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中國太平洋保險(集團)股份有限公司
CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

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

(Stock Code: 02601)

OVERSEAS REGULATORY ANNOUNCEMENT

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

The announcement is attached hereof for information purpose only.

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

Hong Kong, 29 March 2024

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

**Note: The appointment qualification of Mr. ZHAO Yonggang is subject to the approval by the National Administration of Financial Regulation.*

Summary of Quarterly Solvency Report (Excerpts)

China Pacific Property Insurance Co., Ltd.

4th Quarter of 2023

Company overview and contact information

Company name (Chinese):	中国太平洋财产保险股份有限公司
Company name (English):	China Pacific Property Insurance Company Limited
Legal representative:	GU Yue
Registered address:	South Tower, Bank of Communications Financial Building, 190 Middle Yincheng Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, the PRC
Registered capital:	19.948bn yuan
Business license number:	000014
Date opening for business:	November 2001
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 CIRC.
Business territories:	The People's Republic of China (excluding Hong Kong, Macao and Taiwan)
Contact person:	WANG Yucheng
Office Tel. number:	021-33962680
Cell phone:	13917427405
Email:	wangyucheng-003@cpic.com.cn

CONTENTS

I. BOARD AND MANAGEMENT STATEMENT.....	2
II. BASIC INFORMATION.....	2
III. KEY INDICATORS.....	13
IV. RISK MANAGEMENT CAPABILITIES.....	17
V. INFORMATION ON IRR (DIFFERENTIATED SUPERVISION).....	20
VI. MANAGEMENT ANALYSIS AND DISCUSSIONS.....	23

I. Board and management statement

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

1. Voting results by directors

Name of directors	For	Against	Abstain
SU Shaojun	√		
ZHANG Yuanhan	√		
YU Bin	√		
GU Yue	√		
ZENG Yi	√		
Total	5		

2. Are there directors who cannot warrant that the contents of this report are true, accurate and complete and have fully complied with applicable laws and regulations, or who have raised issues in this regard? (yes no)

II. Basic information

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

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

Types of shareholding	As at the end of the preceding period			Change			As at the end of the reporting period	
	Shares	Percentage (%)	Shareholder injection	Transfer from capital reserve and share dividends distribution	Share transfer	Subtotal	Shares	Percentage (%)
State	29,895	1.5	-	-	-	-	29,895	1.5

Private legal persons	-	-	-	-	-	-	-	-
Foreign	-	-	-	-	-	-	-	-
Natural persons	-	-	-	-	-	-	-	-
Others								
(listed companies)	1,964,914	98.5	-	-	-	-	1,964,914	98.5
Total	1,994,809	100	-	-	-	-	1,994,809	100

2. De facto controller

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

3. Shareholding information (by descending order of shareholding percentage as of the end of the reporting period, unit: share)

Names of shareholders	Types of shareholders	Change during the reporting period	Shares held at the end of the reporting period	Shareholding percentage at the end of the reporting period (%)	Shares pledged or in lock-up
China Pacific Insurance (Group) Co., Ltd.	Others (listed company)	—	19,649,137,578	98.50	None
Shenergy Group Co., Ltd.	State-owned	—	93,106,180	0.47	None
Shanghai Haiyan Investment Management Company Limited	State-owned	—	92,846,189	0.46	None
Yunnan Hehe (Group) Co., Ltd.	State-owned	—	61,049,510	0.31	None
Shanghai State-owned Assets Operation Co., Ltd.	State-owned	—	51,948,193	0.26	None
Total	—	—	19,948,087,650	100	—
Related-party relations among shareholders	Of the 5 shareholders of the Company, with the exception of CPIC Group, all are concurrently shareholders of CPIC Group. Other than that, the Company is not aware of any related-party relations between its shareholders.				

4. Shareholding by directors, supervisors and senior management

Was there shareholding by directors, supervisors and senior management as at the end of the reporting period? (Yes No)

5. Share transfer

Was there any share transfer during the reporting period? (Yes No)

(II) Directors, supervisors and senior management and the changes thereof

1. Basic information on 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 of CPIC Group, and Director of CPIC Life. He previously served as Assistant General Manager, Deputy General Manager of Underwriting Department of CPIC P/C, Deputy General Manager, General Manager of CPIC P/C Beijing Branch, General Manager of Development and Planning Department of CPIC P/C, head of the Board Office of CPIC P/C, head of the Board Office of Supervisors of CPIC P/C, General Manager of Tele-marketing Centre of CPIC P/C, head of Strategy Research Centre and Deputy Director of Transformation of CPIC Group.

Mr.WU Junhao¹, 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 Non-executive Director of CPIC Group, Director of CPIC Life, and General Manager of Financial Management Department of Shenergy (Group) Co., Ltd. He is also Director of Shanghai ICY New Energy Venture Capital Co., Ltd., Supervisor of Orient Securities Co., Ltd., a company listed on both SSE and SEHK,

¹ In Feb. 2024, Mr. WU Junhao tendered a resignation in writing, and resigned as Director of the Company due to work reasons.

Supervisor of Everbright Banking Co., Ltd., a company listed on both SSE and SEHK, Chairman of the Board of Supervisors of Shanghai ICY Capital Co. Ltd., and Chairman of the Board of Supervisors of Shanghai Shenergy Chengyi Equity Investment Co. Ltd. Previously, Mr. WU served as Teaching and Research Director of Department of Management of Changzhou University, Executive Deputy Manager of Shanghai New Resources Investment Consulting Company, Deputy General Manager of Shanghai Bailitong Investment Management Co., Ltd., Deputy Supervisor of Shanghai Shenergy Asset Management Co., Ltd., Deputy Supervisor, Supervisor, and Senior Supervisor of Asset Management Department of Shenergy (Group) Co., Ltd., Deputy Manager and Manager of Financial Management Department of Shenergy (Group) Co., Ltd., Director of Shanghai Jiulian Group Co., Ltd., and Director of Chengdu Xinshen Venture Capital Co., Ltd. Mr. WU also formerly served as Supervisor of Shanghai Pharmaceuticals Holding Co., Ltd., a company listed on SSE and SEHK, and Director of Orient Securities Company Limited.

Mr. ZHANG Yuanhan, born in November 1967, holds a master's degree and is a director of China Association of Actuaries, a member of the Society of Actuaries and American Academy of Actuaries. He has been serving as Director of the Company since March 2018 (approval document: CBIRC [2018] No.68). Mr. ZHANG is also Finance Responsible Person and Chief Actuary of CPIC Group, Director of CPIC Life and CPIC Health. He previously served as 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., Director of Sun Life Everbright Asset Management Co., Ltd., Director of CPIC AMC and Chief Actuary of CPIC Health.

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 also serves as Vice President of CPIC Group and Chairman of CPIC Technology. 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 & Research Centre 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 and Executive Director of the Company since March 2015 (approval document: CIRC [2015] No. 228). He also serves as Chairman of CPIC Hong Kong and Director of CPIC AMC. Previously, Mr. GU served as General Manager of CPIC Suzhou Branch and Nanjing Branch, Board Secretary and General Manager of Human Resources Department, Internal Audit Director, Internal Audit Responsible Person, Finance Responsible Person, Vice President, and Executive Vice President of CPIC Group, Chairman of the Board of Supervisors and Director of CPIC Life, Chairman of the Board of Supervisors of CPIC AMC, Director of CPIC HK, Director of CPIC Health, and General Manager of the Company. Prior to that, Mr. GU worked at the Shanghai Municipal Bureau of Statistics.

Mr. ZENG Yi, born in June 1965, holds a bachelor's degree, and has been serving as Executive Director of the Company since June 2023 (approval document: NAFR [2023] No. 76). He currently serves as General Manager of the Company. Previously, Mr. ZENG served as Deputy Section Chief, Section Chief of Administration of Domestic Business Department, head of Research and Development Department, Deputy Manager of Domestic Business Department and Research and Development Department, Deputy Manager of General Administration for P/C Insurance, Deputy Manager of General Administration for P/C Insurance & Jiangbei Sub-branch, Manager of P/C Insurance Business Development Department, Manager of P/C Insurance Business Centre of Chongqing Branch, China Pacific Insurance Co. Ltd., Manager of P/C Insurance Business Centre & head of Supervisory Department, Assistant General Manager, Deputy General Manager and General Manager of Chongqing Branch of the Company, Director of Auto Insurance Business, Chief Operating Officer and Deputy General Manager of CPIC P/C. Previously, he worked at PICC Chongqing Branch.

(2). Supervisors

Mr. Sun Peijian², 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 the Board of Supervisors of the Company in October 2019. Mr. SUN currently serves as Chairman of the Board of Supervisors of CPIC Life. Previously, Mr. SUN served as Assistant General Manager, Deputy General Manager, General Manager of Reinsurance Department of CPIC Group, Assistant General Manager, Deputy General Manager, Compliance Responsible Person, Compliance Director, Vice President and Chief Risk Officer of CPIC Group, Director of CPIC P/C, CPIC Life and CPIC AMC respectively, and Chairman and General Manager of CPIC Health.

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 General Manager of the Internal Audit Department (East China) of the Internal Audit Centre of CPIC Group, and Supervisor of Pacific Insurance Elderly Care Investment Management Co., Ltd. Previously, he served as head of Secretariat of General Office of CPIC Life, Deputy Section 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 Specialised Capacity-building Team of Internal Audit Centre of CPIC Group, Deputy General Manager (in charge), General Manager of Audit Department (North China) of Audit Centre of CPIC Group, Deputy Chief of Party Discipline Inspection Team of CPIC Group, and Internal Audit Responsible Person of CPIC AMC.

² In Dec. 2023, Mr. SUN Peijian tendered a resignation in writing to the Board of Supervisors of the Company and resigned as Supervisor and Chairman of the Board of Supervisors due to retirement. Due to the fact that Mr. SUN's resignation will cause the members of the Board of Supervisors to fall below the minimum level required by laws and regulations, he will continue to perform duties until his successor obtains regulatory approval for his/her appointment qualification. In March 2024, Mr. ZHANG Weidong was elected as Chairman of the Board of Supervisors of the company, and Mr. SUN ceased to serve as Supervisor and Chairman of the Board of Supervisors.

Ms. RUAN Yuhong, born in April 1970, holds a bachelor's degree, with designation of Account, CPA. She has been serving as Employee Supervisor of the Company since January 2023 (approval document: CBIRC [2023] No. 20). Ms. RUAN currently serves as General Manager of Finance/ Asset Management Department of the Company. She previously served as General Manager of Auditing Department, General Manager of Finance Department, Deputy General Manager, and Chairman of Workers' Union of Ningbo Branch of the Company.

(3) Senior management of headquarters

Mr. GU Yue, born in June 1965, holds a master's degree. He has been serving as Chairman and Executive Director of the Company since March 2015 (approval document: CIRC [2015] No. 228). He also serves as Chairman of CPIC Hong Kong and Director of CPIC AMC. Previously, Mr. GU served as General Manager of CPIC Suzhou Branch and Nanjing Branch, Board Secretary and General Manager of Human Resources Department, Internal Audit Director, Internal Audit Responsible Person, Finance Responsible Person, Vice President, and Executive Vice President of CPIC Group, Chairman of Board of Supervisors and Director of CPIC Life, Chairman of Board of Supervisors of CPIC AMC, Director of CPIC HK, Director of CPIC Health, and General Manager of the Company. Prior to that, Mr. GU worked at the Shanghai Municipal Bureau of Statistics.

Mr. ZENG Yi, born in June 1965, holds a bachelor's degree, and has been serving as General Manager of the Company since June 2022 (approval document: CIRC [2022] No. 379). He currently serves as Director of the Company. Previously, Mr. ZENG served as Deputy Section Chief, Section Chief of Administration of Domestic Business Department, head of Research and Development Department, Deputy Manager of Domestic Business Department and Research and Development Department, Deputy Manager of General Administration for P/C Insurance, Deputy Manager of General Administration for P/C Insurance & Jiangbei Sub-branch, Manager of P/C Insurance Business Development Department, Manager of P/C Insurance Business Centre of Chongqing Branch, China Pacific Insurance Co. Ltd., Manager of P/C Insurance Business Centre & head of Supervisory Department, Assistant General Manager, Deputy General Manager and General Manager of Chongqing Branch of the Company, Director of Auto Insurance Business, Chief Operating Officer and Deputy General Manager of CPIC P/C. Previously, he worked at PICC 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). Previously he served as head of Business Section of Overseas Business Department, Deputy Manager and Manager of Overseas Business Department, and Assistant General Manager of CPIC Hai'nan Branch, Deputy General Manager, General Manager of Hai'nan Branch of the Company, General Manager of the Property and Liability Insurance Department, General Manager of Shandong Branch, head of Sales (Channel Building and Cooperation), and Deputy General Manager (agricultural insurance) of the Company. Prior to that, Mr. SONG worked at the Hainan Branch of the Bank of Communications.

Mr. ZHANG Dong³, 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), and Chief Risk Officer of the Company since September 2014. Previously, Mr. ZHANG served as Manager of CPIC Ganyu Sub-branch, Deputy General Manager and General Manager of CPIC Lianyungang Central Sub-branch, Assistant General Manager of CPIC Life Nanjing Branch, Deputy General Manager of CPIC Life Jiangsu Branch, General Manager of CPIC Life Hunan Branch, General Manager of CPIC Life Jiangsu Branch, Sales Director of CPIC Life, Secretary of Discipline Inspection Commission, Employees' Representative Supervisor, and Chairman of Trade Union of CPIC AMC, and Deputy General Manager (general administration) of the Company. Prior to that, Mr. ZHANG worked at the General Supply and Marketing Cooperative of Ganyu County of Jiangsu Province.

Mr. CHEN Sen, born in October 1970, holds a master's degree and has been serving as Deputy General Manager of the Company (approval document: CBIRC [2021] No. 497) since August 2021. He has been serving as Chief Actuary of the Company since

³ In Jan. 2024, as approved by the 40th session (extraordinary) of 7th Board of Directors of the Company, Mr. ZHANG Dong ceased to serve as Deputy General Manager, Compliance Responsible Person, Chief Risk Officer, and in other positions of the Company. Mr. CHEN Hui was designated as Interim Compliance Responsible Person and Interim Chief Risk Officer of the Company.

October 2015 (approval document: CIRC [2015] No. 949), and Finance Responsible Person of the Company since June 2017 (approval document: CIRC [2017] No. 520). Currently, Mr. CHEN also serves as Director of CPIC Anxin Agricultural and CPIC HK. 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.

Mr. ZHANG Yu, born in April 1965, received university education. He has been serving as Deputy General Manager of the Company since May 2021 (approval document: CBIRC Shanghai [2019] No. 826 (qualification for Assistant General Manager)). Previously, he served as Deputy General Manager of CPIC Suzhou Branch of China Pacific Insurance Company Limited, Deputy General Manager, and General Manager of CPIC P/C Suzhou Central Sub-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 General Manager (non-auto insurance) of CPIC P/C.

Mr. SU Zhanwei, born in June 1966, holds a master's degree and has been serving as Deputy General Manager of the Company since June 2022 (approval document: CBIRC Shanghai [2019] No. 841). Previously, Mr. SU served as Assistant General Manager, Deputy General Manager, and General Manager of CPIC P/C Henan Branch, head of General Administration/Board Office/Office of the Board of Supervisors of the Company, General Manager of Corporate Customer Department/Bancassurance Department, and Assistant General Manager of the Company.

Mr. LI Chao, born in March 1981, holds a master's degree, and has been serving as Assistant General Manager of the Company since August 2021 (approval document: CBIRC [2021] No.496). Prior to this, Mr. LI served as Deputy General Manager of Tianjin Branch, Deputy General Manager (in charge) and General Manager of Small and Medium-sized Customer Business Department, General Manager of Corporate Customer Department/Bancassurance Department, and General Manager of Heilongjiang Branch of CPIC P/C.

Ms. TAO Lei, born in September 1977, holds a master's degree. She has been serving as Assistant General Manager (approval document: CBIRC [2021] No. 624) and Board

Secretary (approval document: CBIRC [2021] No. 623) of the Company since August 2021. Ms. TAO currently also serves as General Manager of the Development and Planning Department, head of the Board Office, and the Office of the Board of Supervisors 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 Project Management Department of CPIC Online, General Manager of Marketing Department of CPIC Online, General Manager of Shanghai Sub-centre of Tele-marketing Centre of CPIC P/C, and Deputy General Manager of Tele-marketing Centre of CPIC P/C.

Mr. Wu Bo, born in June 1970, holds a doctorate degree, and he has been serving as Assistant General Manager of the Company since August 2021 (approval document: CBIRC [2021] No. 591). Mr. WU also serves as Director of the Company's Beijing-Tianjin-Hebei Regional Coordinated Development and General Manager of CPIC P/C Beijing Branch. Mr. WU previously served as Assistant General Manager, Deputy General Manager and General Manager of CPIC P/C Shandong Branch.

Mr. YU Baoyu, born in May 1965, holds a master's degree. He has been serving as Assistant General Manager of the Company (approval document: CBIRC [2022] No.23) since January 2022. Mr. Yu also serves as head of Coordinated Development of Guangdong-Hong Kong-Macao, and General Manager of the Guangdong Branch of the Company. Previously, Mr. Yu served as Deputy General Manager of Henan Branch, and General Manager Gansu Branch and Hubei Branch of CPIC P/C respectively.

Mr. CHEN Yingjie, born in November 1967, holds a master's degree. He has been serving as Internal Audit Responsible Person of the Company since May 2023 (approval document: CBIRC [2023] No. 277). Previously he served as member of Party Committee and Deputy General Manager of Liaoning Branch, Party Secretary and General Manager of Heilongjiang Branch, and Party Secretary and General Manager of Sichuan Branch of CPIC P/C .

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

Are there changes to the directors, supervisors and senior management during the reporting period? (Yes No)

Position	Predecessor	Incumbent
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Director

ZHANG Weidong⁴

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(III) Subsidiaries, joint ventures or associates

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

Name of companies	Number of shares (10,000)			Percentage of shareholding (%)		
	End of the preceding quarter	End of the reporting quarter	Change	End of the preceding quarter	End of the reporting quarter	Change (pt)
Subsidiaries						
Pacific Anxin Agricultural Insurance Co., Ltd.	73,206	73,206	-	67.78%	67.78%	-
Joint ventures						
Shanghai Juche Information Technology Co., Ltd.	148	148	-	25.20%	25.20%	-
Zhongdao Automobile Assistance Co., Ltd.	1,280	1,280	-	20.32%	20.32%	-
Shanghai Lexiang Sijin Technology Joint-stock Co. Ltd.	369	369	-	6.09%	6.09%	-
Associates						
CPIC Euler Hermes Credit Insurance Sales Co., Ltd	2,550	2,550	-	51.00%	51.00%	-
Shanghai Binjiang-Xiangrui Investment and Construction Co., Ltd.	1,071	1,071	-	35.70%	35.70%	-

(IV) Breaches

1. Did the Company receive any administrative penalties from financial regulators during the reporting period? (Yes No)

⁴ In Dec. 2023, Mr. ZHANG Weidong tendered a resignation in writing to the Board of Directors of the Company and resigned as Director due to work reasons.

Between October 1 and December 31, 2023, branch offices of the Company received 21 administrative penalties from the insurance regulator, with 4.632mn yuan in fines for branches and 0.918mn yuan in fines for individuals, totalling 5.55mn yuan. Misconduct mainly concerned falsification of brokerage business for expense-booking, falsification of financial documentation for expense-booking, granting extra benefits to the insured other than those specified in insurance contracts.

2. Did the directors, senior management receive administrative penalties from financial regulators during the reporting period?

(Yes No)

3. Did misconduct or breaches of directors and senior management trigger judicial proceedings during the reporting period?

(Yes No)

4. Did the Company receive any regulatory measures from the NAFR (previously CBIRC) during the reporting period?

(Yes No)

III. Key Indicators

(I) Key solvency metrics

Unit: RMB yuan 10,000

Items	As at the end of this quarter	As at the end of the previous quarter	Estimates for next quarter under base scenario
Admitted assets	24,512,861	25,351,624	26,131,700
Admitted liabilities	18,335,324	19,281,446	19,834,163
Actual capital	6,177,537	6,070,178	6,297,536
Tier 1 core capital	4,741,482	4,587,524	4,861,517
Tier 2 core capital	-	-	-
Tier 1 supplement capital	1,436,055	1,482,654	1,436,019
Tier 2 supplement capital	-	-	-
Minimum capital	2,889,813	2,965,981	3,004,167
Minimum capital for quantifiable risks	2,934,664	3,015,342	3,054,163
Minimum capital for control risk	-44,851	-49,361	-49,996
Supplement capital	-	-	-
Core solvency margin	1,851,669	1,621,543	1,857,350
Core solvency margin ratio (%)	164.1%	154.7%	161.8%

Comprehensive solvency margin	3,287,724	3,104,198	3,293,369
Comprehensive solvency margin ratio (%)	213.8%	204.7%	209.6%

(II) Liquidity risk indicators

1. Regulatory indicators for liquidity risk

Items		As at the end of/ during this quarter	As at the end of/ during the previous quarter	
Net cash flows (RMB 10,000)	YTD	346,474	273,685	
	Year 2022	-326,022	-326,022	
	Year 2021	288,396	288,396	
LCR (%)	LCR1	Next 3 months	112.2%	104.2%
		Next 12 months	103.6%	103.9%
	LCR2	Next 3 months	219.5%	190.3%
		Next 12 months	119.3%	115.2%
	LCR3	Next 3 months	71.9%	58.3%
		Next 12 months	80.0%	79.1%
Retrospective adverse deviation ratio of net cash flows from business activities (%)	Over the previous 2 quarters	88.9%	-36.2%	
	Over the previous quarter	243.0%	88.9%	

2. Other indicators of liquidity risk

	Items	As at the end of this quarter /YTD	As at the end of the preceding quarter /YTD
Liabilities	Net cash flow from operating activities (RMB 10,000)	353,712	-15,567
	Net cash flow from operating activities per 100 yuan in premiums (RMB yuan)	1.9	-0.1
	Ratio of cash outflow from business of special types (%)	3.4%	3.3%
	Gross premium growth year-on-year (%)	11.6%	11.9%
Assets	Ratio of cash and liquidity management instruments (%)	2.6%	2.4%
	Quarterly average financing gear (%)	2.6%	3.4%

	Share of domestic fixed income assets with external rating of AA and below (%)	0.6%	0.4%
	Proportion of shares representing over 5% of the stake of listed companies (%)	0.0%	0.0%
	Ratio of fund receivables (%)	14.4%	17.3%
	Ratio of assets of related parties held (%)	3.9%	1.5%

Ratio of cash outflow from business of special types: Ratio of cash outflow from business of special types = (Claim expenses of special-type business + Claim reserves of special-type business) ÷ (Overall claim expenses + Overall claim reserves) × 100%. Business of special types includes financing guarantee insurance business and non-auto business that accounts for more than 5% of overall claim expenses, and the latter refers to non-auto insurance business that incurs, due to catastrophes or major claims, estimated or actual claim expenses after reinsurance exceeding 5% of total non-auto claim expenses of the previous year.

Gross premium growth(yoy): year-on-year growth of written premiums

Ratio of receivables (%): Ratio of receivables = (Premium receivables + Reinsurance receivables) ÷ Total assets by the end of the reporting period × 100%. Premium receivables, reinsurance receivables and total assets refer to their respective book value as at the end of the reporting period.

Ratio of assets of related parties held: Ratio of assets of related parties held = Total investment assets of related parties held ÷ Total assets as at the end of the reporting period × 100%, excluding related-party transactions between the insurance company and the insurance group that it belongs to or between subsidiaries of the insurance group.

(III) Key business metrics

Unit: RMB yuan 10,000

Indicators	As at the end of this quarter/during this quarter	As at the end of this quarter/YDT
Gross written premiums	4,165,992	18,987,464
Net profits	206,370	657,495
Total assets	21,336,032	21,336,032
Net assets	5,490,920	5,490,920

Insurance contract liabilities	12,301,901	12,301,901
Basic earnings per share (RMB yuan)	0.1	0.3
ROE (%)	3.8	12.3
ROA (%)	1.0	3.2
Investment yield (%)	0.5	2.6
Comprehensive investment yield (%)	0.7	3.6
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Combined ratio (%)	96.7	98.1
Expense ratio (%)	26.8	27.6
Loss ratio (%)	69.9	70.4
Proportion of commissions and brokerage expenses (%)	9.1%	8.7%
Proportion of operating and administrative expenses (%)	22.6%	18.5%
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Written premiums	4,433,988	19,601,859
Written premiums of auto insurance	2,951,711	10,972,400
Written premiums of top 5 non-auto insurance business lines	1,072,296	6,950,026
Liability insurance	432,291	2,018,700
Agricultural insurance	181,817	1,793,558
Health insurance	162,005	1,749,075
Commercial property insurance	146,807	704,922
Guarantee insurance	149,375	683,770
Average premium of auto insurance per vehicle(RMB yuan)	2,725	2,791
Written premiums by channels	4,433,988	19,601,859
Agency	2,989,037	11,704,237
Direct	828,053	5,323,201
Brokerage	616,898	2,574,420
Others	-	-

Note: 1. All calculation of reserves was based on financial statements; the expense ratio, the loss ratio and combined ratio were based on earned premiums; comprehensive investment yield includes changes in fair

value of AFS assets, which is not included in calculation of investment yield.

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

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

Indicators	YTD
Average investment yield in the past 3 years (%)	4.98
Average comprehensive investment yield in the past 3 years (%)	4.89

Note: As per Notice on Optimising Standards for Solvency Regulation of Insurance Companies by National Financial Regulation Administration (Jingui [2023] No. 5), insurance companies shall disclose the average investment yield and average comprehensive investment yield in the past 3 years, based on the formula of: $[(1+(\text{comprehensive}) \text{ investment yield in the past year}) * (1+(\text{comprehensive}) \text{ investment yield in the past 2 years}) * (1+(\text{comprehensive}) \text{ investment yield in the past 3 years})^{1/3}]-1$

IV. Risk management capabilities

(I) Classification of insurance companies

As per rules on classification of insurance companies contained in Solvency Regulatory Standards No. 12: Solvency-aligned Risk Management Requirements and Assessment, the Company, established on 9 November 2001, is a Category I insurance company. In 2022, its annual written premiums amounted to 175.677bn yuan; total assets stood at 232.667bn yuan; there are 37 provincial-level branch offices.

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

In this quarter, the Company pushed forward risk management so as to better support high-quality, sustainable development.

First, we adopted pro-active risk management and increased the use of innovative technologies to promote risk reduction management in an all-around way. Our risk survey team offered safety management and risk reduction services for the

6th China International Import Expo. Our IoT Smart Insurance Platform won the 2023 Gartner Eye on Innovation Award for Financial Services (Asia-Pacific region). Through the integration of IoT, AI, big data and other new technologies, the platform is capable of whole-process online intelligent risk management. We provided, through the combination of the platform and liability products, a range of risk prevention and reduction services to a large number of business enterprises.

Second, improved quality management and continued to optimise risk management of major risk categories. We further strengthened the development and management of agricultural insurance products, optimised processes, and promoted innovation to improve risk prevention and control; revised Measures for Development and Management of Agricultural Insurance Products and Measures for Management of "Insurance + Futures" Innovative Business of Agricultural Products.

Third, conducted risk screening to prevent and mitigate risks. In response to the requirements for risk review and rectification by Shanghai SASAC, the Company reviewed its own self-inspection, including results and findings, and the development of daily work mechanisms. In accordance with the requirements of the People's Bank of China, it conducted monthly risk monitoring, submitted reports on significant matters whenever necessary, and carried out semi-annual self-inspection on significant matters to prevent potential risks.

Fourth, strengthened emergency response capabilities and carried out various training and emergency drills. The Company held annual reputational risk training for all business lines to ensure a pro-active, forward-looking and effective reputational risk management. To enhance emergency management and response, it organised emergency drills on major reputational incidents, major cases, information systems and business continuity.

(III) Results of last solvency risk management valuation

In 2021, the regulator conducted SARMRA assessment of the Company, which scored 83.94 points. Of this, infrastructure and environment of risk management was 82.19 points, targets and instruments of risk management was 82.35 points, insurance risk management was 86.4 points, market risk management was 81.68 points, credit risk management was 86 points, operational risk management was 84.44 points, strategic risk management was 86.12 points, reputation risk management was 84.53 points, liquidity risk management was 83.54 points.

(IV) Status of SARMRA self-assessment

In Q4 2023, the Company carried out a SARMRA self-assessment as per Solvency Regulatory Standards of Insurance Companies No.12: Solvency-aligned Risk Management Requirement and Assessment and Solvency Regulatory Standards of Insurance Companies No.18: Solvency Reports issued by the former CBIRC.

In the self-assessment, the Company assessed its risk management status item by item as per Solvency Regulatory Standards of Insurance Companies No.12: Solvency-aligned Risk Management Requirement and Assessment. The self-assessment was led by the Risk Management Department of the Company. It assigned responsibilities of the assessment to relevant departments, organised assessment training, and clarified assessment methods and requirements; relevant departments conducted self-assessment and reported the status of adherence item by item; the Risk Management Department collected and reviewed the results, then proposed a final score. The final results were submitted to the Risk and Compliance Management Working Commission of the Company for review and approval.

The Company scored 95.70 points in this SARMRA self-assessment, higher than that of 2022. In 2023, it persisted in the principle of “proactive, precise, sustainable and addressing the root causes” in risk management. It strived to build systematic risk management capacity through the "proactive and integrated risk control and compliance" project; focused on two closed-loop management cycles, i.e., response to regulatory requirements and early-stage intervention of internal control, strengthened the mechanisms of "risk early-warning, risk forecast and risk prevention" to consolidate the foundation of risk management and enhance capabilities; reviewed and revised risk management regulations; optimised the risk appetite, improved risk management information systems and strengthened the use of new tools for risk control; improved management of major risk categories and rectified weaknesses; strengthened pro-active risk management, conducted a full risk screening, enhanced emergency management, and conducted contingency plans drills. The Company will continue to improve its risk management systems and processes and promote their implementation, and further strengthen its systematic capacity-building for risk management.

V. Information on IRR (differentiated supervision)

(I) Results of IRR in the previous 2 quarters

The Company was rated AA at the IRR for both Q2 and Q3 of 2023.

As per regulatory requirements, it briefed the board on regulatory communications of IRR, with follow-up tracking and analysis of the status of rectification.

(II) Status of various risks of the Company

1. Operational risk

In the quarter, the Company strengthened compliance management as per relevant regulatory requirements, and made solid progress in management of operational risk and money-laundering risk, with related risks staying under control. The following was done in operational risk management:

First, we made vigorous efforts to embed risk prevention and control into our business operation. Leveraging integrated risk control under Transformation 2.0, and based on newly discovered issues in external and internal audits, we analysed risk data in key areas, current status of system control and existing gaps, formulated system control optimisation plans for business lines, and promoted the incorporation of important control rules into relevant business management systems. In Q4, seven new control rules were added in the areas of licensing, branch offices and management of executives.

Second, further strengthened the management of criminal cases. We implemented the Administrative Measures for Risk Prevention and Control of Criminal Cases in Banking and Insurance Institutions (NAFR regulations [2023] No. 10) by NAFR, and formulated and issued Measures for Risk Prevention and Control of Criminal Cases of China Pacific Property Insurance Company Limited.

Third, pushed forward rectification based on regulatory opinions. We broke down regulatory findings item by item, established a ledger, and held a special implementation meeting, and urged relevant departments to conduct rectification in an orderly manner. We submitted the rectification plan and rectification status report in the fourth quarter.

Fourth, in respect of anti-money laundering (AML), in Q4, we completed the trial filing of statements related to the regulatory AML assessment for 2022, and in accordance with arrangements of the Group, initiated the backward migration of the AML management system.

Fifth, in terms of management of risks relating to IT outsourcing, we conduct monthly evaluation of service providers. Evaluation in Q4 indicated an overall healthy status of IT outsourcing, with related risks overall under control.

2. Strategic risk

There was no occurrence of risk events which may impact the execution of the strategic planning of the Company in this quarter. The main work done in this quarter includes:

First, the Company initiated the formulation of the 2024-2026 Development Plan. It will set its strategic objectives and draft the strategic planning based on the business environment, its own risk appetite, capital position and capabilities, so as to ensure that such objectives and planning are aligned with China's national economic policies, financial regulatory requirements, and the risk management culture and capabilities of the Company;

Second, strengthened the management of strategic risks in terms of talent management, business management, investment management and overseas operation management; regularly collected and analysed relevant information and strengthened the monitoring of strategic risks through multi-dimensional indicators such as premium growth, combined ratio, solvency margin ratio, IRR rating and corporate governance evaluation;

Third, assessed the overall situation of strategic risk management in a timely, all-round and objective manner, reviewed assessment and management of strategic risks and incorporated them into the overall risk management and assessment report to senior management.

Next, the Company will continue to pay close attention to the external economic environment and relevant policy developments, and adjust its strategic planning when appropriate accordingly while taking into account its own development needs, so as to ensure that its business activities will stay on course within the framework of the plan and towards its objectives.

3. Reputational risk

During the quarter, there were no severe reputational risk incidents, with the risk overall under control. As per Interim Regulations on Reputational Risk Management by Banking and Insurance Institutions, Regulations on Reputational Risk Management of China Pacific Insurance (Group) Co. Ltd. and Implementation Rules on Reputational Risk Management of China Pacific Property Insurance Co. Ltd., when conducting business and branding activities, the Company will further enhance risk screening and prevention, step up fast response and coordination after the risk emerges and intensify revisit and optimisation after the completion of risk-handling, accumulate the “asset” of reputation and strengthen early-stage intervention and closed-loop management of reputational risk. In the quarter, the Company continued to conduct the 2023 annual series of emergency response drills for reputation risks by relevant business lines and stepped up training. Going forward, it will continue to leverage drills, reviews and training to improve whole process management and mechanisms, and strengthen at-source management, emergency response and review of reputational risk management.

4. Liquidity risk

To mitigate the liquidity risk, the Company coordinates cash flows from operating, investment and financing activities, pays special attention to large cash outflows arising from major claims, reinsurance bills, taxes, expenses and fixed assets, makes funds available in a timely manner to ensure sufficient liquidity to meet needs of various payment obligations. In Q4, in anticipation of large pay-outs like prepayment of contribution into the Mandatory Insurance Security Fund, reinsurance outgo and purchase & construction of fixed assets, the Company made appropriate arrangement of funds, giving priority to claims payment for natural catastrophes while handling needs for liquidity or applications for

payment of branch offices in a timely manner. The Company will continue to monitor changes to its liquidity status and enhance risk management capabilities while considering various needs for liquidity.

VI. Management analysis and discussions

(I) Review of key operating results

1. Analysis of changes to IRR ratings

The overall risk status of the Company remains stable, with solvency margin ratios stable and solid, and business operation and net cash flows showing signs of improvement amid stability. It maintained a normal status in strategic risk, reputational risk and operational risk. There was no occurrence of major risk events.

2. Analysis of solvency margin ratio movement

By the end of Q4 2023, the comprehensive and core solvency margin ratios of the Company stood at 213.8% and 164.1% respectively, up by 9.1pt and 9.4pt respectively from the end of the previous quarter. Of this, actual capital rose by 1.07bn yuan from the previous quarter, mainly due to the impact of net profits and other comprehensive income.

Minimum capital fell by 0.76bn yuan from the previous quarter. Of this, minimum capital for insurance risk decreased by 0.51bn yuan, mainly because the combined ratio of auto insurance in the past 6 months dropped versus that of the preceding 6 months, the rolling 12-month combined ratios of agricultural insurance and short-term health insurance fell from the preceding quarter, which led to decrease in applied special factors in the calculation of minimum capital of premium risk from the previous quarter. Minimum capital for reserve risk dropped, due to decline of claims reserve for both agricultural insurance and short-term health insurance. Minimum capital for catastrophe risk dropped, mainly as a result of lower SA for typhoons and flooding in commercial property insurance.

Minimum capital for market risk increased by 250mn from the preceding quarter, largely due to increased risk exposure of bond securities investments, which led to higher capital requirement for interest rate risk.

Minimum capital for credit risk fell by 870mn from the preceding quarter, largely due to reduced risk exposure of premium receivables and other receivables, and funds paid in advance, which decreased minimum capital requirement for default risk by transaction counter-parties.

The Company sets its solvency risk upper limits and monitoring indicators in line with its risk profile and appetite, and tracks them on a regular basis. In the

meantime, it continued to ensure stable and solid solvency positions via enhanced business quality control, improved capability in risk identification and management, and optimised asset and business mix, etc.

3. Analysis of changes to liquidity risk indicators

(1) Liquidity coverage ratios (LCR)

As per C-ROSS II standards on liquidity, the liquidity coverage ratios, i.e., LCR1 and LCR2 in the next 3 months and 12 months under the base and stress scenarios respectively were above 100%, and LCR3 above 50%, all meeting regulatory requirements. The Company adopts a prudent approach towards cash flow projections from operating activities, with the retrospective adverse deviation ratio of net cash flows from operating activities in the past 2 quarters consistently higher than the regulatory minimum of -30%. On a YTD basis, net cash inflows of the Company amounted to 3.46bn yuan. Of this, net cash inflow from operating activities was 3.54bn yuan; net cash inflow from investment activities 2.38bn yuan; net cash outflow from financing activities 2.46bn yuan.

To mitigate liquidity risk, the Company attaches importance to daily cash flow management, coordinates cash flows from operating, investment and financing activities to ensure sufficient liquidity to meet needs of surrenders, claims and other benefits payments. Besides, the Company allocates in its SAA a certain proportion of highly liquid assets to meet liquidity requirements, which enables it to meet short-term cash flow requirements arising from business volatility. It will continue to monitor changes to its liquidity status and enhance risk management capabilities.