anxin Agricultural Insurance Co., Ltd., and General Manager of the Internal Audit Department and the Compliance and Legal Department/Risk Management Department of Anxin Agricultural Insurance Co., Ltd. respectively.

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 China Pacific Anxin Agricultural Insurance Company Limited. She previously served as Actuary Responsible Person and Deputy General Manager (in charge) of the Actuarial Department of Anxin Agricultural Insurance Co., Ltd.

Mr. WU Kaibing, born in July 1968, holds a doctoral degree and the title of Senior Auditor. He has been serving as Internal Auditing Responsible Person since October 2017 (approval document: CIRC Approval [2017] No. 1191). Mr. WU currently serves as Deputy General Manager of the Internal Audit Business Department of CPIC Group. He previously served as Securities Research Director 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 Headquarters of CPIC Group, Senior Auditor of the Internal Audit Business Department of the Internal Audit Center of CPIC Group.

(VIII) Contact person information

Contact person: HU Xiaolu

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II. Main indicators

Item	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Core solvency margin ratio	322%	286%
Core solvency margin (10K RMB)	129, 878	121, 008
Comprehensive solvency margin ratio	322%	286%
Comprehensive solvency margin surplus (10K RMB)	129, 878	121, 008
Latest IRR result	–	A
Premium income (10K RMB)	75, 873	31, 092
Net profit (10K RMB)	3, 614	5, 207
Net assets (10K RMB)	171, 774	171, 245

III. Actual capital

Item	As at the end of this quarter	As at the end of last quarter
Admitted assets (10K RMB)	450, 838	430, 493
Admitted liabilities (10K RMB)	262, 425	244, 339
Actual capital (10K)	188, 413	186, 154
Tier 1 core capital (10K RMB)	188, 413	186, 154
Tier 2 core capital (10K RMB)	0	0
Tier 1 supplement capital (10K RMB)	0	0
Tier 2 supplement capital (10K RMB)	0	0

IV. Required capital

Item	As at the end of	As at the end of
	this quarter	last quarter
Required capital (10K RMB)	58,535	65,146
Required capital for quantitative risks (10K RMB)	57,582	64,086
1)Required capital for insurance risk (10K RMB)	44,980	48,837
2)Required capital for market risk (10K RMB)	7,917	8,252
3)Required capital for credit risk (10K RMB)	21,991	26,842
4)Diversification effect for quantitative risks (10K RMB)	17,305	19,846
5)Loss absorption for special-type insurance contract loss (10K RMB)	-	-
Required capital for control risk (10K RMB)	953	1,061
Supplement capital (10K RMB)	-	-
1) Counter-cyclical supplement capital (10K RMB)	-	-
2) Supplement capital of D-SIIs (10K RMB)	-	-
3) Supplement capital of G-SIIs (10K RMB)	-	-
4) Other supplement capital (10K RMB)	-	-

V. Integrated risk rating (IRR)

The Company was rated A at the IRR by CBIRC for both Q4 of 2020 and Q1 of 2021.

VI. Risk management status

(I) The latest CBIRC Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company

The Company scored 76.69 points in the last (2017) SARMRA assessment conducted by the CBIRC. To be specific, it received 17.81 points for risk management infrastructure and environment, 7.06 points for risk management objectives and tools, 7.01 points for insurance risk management, 7.57 points for market risk management, 6.79 points for credit risk management, 7.38 points for operational risk management, 8.12 points for strategic risk management, 7.15 points for reputation risk management, and 7.81 points for liquidity risk management.

(II) Measures taken to improve solvency risk management and the latest results in the reporting period.

First, it issued the 2021 Risk Appetite Framework (RAF). In line with the RAF of the Group while considering requirements of the parent company, nature of its own business and its development plans, it amended and updated its RAF.

Second, it updated the 2021 Risk Upper Limits (RUL). Based on the 2021 RAF and in light of regulatory requirements, its own business operation and in-house policies & regulations, it amended the RUL, which was released in early July.

Third, as per PBoC requirements, the Company conducted monthly and quarterly risk screening & self-assessment. Monthly evaluations mainly cover basic financial status, business operation and insurance funds investment, while quarterly ones additionally review changes in solvency and reasons, major risks and mitigation, special risks and mitigation, impact of changes in economic environment.

Fourth, it completed the filing of IRR data for Q1 2021, Risk Upper Limits, and finished the evaluation of risk management in major categories, while closely monitoring its risk status and taking timely steps to mitigate potential risks.

VII. Liquidity risk

(I) Liquidity risk management indicators

1. Net cash flow

Item	During/as at the end of this quarter
Net cash flow (10K RMB)	-2,355

2. Comprehensive current ratio

Item	Within 3 months
Comprehensive current ratio	108%

3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio	365%	291%

(II) Liquidity risk analysis and mitigation

(1) Cash flows

In this quarter, net cash flow of the Company was -RMB23.5526 million. Net cash flow from business activities in this quarter increased by RMB444.6807 million from the previous quarter to RMB297.2388 million. Net cash flow from the Company's investment activities was RMB167.5290 million, an increase of RMB229.1663 million from the previous quarter. Financing activities generated -RMB488.2773 million in net cash flow, down by RMB710.9897 million from the previous quarter.

(2) Liquidity indicator analysis

The comprehensive current ratio within 3 months was 108.30%, up by 6.12pt from the previous quarter. The liquidity coverage ratio is 365% and 291% under stress scenario 1 and 2 respectively in the next quarter, and high-quality liquid assets are sufficient for needs for cash flows arising from short-term business volatility.

VIII. Regulatory measures taken against the Company

(I) Regulatory measures taken against the Company by CBIRC

The Company received no regulatory measures from CBIRC during the reporting quarter.

(II) Corrective measures taken by the Company

Going forward, the Company will continue to pay close attention to risk issues high on the regulator's agenda and internal control, address the root causes of the issues, so as to improve its overall risk management capabilities.