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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.**  
**KONG Qingwei**  
*Chairman*

Hong Kong, 29 April 2021

*As at the date of this announcement, the Executive Directors of the Company are Mr. KONG Qingwei and Mr. FU Fan; the Non-executive Directors are Mr. HUANG Dinan, Mr. WANG Tayu, Mr. WU Junhao, Mr. CHEN Ran, Mr. ZHOU Donghui, Ms. LIANG Hong, Ms. LU Qiaoling and Mr. John Robert DACEY; and the Independent Non-executive Directors are Ms. LIU Xiaodan, Mr. CHEN Jizhong, Ms. LAM Tyng Yih, Elizabeth, Mr. WOO Ka Biu, Jackson and Mr. JIANG Xuping.*

# Summary of Quarterly Solvency Report

**China Pacific Anxin Agricultural Insurance Company Limited**

**1<sup>st</sup> Quarter of 2021**

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## I. Basic information

### (I) Registered address

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

### (II) Legal representative

SONG Jianguo

### (III) Business scope and territories

#### 1. Business scope

Agricultural insurance; property indemnity insurance; liability insurance including mandatory liability insurance; credit and guarantee insurance; short-term health and accident insurance; other types of property insurance relating rural areas and farmers; reinsurance of the above said insurance; insurance agency business (subject to approval by regulators as per relevant laws and regulations);

#### 2. Business territories

Shanghai, Jiangsu Province, Zhejiang Province.

### (IV) Ownership structure and shareholders

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

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

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

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

|  |          |       |
|--|----------|-------|
| Shanghai Songjiang State-owned Asset Investment Management Co., Ltd. | 2,025.88 | 2.89% |
| Shanghai Huinong Investment Management Co., Ltd.                     | 1,817.99 | 2.60% |
| Shanghai Qingpu Asset Management Co., Ltd.                           | 1,719.37 | 2.46% |

## **(V) Controlling shareholder or de facto controller**

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

## **(VI) Subsidiaries, joint or associate ventures**

None during the reporting period

## **(VII) Directors, supervisors and senior management**

### **1. Directors**

The 3rd 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 Approval [2015] No. 143). Mr. SONG currently serves as Deputy General Manager of CPIC P/C and Dean of Tai'an Agricultural Insurance Research Institute. He previously served as General Manager of CPIC P/C Hainan Branch, General Manager of Property Liability Insurance Department of CPIC P/C, General Manager of CPIC P/C Shandong Branch, and Sales Director of CPIC P/C.

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

Mr. JIANG Shengzhong, born in July 1958, holds a doctoral degree. He has served as Independent Director of the Company since April 2018 (approval document: CBIRC Approval [2018] No. 4). Mr. JIANG is currently a professor and PhD supervisor of Nankai University. He also serves as Director of Agricultural Insurance Center of Nankai University Finance College, Vice President of the Insurance Society of China, Executive Director of China Society for Finance and Banking, Executive Director of Tianjin Insurance Society, and Honorary Director of Council of China Insurance News. Mr. JIANG was previously a teacher of Finance Department of Nankai University and Dean of Insurance Department of Nankai University.

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

Breeding and Cultivation of Shanghai Academy of Agricultural Sciences.

Mr. SHEN Chun, born in August 1971, holds a bachelor's degree. He has been serving as Independent Director of the Company since January 2019 (approval document: CBIRC Approval [2019] No. 44). Mr. SHEN currently serves as Head of Excellent Law Firm, Vice Chairman of the China Democratic National Construction Association Baoshan Committee Wusong General Branch, Member of 8th Baoshan District Political Consultative Conference, Law Enforcement Supervisor of Baoshan District Political and Legal Committee, and Member of Baoshan District Government Legal Adviser Thinktank. Mr. SHEN previously served as Deputy Head and Partner of Shanghai Zhengming Law Firm.

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

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

Mr. JIANG Di, born in July 1973, holds a master's degree. He has been serving as Executive Director of the Company since December 2020 (approval document: CBIRC Approval [2020] No. 930). Mr. JIANG currently serves as General Manager of Agricultural Insurance Market Development Department of CPIC P/C, General Manager of Agricultural Insurance Business Management Department of CPIC P/C, Deputy Dean of Tai'an Agricultural Insurance Research Institute. He previously served as Deputy General Manager of CPIC P/C Heilongjiang Branch and General Manager of CPIC P/C Xinjiang Branch.

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

## 2. Supervisors

The 3rd Board of Supervisors of the Company has 6 Supervisors:

Mr. CHEN Yuanliang, born in June 1971, holds a master's degree. In December 2020, he became Supervisor and Chairman of the Board of Supervisors of the Company (approval document: CBIRC [2020] No. 859).

Mr. CHEN is currently General Manager of CPIC P/C Xinjiang Branch and Vice President of Shanghai Tai'an Agricultural Insurance Research Institute. Previously, Mr. CHEN served as General Manager of CPIC P/C Baotou Central Sub-branch, Deputy General Manager of CPIC P/C Inner Mongolia Branch, General Manager of Agricultural Insurance Business Department, Agricultural Insurance Market Development Department, and Agricultural Insurance Business Management Department of CPIC P/C, and Deputy General Manager of the Company.

Ms. ZHANG Wenjuan, born in November 1983, holds a master's degree and national legal professional qualification. In December 2020, she became Employee Representative Supervisor of the Company (approval document: CBIRC [2020] No. 849). Ms. ZHANG also serves as Legal Responsible Person of the Company, Deputy General Manager (in charge) of Legal Compliance Department/Risk Management Department, Director of the Discipline Inspection Office of the Company and concurrently serves as Compliance Responsible Person of Shanghai Branch and General Manager of Legal and Compliance Department of Shanghai Branch of the Company. Previously, she served as Assistant General Manager, Deputy General Manager of Legal Compliance Department/Risk Management Department of the Company, and Deputy Director of Discipline Inspection and Supervision Office of the Company.

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

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

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

Mr. GUO Zongjie, born in December 1968, holds a bachelor's degree. He became Employee Representative

Supervisor of the Company in December 2020 (approval document: CBIRC [2020] No. 860). Mr. GUO is currently Director of the Administrative Office of the Company, Director of the Office of the Board of Directors/Office of the Board of Supervisors, and General Manager of the Development Planning Department of the Company. Previously, he served as Director of the General Office and Party Committee Office of CPIC P/C Shandong Branch, Party Secretary of CPIC P/C Jining Central Sub-branch, and General Manager of the Intermediary Business Department of CPIC P/C Shandong Branch.

### 3. Senior management

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

Mr. ZHENG Kai, born in August 1972, holds a master's degree. He has been serving as Deputy General Manager and Board Secretary of the Company since May 2016 (approval documents: CIRC Approval [2016] No. 391, and CIRC Approval [2016] No. 383 respectively). Mr. ZHENG previously served as Deputy Head of Youth Work Department of Communist Youth League Shanghai Municipal Committee, Secretary-General of Shanghai Young Entrepreneurs Association, Deputy Director of Economy Division of Taiwan Affairs Office of Shanghai Municipal Government, Head of Exchange and Communication Division of Taiwan Affairs Office of Shanghai Municipal Government, Head of Coordination Division of Taiwan Affairs Office of Shanghai Municipal Government, and General Manager of Shanghai Sales Outlet of the Company.

Mr. HUANG Xiongfei, born in March 1963, holds a bachelor's degree and the title of Accountant. He has been serving as Deputy General Manager of the Company since May 2016 (approval document: CIRC Approval [2016] No. 391). Mr. HUANG previously served as Department Manager of Chuansha Sub-branch of Shanghai Branch of Agricultural Bank of China, Department Manager of Pudong Branch of Shanghai Rural Commercial Bank, Deputy General Manager of Shanghai Pudong Sub-branch of Anxin Agricultural Insurance Co., Ltd., General Manager of Shanghai Nanhui Sub-branch and General Manager of Shanghai Branch of the Company.

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

Mr. ZHUANG Yi, born in December 1969, holds a master's degree and the title of Accountant. He has been



serving as Compliance Responsible Person of the Company since January 2014 (approval document: CIRC Approval [2014] No. 6). Mr. ZHUANG is also Chief Risk Officer of the Company. He previously served as Deputy Director (in charge) of the Internal Audit Division of PICC Shanghai Branch, General Manager of the Auto Insurance Department of PICC Shanghai Branch, General Manager of Jing'an Sub-branch of PICC Shanghai Branch, General Manager of the Customer Service Department of PICC Shanghai Branch, General Manager of the Auto Insurance Department, General Manager of the Internal Audit Department and the Compliance and Legal Department/Risk Management Department of the Company respectively.

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

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

## (VIII) Contact person information

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## II. Main indicators

| Item  | As at the end of this<br>quarter/during this quarter | As at the end of<br>last quarter/during<br>last quarter |
|---|--|---|
| Core solvency margin ratio                      | 286%   | 297%  |
| Core solvency margin (10K RMB)                  | 121,008  | 120,706   |
| Comprehensive solvency margin ratio             | 286%   | 297%  |
| Comprehensive solvency margin surplus (10K RMB) | 121,008  | 120,706   |
| Latest IRR result                               | -  | A   |
| Premium income (10K RMB)                        | 31,092   | 33,444  |
| Net profit (10K RMB)                            | 5,207  | 11,484  |
| Net assets (10K RMB)                            | 171,245  | 167,921   |

### III. Actual capital

| Item                                | As at the end of<br>this quarter | As at the end of<br>last quarter |
|-------------------------------------|----------------------------------|----------------------------------|
| Admitted assets (10K RMB)           | 430,493                          | 400,754                          |
| Admitted liabilities (10K RMB)      | 244,339                          | 218,668                          |
| Actual capital (10K)                | 186,154                          | 182,086                          |
| Tier 1 core capital (10K RMB)       | 186,154                          | 182,086                          |
| Tier 2 core capital (10K RMB)       | 0                                | 0                                |
| Tier 1 supplement capital (10K RMB) | 0                                | 0                                |
| Tier 2 supplement capital (10K RMB) | 0                                | 0                                |

### IV. Required capital

| Item  | As at the end of<br>this quarter | As at the end of<br>last quarter |
|---|----------------------------------|----------------------------------|
| Required capital (10K RMB)  | 65,146                           | 61,381                           |
| Required capital for quantitative risks (10K RMB)                     | 64,086                           | 60,381                           |
| 1) Required capital for insurance risk (10K RMB)                      | 48,837                           | 45,456                           |
| 2) Required capital for market risk (10K RMB)                         | 8,252                            | 9,192                            |
| 3) Required capital for credit risk (10K RMB)                         | 26,842                           | 24,884                           |
| 4) Diversification effect for quantitative risks (10K RMB)            | 19,846                           | 19,150                           |
| 5) Loss absorption for special-type insurance contract loss (10K RMB) | -                                | -                                |
| Required capital for control risk (10K RMB)                           | 1,061                            | 999                              |
| Supplement capital (10K RMB)  | -                                | -                                |
| 1) Counter-cyclical supplement capital (10K RMB)                      | -                                | -                                |
| 2) Supplement capital of D-SIIs (10K RMB)                             | -                                | -                                |
| 3) Supplement capital of G-SIIs (10K RMB)                             | -                                | -                                |
| 4) Other supplement capital (10K RMB)                                 | -                                | -                                |

### V. Integrated risk rating (IRR)

The Company was rated A at the IRR by CBIRC for both Q3 and Q4 of 2020.

## **VI. Risk management status**

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

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

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

First, it formulated the 2021 Work Programme for Compliance and Risk Management centering on the strategic objective of “best in risk control capabilities” of Group Transformation 2.0, while considering its own strategy for integrated development, the need for enhanced compliance & risk management and the requirements of the parent company.

Second, it updated its 2021 Risk Appetite Framework (RAF), based on an evaluation of the current risk system and the status of execution of the 2020 RAF in capital, earnings, liquidity and risk management. In compliance with RAF requirements of the parent company and in light of its own realities, it amended the Risk Upper Limits on various indicators of 2021, to be released in due course.

Third, as per PBoC requirements, the Company conducted the risk screening & self-assessment for Q4 of 2020, with reporting on changes in solvency and reasons, major risks and mitigation, special risks and mitigation, impact of domestic and overseas economic environment and economic policies on its business operation.

Fourth, it completed the filing of IRR data for Q4 2020, Risk Upper Limits, and finished the evaluation of risk management in major categories, while closely monitoring its risk status and taking timely steps to mitigate potential risks.

## **VII. Liquidity risk**

### **(I) Liquidity risk management indicators**

## 1. Net cash flow

| Item                    | During/as at the end of this quarter |
|-------------------------|--------------------------------------|
| Net cash flow (10K RMB) | 1,365                                |

## 2. Comprehensive current ratio

| Item                        | Within 3 months |
|-----------------------------|-----------------|
| Comprehensive current ratio | 102%            |

## 3. Liquidity coverage ratio

| Item                     | Stress scenario 1 | Stress scenario 2 |
|--------------------------|-------------------|-------------------|
| Liquidity coverage ratio | 1,032%            | 814%              |

## (II) Liquidity risk analysis and mitigation

### (1) Cash flows

In this quarter, net cash flow of the Company was RMB13.6512 million. Net cash flow from business activities in this quarter decreased by RMB32.6973 million from the previous quarter to -RMB147.4418 million. Net cash flow from the Company's investment activities was -RMB61.6374 million, an increase of RMB66.9023 million from the previous quarter. Financing activities generated RMB222.7124 million in net cash flow, down by RMB4.3832 million from the previous quarter.

### (2) Liquidity indicator analysis

The comprehensive current ratio within 3 months was 102%, down by 10.21pt from the previous quarter, mainly because of RMB482 million under repurchase business due to be paid in next quarter. The liquidity coverage ratio is 1,032% and 814% under stress scenario 1 and 2 respectively in the next quarter, and high-quality liquid assets are sufficient for needs for cash flows arising from short-term business volatility.

## **VIII. Regulatory measures taken against the Company**

### **(I) Regulatory measures taken against the Company by CBIRC**

The Company received no penalties from CBIRC during the reporting quarter.

### **(II) Corrective measures taken by the Company**

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