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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, 30 August 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, Mr. XIE Weiqing, Ms. LU Qiaoling, Mr. CAI Qiang, John 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 qualifications of Mr. XIE Weiqing and Mr. CAI Qiang, John are subject to the approval by the regulatory authorities.*

Summary of Quarterly Solvency Report (Excerpts)

Pacific Anxin Agricultural Insurance Co., Ltd.

2nd Quarter of 2024

Company overview and contact information

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

(I) Board and management statement

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

(II) Voting results by directors

Below is the voting results of directors:

Name of directors	For	Against	Abstain
SONG Jianguo	√		
MAO Xiaojun	√		
SHI Jian	√		
XING Zhibin	√		
ZHOU Hua	√		
SHEN Chun	√		
ZHANG Qiao	√		
CHEN Sen	√		
ZHOU Li	√		
Total	9		

Note: Mark "√" in corresponding blanks according to opinions of directors.

There are no directors who cannot guarantee the truthfulness, accuracy, completeness or compliance of the contents of this report, or raised any issues in this regard.

China Pacific Anxin Agricultural Insurance Company Limited

July 2024

II. Basic information

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

1. Ownership structure and change

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

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

2. De facto controller

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

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

Names of shareholders	Types of shareholders	Shares held at the end of the reporting period	Shareholding percentage at the end of the reporting period (%)	Shares pledged or in lock-up
China Pacific Property Insurance Co., Ltd.	State-owned	73,205.68	67.78%	0
Shanghai Agricultural Development	State-owned	7,718.03	7.15%	0

Co., Ltd.

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

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

4. Shareholding by directors, supervisors and senior management

None during the reporting period.

5. Share transfer during the reporting period

None during the reporting period.

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

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

1.1 Directors

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

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

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

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

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

Management Co., Ltd., Deputy Head of Organization and Personnel Section of Shanghai Modern Agriculture Open Training Center, and Director of General Office of Shanghai Agricultural Development Promotion Center.

Mr. ZHOU Hua, born in August 1977, holds a doctoral degree and is a Fellow of China Association of Actuaries (life insurance). Mr. ZHOU has been serving as Independent Director of the Company since April 2024 (approval document: NFRA [2024] No. 254). Mr. ZHOU is a professor at Central University of Finance and Economics (CUFE), dean of the university's School of Insurance, dean of China Institute of Actuarial Science. He previously served as teaching assistant, lecturer, associate professor, deputy director of the Department of Actuarial Science, and deputy dean of the School of Insurance of CUFE. Mr. ZHOU is also a director of the China Association of Actuaries and an independent director of New China Pension Co., Ltd.

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[2019] No. 44). Mr. SHEN currently serves as Director of Management Committee of Excellent Law Firm, Chairman of Wusong General Branch of Baoshan Committee of China Democratic National Construction Association, member of the Standing Committee of the 9th Baoshan District Political Consultative Conference, Law Enforcement Supervisor of CPC Political and Legal Commission of Baoshan District, Legal Advisor of Government of Baoshan District. Mr. SHEN previously served as deputy head and partner of Shanghai Zhengming Law Firm.

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

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

Ms. ZHOU Li, born in March 1979, holds a bachelor's degree and the designation of

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

1.2 Supervisors

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

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

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

Ms. YUAN Changming, born in May 1966, holds a master's degree. She has been serving as Supervisor of the Company since April 2024 (approval document: NFRA [2024] No. 237). Ms. YUAN currently is a teacher and associate professor at the School of Management of Shangdong University, and also a certified public accountant of Shangdong SD-Audit Certified Accounts Co., Ltd., a management consultant of Tianju Enterprise Group, and an independent director of MH Robot & Automation Co., Ltd. She was previously a teacher at Bengbu Finance and Trade Vocational School, head of

the Finance Section of Shandong Inzone Group Co., Ltd, and a lecturer at Shandong University of Technology. Ms. YUAN was also concurrently a consultant at Shandong Anpurui Agriculture and Animal Husbandry Development Co., and adjunct professor at Shandong Agricultural Management College.

Mr. ZHANG Xiangdong, born in April 1966, holds a bachelor's degree in medicine and designation of agronomist. Mr. ZHANG has been serving as Supervisor of the Company since April 2024 (approval document: NFRA [2024] No. 237). Mr. ZHANG currently serves as Chairman of Shanghai Caoye Agricultural Development Co., Ltd., and Chairman of Shanghai Baida Supermarket Co., Ltd. He is also a special deputy to the People's Congress of Fengxian District, Shanghai, a special member of the Standing Committee of the People's Congress of Fengxian District, and Director of Tai'an Agricultural Insurance Institute. Previously, he was staff member of Shanghai Pharmaceuticals & Health Products Import & Export Corporation, and Corporate Development Manager of Amtek Group (Singapore).

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

Mr. MIAO Huan, born in August 1983, holds a bachelor's degree. He became Supervisor of the Company in December 2021 (approval document: CBIRC [2019] No. 973). He currently serves as Executive Director of Shanghai Huijia Venture Capital Co., Ltd. and Executive Director of Shanghai Jiading Weiye Investment Development Co., Ltd. Mr. MIAO previously served as Executive Director of Shanghai Jiading Guangwo Assets Management Co., Ltd, Business Assistant, and Business Manager of the Investment Management Department of Shanghai Jiading District State-owned Assets Management (Group) Co., Ltd., and Business Manager of Shanghai Jiading Venture Capital Management Co., Ltd.

1.3 Senior management at head-office level

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

Mr. SHI Jian, born in November 1973, holds a bachelor's degree, and has been serving as General Manager of the Company since July 2021 (approval document: CBIRC [2021] No. 609). Mr. SHI also serves as Executive Director of the Company. Previously he served as Deputy General Manager (in charge) of Shanghai Western Operation

Management Office of Shanghai Branch of China Life Insurance Company, General Manager of Business Management Department, General Manager of Market Development Department, and General Manager of Product Development and Reinsurance Department of Shanghai Anxin Agricultural Insurance Co., Ltd. He also served as Assistant President, Vice President, Board Secretary, Executive Director, President (General Manager) of Anxin Agricultural Insurance Co., Ltd., as well as Deputy Marketing Director and General Manager of Strategic Account Department of CPIC Group.

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

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

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

Agricultural Insurance Business Management Department of Pacific Anxin Agricultural Insurance Co., Ltd.

Mr. HU Dexiong, born in August 1983, holds a master's degree. He has been serving as Assistant General Manager of the Company since March 2024 (approval document: NFRA [2024] No.99). Mr. HU currently also serves as General Manager of the Product Development Department of the Company. He previously worked for Anxin Agricultural Insurance Company Limited, serving as Deputy Manager of the Policy Research Office of the Agricultural Insurance Department, Deputy Manager of the Branch Management Section of the Strategic Development Department, Assistant General Manager and Deputy General Manager of the Strategic Development Department, Deputy General Manager of the Agricultural Insurance Market Development Department, Deputy General Manager (in charge) and General Manager of the Product Research and Development Department. He also served as General Manager of the Development & Planning Department of the Company.

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

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

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

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

Position	Predecessors	Incumbents	Remarks
Independent director	-	ZHOU Hua	New appointment
Independent director	JIANG Shengzhong	-	Departure
Supervisor	-	YUAN Changming	New appointment
Supervisor	-	ZHANG Xiangdong	New appointment
Supervisor	CHENG Song	-	Departure
Supervisor	ZHANG Wenjuan	-	Departure

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

None.

(III) Subsidiaries, joint ventures or associate ventures

None during the reporting period.

(IV) Breaches and administrative penalties during the reporting period

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

None.

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

None.

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

None during the reporting period.

III. Main indicators

(I) Solvency margin ratios

unit: yuan

Item	As of the end of Q2 2024	As of the end of Q1 2024	Next quarter estimates
Admitted assets	7,185,469,010	7,512,075,380	7,041,291,997
Admitted liabilities	3,994,740,277	4,331,039,746	3,833,098,037
Actual capital	3,190,728,733	3,181,035,635	3,208,193,960
Tier-1 core capital	2,873,574,034	2,851,725,857	2,891,039,261
Tier-2 core capital	-	-	-
Tier-1 supplement capital	317,154,699	329,309,777	317,154,699
Tier-2 supplement capital	-	-	-
Minimum capital	907,866,752	880,904,362	939,501,822
Minimum capital for quantifiable risks	889,554,971	863,136,415	920,551,803
Minimum capital for life insurance risk	-	-	-
Minimum capital for non-life insurance risk	725,924,044	713,315,875	765,249,284
Minimum capital for market risk	392,353,638	386,629,248	390,596,094
Minimum capital for credit risk	319,219,001	289,595,476	324,498,397
Diversification effect for quantifiable risks	449,102,270	430,500,137	457,508,438
Loss absorption for special-type insurance contracts	-	-	-
Minimum capital for control risk	18,311,781	17,767,946	18,950,019
Supplement capital	-	-	-
Core solvency margin	1,965,707,282	1,970,821,496	1,951,537,439
Core solvency margin ratio	316.52%	323.73%	307.72%
Comprehensive solvency margin	2,282,861,981	2,300,131,273	2,268,692,137
Comprehensive solvency margin ratio	351.45%	361.11%	341.48%

(II) Regulatory indicators for liquidity risk

Liquidity coverage ratio (LCR)	Q2 2024		Q1 2024	
	Next 3 months	Next 12 months	Next 3 months	Next 12 months
LCR1 (LCR under base scenario)	102.95%	103.81%	107.50%	103.32%
LCR2 (LCR under stress scenario)–mandatory	189.58%	143.60%	185.08%	120.99%
LCR2 (LCR under stress scenario)- self-testing	203.70%	149.64%	189.93%	128.19%
LCR3 (LCR under stress scenario before asset disposal)-mandatory	83.03%	101.38%	90.14%	86.70%
LCR3 (LCR under stress scenario before asset disposal)-self-testing	91.50%	112.37%	104.31%	97.67%
Retrospective adverse deviation ratio of net cash flows from operating activities	172.82%		57.38%	
Net cash flows YTD (unit: 10,000 yuan)	9,122.71		-844.50	
Net cash flows in 2023 (unit: 10,000 yuan)	1,527.95		1,527.95	
Net cash flows in 2022 (unit: 10,000 yuan)	-1,987.50		-1,987.50	

(III) Other indicators for liquidity risk

unit: yuan

Indicators	Item	As of the end of/ during Q2 2024	As of the end of/ during Q1 2024
1. Net cash flows from operating activities	Amount	241,955,068	-132,013,339
	Cash inflow from operating activities YTD	1,223,236,310	337,632,617
	Cash outflow from operating activities YTD	981,281,241	469,645,956

2. Net cash flows from operating activities per 100 yuan in premiums	Amount	19.75	-29.9
	Net cash flows from operating activities YTD	241,955,068	-132,013,339
	Premiums YTD	1,224,888,785	441,447,168
3. Share of cash outflow for special types of business	Percentage	0.08%	0.07%
	Claims pay-out for business of special types	-	-
	Incurred and reported claim reserves for business of special types	679,137	242,313
	Total claims pay-out	827,908,966	365,095,798
	Total incurred and reported claim reserves	18,370,817	-24,584,211
4. Written premiums growth year-on-year	Percentage	-1.66%	0.58%
	Written premiums YTD	1,224,888,785	441,447,168
	Written premiums YTD for the same period of previous year	1,245,615,820	438,914,428
5. Share of cash and liquidity management instruments	Percentage	3.54%	1.89%
	Book value of cash and liquidity management instruments as at the end of the reporting period	248,335,786	131,182,534
	Total assets as at the end of the reporting period	7,006,199,205	6,939,248,667
6. Quarterly average financial leverage ratio	Percentage	4.13%	6.02%
	Arithmetic mean of the balance of inter-bank lending, bond repurchase	298,000,000	454,000,000

	and other cash inflow from financing as at the end of each month during the quarter		
	Total assets as at the end of the reporting period	7,215,199,205	7,544,248,667
7. Share of domestic fixed income assets rated AA and below	Percentage	0.32%	0.33%
	Book value of domestic fixed income assets rated AA and below as at the end of the reporting period	22,400,000	22,774,500
	Total assets as at the end of the reporting period	7,006,199,205	6,939,248,667
8. Share of investments in listed stocks with a stake of 5% or above	Percentage	0.00%	0.00%
	Book value of investments in listed stocks with stake of 5% or above as at the end of the reporting period	0	0
	Total assets as at the end of the reporting period	7,215,199,205	7,544,248,667
9. Proportion of receivables	Percentage	17.42%	22.64%
	Premium receivables	752,024,775	572,979,867
	Reinsurance receivables	504,876,850	1,135,384,843
	Total assets as at the end of the reporting period	7,215,199,205	7,544,248,667
10. Proportion of related party assets held by the Company	Percentage	0.00%	0.00%
	Total investment assets of related parties held by the Company	-	-

	Total assets as at the end of the reporting period	7,215,199,205	7,544,248,667
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(IV) Key business metrics

unit: yuan

Indicators	As at the end of/ during Q2 2024	As at the end of Q2 2024/YTD
Gross written premiums	881,763,527	1,297,572,361
Net profit	61,679,886	70,522,807
Total assets	5,964,307,105	5,964,307,105
Net assets	3,048,229,289	3,048,229,289
Insurance contract liabilities	2,101,199,691	2,101,199,691
Basic earnings per share	0.057	0.065
ROE	2.04%	2.34%
ROA	1.06%	1.22%
Investment yield	1.03%	1.69%
Comprehensive investment yield	1.49%	2.76%
Profitability indicators	--	--
Combined ratio	--	98.27%
Expense ratio	--	15.68%
Loss ratio	--	82.59%
Proportion of commission and brokerage expenses	--	1.54%
Proportion of operating and administrative expenses	--	13.69%
Scale indicators	--	--
Written premiums	783,441,618	1,224,888,785
Written premiums of auto insurance	-	-
Written premiums of top 5 non-auto insurance business lines	765,870,723	1,170,799,759

Largest non-auto business line	567,079,380	834,647,187
Second largest non-auto business line	123,830,169	192,396,079
Third largest non-auto business line	56,754,114	105,052,075
Fourth largest non-auto business line	14,799,427	32,439,799
Fifth largest non-auto business line	3,407,633	6,264,619
Average vehicle premium of auto insurance	-	-
Written premiums by channels	783,441,618	1,224,888,785
Agency	21,661,873	49,893,076
Direct	739,718,567	1,128,404,699
Brokerage	22,061,178	46,591,011
Others	-	-

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

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

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

IV. Risk management capabilities

(I) Company category

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

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

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

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

The Company scored 76.69 points in the last on-site SARMRA assessment. As per Solvency Regulatory Standards of Insurance Companies No. 12: Solvency-aligned Risk Management Requirement and Assessment of Solvency Regulatory Standards of Insurance Companies (II) (CBIRC Document [2021] No. 51), the final score of the Company was 75.88 points. During the reporting period, the Company took further steps to enhance risk management. To be specific:

In Q2, we reviewed and updated the solvency risk management system, revised and improved regulations such as the Risk Management Policy, Regulations on Insurance Risk Management, and Regulations on Strategic Risk Management to further improve our solvency system.

In respect of insurance risk, we completed an assessment report on major products for 2023 and as well as the termination and withdrawal of 124 insurance products; prepared the annual reserve assessment report for 2023 and submitted it to the regulator; retrospectively reviewed the results of the Company's reserve assessment for the previous year and the year before, which showed favourable progress; monitored the development of major losses and proactively carried out claims survey and settlement; conducted a special campaign on major claims, with supervision of key claims cases on a regular basis and promotion of anti-fraud investigation and arbitration; strengthened disaster prevention and loss reduction during the flood season, enhanced management of preliminary data reporting and entry for outstanding cases to ensure the integrity of operating data; further improved the reinsurance risk assessment mechanism, and further disciplined the Company's inward reinsurance contracts.

In terms of market risk, we formulated Mechanisms of Investment Decision-making and Authorisation for Asset and Liability Management and Funds Utilisation, and revised General Provisions on Asset and Liability Management and Implementation Measures for Asset and Liability Management to further strengthen asset and liability management; formulated the Strategic Assets Allocation Programme and Annual Asset Allocation Plan in accordance with the Company's risk appetite system, which were formally issued to outsourced asset managers; maintained regular communication with outsourced investment managers on market risk management of investment assets to guard against adverse impact of concentrated risk exposure on net profit and

net assets; carried out quantitative assessment and quarterly analysis of ALM, which, among others, measured and analysed the impact of market fluctuations on investment yields, monitored the matching of costs and returns, with projections of key indicators to meet regulatory and in-house ALM requirements.

For credit risk, we formulated and issued a performance assessment programme for receivables collection in FY2024, specifying requirements for liquidation in certain business; pushed forward project of “statements on receivables” as part of the data decision-making system; continued to follow the developments of the reinsurance industry, and carried out timely analysis and evaluation of the credit risk status of reinsurance brokers, reinsurers, and cedants. We adopted a diversified reinsurance strategy to control the reinsurance concentration risk.

On the front of operational risk, we launched a rectification campaign on compliance and internal control effectiveness of u/w and claims management for government-sponsored agricultural insurance business as per NFRA requirements; completed the backward migration of the AML system; organised the fourth “Risk Compliance Month” and “Clean Financial Culture” themed activities to promote risk and compliance awareness; completed the quarterly AML self-examination, with prompt correction of problems identified; organised quarterly review of anti-fraud work by branch offices and formulated quarterly fraud-risk analysis report; and conducted risk management assessment of IT outsourcing for the year 2023 and prepared a report.

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

In terms of reputational risk, we conducted risk screening to ensure forward-looking, pro-active and effective risk management; guided branch offices in formulation of their own policies on reputational risk management so as to build a reputational risk governance system with sound organisational support and clear definition of roles and responsibilities.

In terms of strategic risk, we assessed the status of implementation of quarterly development plans to promote the execution of the Company's overall strategic planning and development objectives. We continued to strengthen relationships with our strategic partners for mutual empowerment in business development, customer development, branding, etc.; carried out cooperation in the entire industrial chain, supply chain and financial chain, including animal husbandry, commercial distribution, industrial processing and culture & tourism, so as to provide comprehensive financial solutions to customers.

(IV) Status of SARMRA self-assessment

There was no such self-assessment in the quarter.

V. Integrated risk rating (differentiated supervision)

(I) IRR results of the previous two quarters

The Company was rated AAA at the IRR (differentiated supervision) by NFRA (formerly CBIRC) for both Q1 of 2024 and Q4 of 2023.

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

(II) Measures taken or to be taken for improvement

The Company's integrated risk rating (IRR) for Q1 2024 was AAA.

In the reporting quarter, the Company continued to monitor key indicators to ensure their stability and enhanced early-stage intervention of risk management. Given lower scoring on information filing of information systems, we conducted timely communication with the regulator; completed statistical filing, self-review & rectification and reply to survey questionnaires without delay as required by NFRA, PBoC and related regulatory documents; reviewed data filed with the regulator for IT remote auditing on a regular basis and improved IT governance as per regulatory requirements.

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

1. Operational risk

1.1 Operational risk status

In the quarter, first, the Company formulated rectification plans for various defects newly discovered in audits, carried out rectification with regular progress follow-up, urged relevant parties to complete rectification on time according to the plan; second, updated database of operational risk losses, with analysis and evaluation of such losses

via risk management systems; third, amended and issued rules such as Regulations on Personnel Management of Agricultural Insurance Assistants and implemented them strictly to maintain effective control of operational risks.

1.2 Methods of operational risk assessment

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

1.3 Process of operational risk assessment

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

1.4 Results of operational risk assessment

The review indicated no serious flaws which may trigger operational risk.

2.Strategic risk

2.1 Status of strategic risk

The strategic risk facing the Company mainly includes the following:

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

2.2 Methods of strategic risk assessment

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

2.3 Process of strategic risk assessment

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

2.4 Results of strategic risk assessment

Business development of the Company in the past 3 years has been volatile, which calls for intensified effort in market development and product innovation, particularly

in areas other than Shanghai. At the same time, we will enhance performance evaluation against KPIs and take multiple measures to ensure healthy, steady premium growth and high-quality development.

3.Reputational risk

3.1 Status of reputational risk

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

3.2 Methods of reputation risk assessment

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

3.3 Process of reputational risk assessment

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

3.4 Results of reputational risk assessment

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

4. Liquidity risk

4.1 Status of liquidity risk

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

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

First is the time lag in settlement of agricultural insurance premium receivables by governments. As per Provisions on Fiscal Subsidies of Agricultural Insurance Premiums of Shanghai Municipal Government, the subsidy for agricultural

insurance would be accrued in advance and settled in the next year. Thus, the time lag has an impact the Company's cash flows. To address this, it vigorously conducted communications with government agencies in charge of agriculture and finance at various levels, seeking to optimise the process of fiscal subsidy transfers so that it could receive the fund at an early date.

Second is agricultural insurance catastrophe risks. The agricultural insurance business of the Company is concentrated in the Yangtze River Delta, and given this geographical concentration and the characteristics of the business line, the occurrence of natural catastrophes could lead to huge outflows of cash for claims payments within a short period of time. In response, the Company put in place mechanisms to closely monitor likelihood of disasters, issue early warning and get prepared for relief and damage-reduction effort; in the event of natural catastrophes, the Company will initiate the contingency plan, conduct claims investigation in a timely manner, coordinate funds planning to ensure normal and stable cash flows.

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

As at the end of Q2 2024, LCR under the base scenario (LCR1) for the next 12 months and LCR under the stress scenario (LCR2) for the next 12 months were both above 100%, indicating a sound status in liquidity risk.

4.2 Methods of liquidity risk assessment

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

4.3 Process for liquidity risk assessment

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

4.4 Results of liquidity risk assessment

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

VI. Management analysis and discussions

(I) Changes to solvency and reasons

As of the end of the quarter, the comprehensive and core solvency margin ratios of the Company was 351.45% and 316.52% respectively, maintaining a strong position, though down by 9.7pt and 7.2pt respectively from the preceding quarter.

Of this, actual capital was 3.191bn yuan, an increase of 10mn yuan from the previous quarter, mainly due to net profit of 66mn yuan for the quarter, shareholder dividend payable of 54mn yuan, a decrease of 22mn yuan in agricultural insurance reserve for catastrophes, an increase of 17mn yuan in other comprehensive income and a decrease of 2mn yuan in non-admitted assets.

Minimum capital was 908mn yuan, an increase by 27mn yuan from the preceding quarter. Of this, minimum capital for insurance risk rose by 13mn yuan, as a result of growth of property insurance, which in turn led to increased minimum capital requirement for premium reserve and catastrophes; minimum capital for market risk rose by 6mn yuan, largely due to changes to asset allocation, which in turn reduced risk diversification effect, and increase in minimum capital for interest rate risk amid decline of interest rates; that for credit risk climbed by 30mn yuan, mainly due to increase in age of premium receivables and higher reinsurance counter-party default risk; risk diversification effect increased by 19mn yuan.

(II) Changes to liquidity risk indicators and reasons

As of the end of the reporting quarter, cash and cash equivalents stood at 165.8858mn yuan, an increase by 99.7033mn yuan from 66.1825mn yuan in the previous quarter. The increase was mainly due to higher cash inflow received from reinsurance business during the quarter.

LCRs of the next 3 months and next 12 months under base scenarios (LCR1) were 102.95% and 103.81%, respectively.

LCR2s, or LCRs of the next 3 months and next 12 months under stress scenario (mandatory) were 189.58% and 143.60%, respectively.

LCR2s of next 3 months and next 12 months under stress scenarios (self-testing) were 203.70% and 149.64%, respectively.

LCR3s, or LCRs of the next 3 months and next 12 months under stress scenarios before asset disposal (mandatory) were 83.03% and 101.38%, respectively.

LCR3s of the next 3 months and next 12 months under stress scenarios before asset disposal (self-testing) were 91.50% and 112.37%, respectively.

The retrospective adverse deviation ratios of net cash flow from operating activities of the reporting and the previous quarters were 172.82% and 57.38%, respectively, mainly due to higher-than-estimated amounts in net cash flows from

reinsurance business during the reporting quarter.

Net cash flow YTD was 91.2271mn yuan. That for the previous fiscal year was 15.2795mn yuan, and that for the year earlier was -19.8750mn yuan.

(III) Change to IRR and reasons

The Company was rated AAA at the IRR (differentiated supervision) by National Administration of Financial Regulation (former CBIRC) for both Q1 of 2024 and Q4 of 2023.

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