

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

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

## 2024 First Quarter Report

(Trading Symbol: CPIC)

# CONTENTS

§1 Important Information.....	2
§2 Key Financial Information.....	2
§3 Shareholder Information.....	3
§4 Business Review.....	4
§5 Other Information.....	7
§6 APPENDIX.....	9

## §1 Important Information

1.1 The Board of Directors, the Board of Supervisors, the directors, the supervisors and the senior management of the Company warrant that the contents of this quarterly report are true, accurate and complete and that there is no false representation, misleading statement or material omission in this quarterly report; and they severally and jointly accept responsibility for the contents of this quarterly report.

1.2 The 2024 First Quarter Report of the Company was considered and approved at the 3rd meeting of the 10th Board of Directors of the Company on 26 April 2024, which 13 directors were required to attend and all of them attended in person.

1.3 The financial data contained in the 2024 First Quarter Report of the Company are unaudited and have been prepared in accordance with the PRC Accounting Standards for Business Enterprises.

1.4 Mr. FU Fan (person in charge of the Company), Mr. ZHANG Yuanhan (person in charge of accounting and Chief Actuary) and Ms. XU Zhen (Head of the Accounting Department) warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

## §2 Key Financial Information

### 2.1 Key accounting data and financial indicators

unit: RMB million

	For the three months ended 31 March 2024	Compared with the three months ended 31 March 2023 (%)
Operating income	95,428	1.1
Net profit <sup>note</sup>	11,759	1.1
Net profit net of non-recurring profit or loss <sup>note</sup>	11,752	1.5
Net cash flows from operating activities	49,887	1.1
Basic earnings per share (RMB) <sup>note</sup>	1.22	1.1
Diluted earnings per share (RMB) <sup>note</sup>	1.22	1.1
Weighted average return on equity (%) <sup>note</sup>	4.6	(0.3pt)

	31 March 2024	31 December 2023	Change (%)
Total assets	2,441,419	2,343,962	4.2
Equity <sup>note</sup>	257,885	249,586	3.3

Note: Attributable to shareholders of the parent.

### 2.2 Non-recurring items

unit: RMB million

Non-recurring items	For the three months ended 31 March 2024
Government grants recognised in current profit or loss	38
Other net non-operating income and expenses other than aforesaid items	(25)
Effect of income tax relating to non-recurring profit or loss	(6)
Total	7

2.3 Significant changes of key accounting data and financial indicators and reasons for such changes

Applicable Not applicable

### §3 Shareholder Information

As at the end of the reporting period, the Company had no shares with selling restrictions.

unit: share

Total number of shareholders as at the end of the reporting period: 143,073 (including 139,080 holders of A shares and 3,993 holders of H shares)							
Shares held by top ten shareholders							
Name of shareholders	Types of shareholders	Percentage of the shareholding	Total number of shares held	Increase or decrease (+ or -) of shareholding during the reporting period	Number of shares held with selling restriction	Number of shares subject to pledge or lock-up period	Type of shares
HKSCC Nominees Limited	Overseas legal person	28.82%	2,772,551,107	-32,000	-	-	H Share
Shenergy (Group) Co., Ltd.	State-owned legal person	14.05%	1,352,129,014	-	-	-	A Share
Hwabao Investment Co., Ltd.	State-owned legal person	13.35%	1,284,277,846	-	-	-	A Share
Shanghai State-Owned Assets Operation Co., Ltd.	State-owned legal person	6.34%	609,929,956	-	-	-	A Share
Shanghai Haiyan Investment Management Company Limited	State-owned legal person	4.87%	468,828,104	-	-	-	A Share
China Securities Finance Co., Ltd.	Others	2.82%	271,089,843	-	-	-	A Share
HKSCC	Others	2.42%	232,761,997	-3,763,995	-	-	A Share
Shanghai International Group Co. Ltd.	State-owned legal person	1.66%	160,000,000	-	-	-	A Share
Yunnan Hehe (Group) Co., Ltd.	State-owned legal person	0.95%	91,868,387	-	-	-	A Share
Shanghai Jiushi (Group) Co., Ltd.	State-owned legal person	0.95%	90,949,460	+1,211,700	-	-	A Share
Description of related relations or concerted actions among the aforesaid shareholders	HKSCC Nominees Limited and HKSCC are related, as the former is a wholly-owned subsidiary of the latter; Shanghai State-Owned Assets Operation Co., Ltd. and Shanghai International Group Co. Ltd. are acting in concert, as the former is a wholly-owned subsidiary of the latter. Other than this, the Company is not aware of any related relations or concerted actions among the above-mentioned shareholders.						
Description of securities margin trading and refinancing business by top 10 shareholders and top 10 shareholders without selling restrictions, if any.	As at the beginning of the reporting period, the number of shares held by Shanghai Jiushi (Group) Co., Ltd. was 89,737,760, a shareholding percentage of 0.93%, and the number of shares lent and yet to be returned by Shanghai Jiushi was 1,211,700, representing 0.01% of the total share capital of the Company. As of the end of the reporting period, all the shares lent by Shanghai Jiushi (Group) Co., Ltd. had been returned.						

Notes:

- As at the end of the reporting period, the Company did not issue any preferred shares.
- The shareholding of the top ten shareholders is based on the lists of registered shareholders provided by China Securities Depository and Clearing Corporation Limited Shanghai Branch (A share) and Computershare Hong Kong Investor Services Limited (H share) respectively. Shareholder types are based on "account types" as registered with China Securities Depository and Clearing Corporation Limited Shanghai Branch.
- The shares held by HKSCC Nominees Limited are held on behalf of its clients. As SEHK does not require such shareholders to disclose to HKSCC Nominees Limited whether the shares held by them are subject to pledge or lock-up period, HKSCC Nominees Limited is unable to calculate, or make available such data. Pursuant to Part XV of the SFO, a Substantial Shareholder is required to give notice to SEHK and the Company on the occurrence of certain events including a change in the nature of its interest in shares such as the pledging of its shares. As at the end of the reporting period, the Company is not aware of any such notices from Substantial Shareholders under Part XV of the SFO.
- HKSCC is the nominal holder of shares traded through Shanghai-Hong Kong Connect Programme.

## §4 Business Review

For the reporting period, the Company realised insurance revenue of RMB66.968 billion, representing an increase of 2.4% as compared with the same period of 2023. Of this, insurance revenue from CPIC Life amounted to RMB20.859 billion, down by 5.1%; that from CPIC P/C<sup>note 1</sup> RMB45.556 billion, up by 5.9%. Net profits<sup>note 2</sup> amounted to RMB11.759 billion, up by 1.1%.

Notes:

1. Consolidated data of CPIC P/C and its subsidiary, Pacific Anxin Agricultural Insurance Co., Ltd.
2. Attributable to shareholders of the parent.

### CPIC Life

In the first quarter of 2024, amid steady recovery of China's economy, CPIC Life persisted in high-quality development, moved firmly towards the vision of "a life insurer with the best customer experience and long-term commitments", consolidated achievements of the first phase of Changhang Transformation and initiated its second phase, which aims to deepen the transformation and build a cycle of value creation that is customer-oriented and driven by channel diversification, all-around operational support and value management. During the reporting period, the subsidiary reported RMB105.950 billion in written premiums, and of this, new business premiums amounted to RMB32.833 billion, up by 0.4% year on year; new business value amounted to RMB5.191 billion, an increase of 30.7% from the same period of 2023; insurance revenue reached RMB20.859 billion, down by 5.1%.

The agency channel continued to deepen the restructuring centring on "3 Directions and 5 Mosts", focused on agent activity management, enhanced standardised sales process, and improved agent capabilities in conducting professional, independent sales activities; upgraded the system of agent recruitment and coaching which was differentiated for high-quality agents to promote development of productive new recruits and high-performing teams; put in place a differentiated customer resources management (CRM) system specific to customer segments, deepened integration of products and services, so as to strengthen comprehensive sales and CRM capabilities of agents, and improve the succession of high-performing teams and the mix of the agency force. Those measures delivered tangible benefits: first, steady business growth, with written premiums from the agency channel amounting to RMB84.864 billion during the reporting period, and of this, new business premiums RMB16.124 billion, a year-on-year growth of 31.3%; second, stable headcount of high-performing agents, with sustained improvement in productivity and income, evidenced by monthly average FYP per U-

agent of RMB83,000, up by 33.7%, and monthly average FYC per U-agent of RMB9,313, up by 14.1%; third, initial success of high-quality recruitment and coaching, with increase in number of new recruits, and improvement in their business contribution and productivity; fourth, steady improvement in business quality, manifest in 13-month policy persistency ratio of 96.9%, up by 1.0pt, and 25-month policy persistency ratio of 92.9%, up by 7.3pt.

In bancassurance, we adhered to high-quality development, deepened strategic partnerships to solidify cooperation; focused on professional capacity-building, enhanced standardised conduct management; promoted CRM of high net-worth customers, continued to enhance the supply of products and services, and enhanced precise management based on customer segmentation. During the reporting period, bancassurance reported RMB12.379 billion in written premiums, and of this, new business premiums RMB8.718 billion, down by 21.8% from the same period of 2023, due to regulatory requirement for consistency between filed commissions and actual commissions.

The group channel pushed for integrated development of short-term insurance business, established and improved management system of work-site marketing, strengthened ability to customise products for key industries and key clients, continued to optimise business mix of short-term insurance, and strived for both renewal and acquisition of inclusive insurance business. During the reporting period, the channel recorded RMB8.646 billion in written premiums, and of this, new business premiums from work-site marketing amounted to RMB590 million, an increase of 45.5% year on year.

unit: RMB million

For the 3 months ended 31 March	2024	2023	Changes (%)
<b>Written premiums</b>	<b>105,950</b>	<b>108,457</b>	<b>(2.3)</b>
<b>Agency channel</b>	<b>84,864</b>	<b>86,511</b>	<b>(1.9)</b>
New policies	16,124	12,277	31.3
Regular premium business	10,585	8,443	25.4
Renewed policies	68,740	74,234	(7.4)
<b>Bancassurance channel</b>	<b>12,379</b>	<b>12,289</b>	<b>0.7</b>
New policies	8,718	11,145	(21.8)
Renewed policies	3,661	1,144	220.0
<b>Group channel</b>	<b>8,646</b>	<b>9,617</b>	<b>(10.1)</b>
New policies	7,949	9,239	(14.0)
Renewed policies	697	378	84.4
<b>Other channels<sup>note</sup></b>	<b>61</b>	<b>40</b>	<b>52.5</b>

Note: Other channels include telemarketing & internet sales.

## CPIC P/C

CPIC P/C centred on the 5 priorities of financial service, deepened deployment in fin-tech, green finance, and inclusive finance, stepped up systematic capacity-building, promoted CRM, enhanced business quality control, and maintained the momentum of sustainable, high-quality development. In response to regulatory requirements, automobile insurance intensified business quality control and expense management, proceeded with transformation of NEV automobile insurance, and achieved reduction of costs and improvement in business mix. Non-auto business strived to meet needs of China's national initiatives and social and economic development, fostered engines of development, strengthened risk identification and management in key areas, and delivered coordinated development of quality and quantity. In agricultural insurance, the company seized opportunities of the Rural Invigoration Initiative, pushed for expansion of risk coverage and increase in levels of protection, stepped up innovation in products of "agricultural insurance +" and services, so as to meet diverse needs of customers.

In the first quarter of 2024, CPIC P/C maintained industry leadership in business development, with reasonable premium growth and stable profitability. It recorded RMB62.491 billion in primary premium income, up by 8.6% from the same period of 2023. Of this, automobile insurance contributed RMB26.477 billion, up by 2.2%, and non-auto insurance RMB36.014 billion, up by 13.8%. Insurance revenue amounted to RMB45.556 billion, up by 5.9%, with an underwriting combined ratio of 98.0%, down by 0.4pt year on year.

	unit: RMB million		
For the 3 months ended 31 March	2024	2023	Changes (%)
<b>Direct business premiums</b>	<b>62,491</b>	<b>57,543</b>	<b>8.6</b>
Auto insurance	26,477	25,897	2.2
Non-auto insurance	36,014	31,646	13.8

## Asset management

Since the beginning of the year, China's A-share market experienced a V-shaped recovery, with treasury bond yields staying low. The Company maintained a largely stable asset allocation based on profiles of liabilities. Under the guidance of Strategic Asset Allocation (SAA), it vigorously increased allocation into long-term fixed income assets to extend asset duration, while conducting Tactical Asset Allocation (TAA) with flexibility. In a low interest rate environment, it focused on equity investment instruments with low valuation, high dividend yield and long-term, positive earnings outlook, while steadily promoting innovative allocation

models and investment strategies.

As at the end of the reporting period, Group investment assets amounted to RMB2,344.793 billion, an increase of 4.2% from the end of 2023. During the reporting period, net investment yield on investment assets of the Company was 0.8%, remained relatively stable as compared with the same period of 2023; total investment yield was 1.3%, down by 0.1pt year on year.

For the three months ended 31 March	2024	2023	Changes
Net investment yield (%) <sup>note 1</sup>	0.8	0.8	-
Total investment yield (%) <sup>note 2</sup>	1.3	1.4	(0.1pt)

Notes:

1. Net investment yield was not annualised. Net investment as the numerator in the calculation of net investment yield included interest income, dividend income and rental income from investment properties, etc. Average investment assets as the denominator in the calculation of net investment yield are computed based on the Modified Dietz method.

2. Total investment yield was not annualised. Total investment as the numerator in the calculation of total investment yield included interest income, dividend income, gains/(losses) from securities trading, gains/(losses) arising from changes in fair value and rental income from investment properties, etc. Average investment assets as the denominator in the calculation of total investment yield are computed based on the Modified Dietz method.

## §5 Other Information

5.1 Other significant information pertaining to the business operation of the Company during the reporting period that deserves attention from investors

Applicable Not applicable

5.2 Solvency

Please refer to the summaries of quarterly solvency reports (excerpts) published on the websites of SSE ([www.sse.com.cn](http://www.sse.com.cn)), SEHK ([www.hkexnews.hk](http://www.hkexnews.hk)), LSE ([www.londonstockexchange.com](http://www.londonstockexchange.com)) and the Company ([www.cpic.com.cn](http://www.cpic.com.cn)) for information about the solvency of major insurance subsidiaries of the Company.

## Definitions

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below:

“the Company” or “the Group”	China Pacific Insurance (Group) Co., Ltd.
“CPIC Life”	China Pacific Life Insurance Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd.
“CPIC P/C”	China Pacific Property Insurance Co., Ltd., a subsidiary of China Pacific Insurance (Group) Co., Ltd.
“SSE”	Shanghai Stock Exchange
“SEHK”	The Stock Exchange of Hong Kong Limited
“LSE”	London Stock Exchange
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Substantial Shareholder”	Has the meaning given to it under the Securities and Futures Ordinance, being a person who has an interest in the relevant share capital of the Company, the nominal value of which is equal to or more than 5% of the nominal value of the relevant share capital of the Company
“RMB”	Renminbi
“pt”	Percentage point

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

26 April 2024

## §6 APPENDIX

### 6.1

#### CONSOLIDATED BALANCE SHEET 31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	31 March 2024	31 December 2023
	(unaudited)	(audited)
<b>ASSETS</b>		
Cash at bank and on hand	42,723	31,455
Derivative financial assets	17	17
Securities purchased under agreements to resell	14,363	2,808
Term deposits	150,483	165,501
Financial Investments:		
Financial assets at fair value through profit or loss	611,910	581,602
Financial assets at amortised cost	76,318	82,334
Debt investments at fair value through other comprehensive income	1,298,877	1,247,435
Equity investments at fair value through other comprehensive income	109,610	97,965
Insurance contract assets	-	335
Reinsurance contract assets	41,063	39,754
Long-term equity investments	22,973	23,184
Restricted statutory deposits	7,017	7,105
Investment properties	10,502	10,667
Fixed assets	18,674	18,925
Construction in progress	2,459	2,459
Right-of-use assets	3,136	3,365
Intangible assets	6,881	7,117
Goodwill	1,357	1,357
Deferred income tax assets	7,479	7,076
Other assets	15,577	13,501
<b>Total assets</b>	<b>2,441,419</b>	<b>2,343,962</b>

**CONSOLIDATED BALANCE SHEET (CONTINUED)**

31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	31 March 2024	31 December 2023
	(unaudited)	(audited)
<b>LIABILITIES AND EQUITY</b>		
Derivative financial liabilities	36	21
Securities sold under agreements to repurchase	91,974	115,819
Premium received in advance	4,756	17,026
Employee benefits payable	6,679	9,247
Taxes payable	3,730	3,536
Bonds payable	10,117	10,285
Insurance contract liabilities	1,998,343	1,872,620
Commission and brokerage payable	6,798	5,861
Insurance premium reserves	436	251
Lease liabilities	2,901	3,095
Deferred income tax liabilities	1,402	1,119
Other liabilities	37,976	37,378
<b>Total liabilities</b>	<b>2,165,148</b>	<b>2,076,258</b>
Issued capital	9,620	9,620
Capital reserves	79,953	79,950
Other comprehensive income	4,523	7,992
Surplus reserves	5,114	5,114
General reserves	25,498	25,462
Retained profits	133,177	121,448
Equity attributable to shareholders of the parent	257,885	249,586
Non-controlling interests	18,386	18,118
<b>Total equity</b>	<b>276,271</b>	<b>267,704</b>
<b>Total liabilities and equity</b>	<b>2,441,419</b>	<b>2,343,962</b>

**Fu Fan**  
Legal Representative

**Zhang Yuanhan**  
Principal in charge of Accounting Affairs

**Xu Zhen**  
Head of Accounting Department

**CONSOLIDATED INCOME STATEMENT**  
For the three months ended 31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	For the three months ended 31 March 2024	For the three months ended 31 March 2023
	(unaudited)	(unaudited)
I. Operating income	95,428	94,386
Insurance revenue	66,968	65,390
Interest income	13,976	14,812
Investment (loss)/income	(1,547)	1,100
Including: Share of (losses)/profits of associates and joint ventures	(136)	451
Other income	77	60
Gains arising from changes in fair value	15,104	12,198
Exchange gains/(losses)	13	(137)
Other operating income	837	963
II. Operating expense	(81,356)	(79,474)
Insurance service expenses	(57,126)	(55,615)
Allocation of reinsurance premiums	(3,817)	(1,938)
Less: Recoveries of insurance service expenses from reinsurers	3,804	1,687
Insurance finance expenses for insurance contracts issued	(22,132)	(20,529)
Less: Reinsurance finance income for reinsurance contracts held	608	122
Changes in insurance premium reserves	(185)	(177)
Interest expenses	(665)	(669)
Commission and brokerage expenses	(13)	(32)
Taxes and surcharges	(87)	(104)
Operating and administrative expenses	(1,500)	(2,216)
Impairment losses on financial assets	37	246
Other operating expenses	(280)	(249)
III. Operating profit	14,072	14,912
Add: Non-operating income	3	12
Less: Non-operating expenses	(28)	(13)
IV. Profit before tax	14,047	14,911
Less: Income tax	(1,959)	(3,023)
V. Net profit	12,088	11,888
Classified by continuity of operations:		
Net profit from continuing operations	12,088	11,888
Net profit from discontinued operations	-	-
Classified by ownership of the equity:		
Attributable to shareholders of the parent	11,759	11,626
Non-controlling interests	329	262
VI. Other comprehensive income/(loss)	(3,524)	6,590
Other comprehensive income/(loss) that will not be reclassified to profit or loss:	2,310	1,624
Changes in the fair value of equity investments at fair value through other comprehensive income	2,893	1,687
Insurance finance income/(expenses) for insurance contracts issued that will not be reclassified to profit or loss	(583)	(63)

**CONSOLIDATED INCOME STATEMENT (CONTINUED)**

For the three months ended 31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	For the three months ended 31 March 2024 (unaudited)	For the three months ended 31 March 2023 (unaudited)
Other comprehensive income/(loss) that will be reclassified to profit or loss:	(5,834)	4,966
Share of other comprehensive income/(loss) that will be reclassified to profit or loss of investees accounted for using the equity method	-	(20)
Changes in the fair value of debt instruments at fair value through other comprehensive income	29,622	5,295
Changes in provisions for credit risks of debt instruments at fair value through other comprehensive income	(69)	(232)
Exchange differences on translation of foreign operations	-	(12)
Insurance finance income/(expenses) for insurance contracts issued that will be reclassified to profit or loss	(35,388)	(65)
Insurance finance income/(expenses) for reinsurance contracts held that will be reclassified to profit or loss	1	-
VII. Total comprehensive income	8,564	18,478
Attributable to shareholders of the parent	8,296	18,102
Attributable to non-controlling interests	268	376
VIII. Earnings per share		
Basic earnings per share (RMB per share)	1.22	1.21
Diluted earnings per share (RMB per share)	1.22	1.21

**Fu Fan**  
Legal Representative

**Zhang Yuanhan**  
Principal in charge of Accounting Affairs

**Xu Zhen**  
Head of Accounting Department

## 6.3

**CONSOLIDATED CASH FLOW STATEMENT**  
For the three months ended 31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	For the three months ended 31 March 2024	For the three months ended 31 March 2023
	(unaudited)	(unaudited)
<b>I Cash flows from operating activities</b>		
Cash received from premium of insurance contracts issued	135,651	134,796
Net cash received from reinsurance contracts issued	-	224
Net decrease in policy loans	1,197	1,080
Refund of taxes and surcharges	10	10
Cash received relating to other operating activities	1,169	1,205
<b>Sub-total of cash inflows</b>	<b>138,027</b>	<b>137,315</b>
Cash paid for claims under insurance contracts issued	(49,079)	(46,130)
Net cash paid under reinsurance contracts issued	(539)	-
Net cash paid under reinsurance contracts held	(507)	(722)
Cash paid for commission and brokerage expenses	(9,100)	(8,904)
Cash paid to and on behalf of employees	(8,648)	(8,507)
Payments of taxes and surcharges	(2,427)	(2,477)
Cash paid relating to other operating activities	(17,840)	(21,251)
<b>Sub-total of cash outflows</b>	<b>(88,140)</b>	<b>(87,991)</b>
<b>Net cash flows from operating activities</b>	<b>49,887</b>	<b>49,324</b>
<b>II Cash flows from investing activities</b>		
Cash received from disposal of investments	179,972	176,623
Cash received from returns on investments and interest income	17,121	18,872
Net cash received from disposal of subsidiaries and other business entities	46	39
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	11	34
<b>Sub-total of cash inflows</b>	<b>197,150</b>	<b>195,568</b>
Cash paid to acquire investments	(195,567)	(207,511)
Net cash paid to acquire subsidiaries and other business entities	(11)	-
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(952)	(467)
Cash paid relating to other investing activities	(3)	(96)
<b>Sub-total of cash outflows</b>	<b>(196,533)</b>	<b>(208,074)</b>
<b>Net cash flows from/(used in) investing activities</b>	<b>617</b>	<b>(12,506)</b>
<b>III Cash flows from financing activities</b>		
Cash received from bonds issued	-	2,000
Cash received relating to other financing activities	498	4,051
<b>Sub-total of cash inflows</b>	<b>498</b>	<b>6,051</b>
Cash repayments of borrowings	(3,218)	(400)
Cash payments for distribution of dividends, profits or interest expenses	(786)	(813)
Decrease in securities sold under agreements to repurchase, net	(23,789)	(33,724)
Cash paid relating to other financing activities	(426)	(652)
<b>Sub-total of cash outflows</b>	<b>(28,219)</b>	<b>(35,589)</b>
<b>Net cash flows used in financing activities</b>	<b>(27,721)</b>	<b>(29,538)</b>

**CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)**

For the three months ended 31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	For the three months ended 31 March 2024	For the three months ended 31 March 2023
	(unaudited)	(unaudited)
IV Effects of exchange rate changes on cash and cash equivalents	9	(129)
V Net increase in cash and cash equivalents	22,792	7,151
Add: Cash and cash equivalents at the beginning of period	33,740	53,810
VI Cash and cash equivalents at the end of period	56,532	60,961

**Fu Fan**  
Legal Representative

**Zhang Yuanhan**  
Principal in charge of Accounting Affairs

**Xu Zhen**  
Head of Accounting Department

## 6.4

**BALANCE SHEET**

31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	31 March 2024	31 December 2023
	(unaudited)	(audited)
<b>ASSETS</b>		
Cash at bank and on hand	6,041	6,286
Securities purchased under agreements to resell	610	-
Term deposits	7,150	5,457
Financial Investments:		
Financial assets at fair value through profit or loss	16,578	17,255
Financial assets at amortised cost	11,359	12,644
Debt investments at fair value through other comprehensive income	24,022	23,140
Equity investments at fair value through other comprehensive income	3,382	2,511
Long-term equity investments	70,497	71,250
Investment properties	3,090	3,123
Fixed assets	992	1,035
Construction in progress	3	3
Right-of-use assets	351	371
Intangible assets	227	237
Deferred income tax assets	69	64
Other assets	593	470
<b>Total assets</b>	<b>144,964</b>	<b>143,846</b>
<b>LIABILITIES AND EQUITY</b>		
Securities sold under agreements to repurchase	2,380	2,026
Employee benefits payable	149	244
Taxes payable	154	103
Lease liabilities	393	416
Deferred income tax liabilities	169	-
Other liabilities	731	778
<b>Total liabilities</b>	<b>3,976</b>	<b>3,567</b>
Issued capital	9,620	9,620
Capital reserves	79,312	79,312
Other comprehensive income	744	423
Surplus reserves	4,810	4,810
Retained profits	46,502	46,114
<b>Total equity</b>	<b>140,988</b>	<b>140,279</b>
<b>Total liabilities and equity</b>	<b>144,964</b>	<b>143,846</b>

**Fu Fan**  
Legal Representative

**Zhang Yuanhan**  
Principal in charge of Accounting Affairs

**Xu Zhen**  
Head of Accounting Department

**INCOME STATEMENT**

For the three months ended 31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	For the three months ended 31 March 2024	For the three months ended 31 March 2023
	(unaudited)	(unaudited)
I. Operating income	925	777
Interest income	443	520
Investment income	81	30
Including: Share of losses of associates and joint ventures	(3)	-
Other income	3	3
Gains arising from changes in fair value	226	152
Exchange gains/(losses)	7	(98)
Other operating income	165	170
II. Operating expenses	(444)	(388)
Interest expenses	(9)	(8)
Taxes and surcharges	(20)	(19)
Operating and administrative expenses	(380)	(374)
Impairment losses on financial assets	4	53
Other operating expenses	(39)	(40)
III. Operating profit	481	389
Less: Non-operating expenses	(1)	-
IV. Profit before tax	480	389
Less: Income tax	(96)	(89)
V. Net profit	384	300
Classified by continuity of operations:		
Net profit from continuing operations	384	300
Net profit from discontinued operations	-	-
VI. Other comprehensive income/(loss)	325	28
Other comprehensive income/(loss) that will not be reclassified to profit or loss:	131	5
Changes in the fair value of equity investments at fair value through other comprehensive income	131	5
Other comprehensive income/(loss) that will be reclassified to profit or loss:	194	23
Changes in the fair value of debt instruments at fair value through other comprehensive income	197	63
Changes in provisions for credit risks of debt instruments at fair value through other comprehensive income	(3)	(40)
VII. Total comprehensive income	709	328

**Fu Fan**  
Legal Representative

**Zhang Yuanhan**  
Principal in charge of Accounting Affairs

**Xu Zhen**  
Head of Accounting Department

**CASH FLOW STATEMENT**  
For the three months ended 31 March 2024

Prepared by: CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

in RMB million

ITEM	For the three months ended 31 March 2024	For the three months ended 31 March 2023
	(unaudited)	(unaudited)
<b>I Cash flows from operating activities</b>		
Cash received relating to other operating activities	171	164
<b>Sub-total of cash inflows</b>	171	164
Cash paid to and on behalf of employees	(272)	(263)
Payments of taxes and surcharges	(10)	(10)
Cash paid relating to other operating activities	(211)	(275)
<b>Sub-total of cash outflows</b>	(493)	(548)
<b>Net cash flows used in operating activities</b>	(322)	(384)
<b>II Cash flows from investing activities</b>		
Cash received from disposal of investments	5,461	8,701
Cash received from returns on investments and interest income	392	447
<b>Sub-total of cash inflows</b>	5,853	9,148
Cash paid to acquire investments	(5,490)	(3,075)
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(18)	(26)
<b>Sub-total of cash outflows</b>	(5,508)	(3,101)
<b>Net cash flows from investing activities</b>	345	6,047
<b>III Cash flows from financing activities</b>		
Increase in securities sold under agreements to repurchase, net	355	-
<b>Sub-total of cash inflows</b>	355	-
Cash payments for distribution of dividends, profits or interest expenses	(6)	(7)
Decrease in securities sold under agreements to repurchase, net	-	(3,919)
Cash paid relating to other financing activities	(14)	(5)
<b>Sub-total of cash outflows</b>	(20)	(3,931)
<b>Net cash flows from/(used) in financing activities</b>	335	(3,931)
<b>IV Effect of exchange rate changes on cash and cash equivalents</b>	7	(89)
<b>V Net increase in cash and cash equivalents</b>	365	1,643
Add: Cash and cash equivalents at the beginning of period	6,286	6,610
<b>VI Cash and cash equivalents at the end of period</b>	6,651	8,253

**Fu Fan**  
Legal Representative

**Zhang Yuanhan**  
Principal in charge of Accounting Affairs

**Xu Zhen**  
Head of Accounting Department