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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)

2022 First Quarter Report

This announcement is made by China Pacific Insurance (Group) Co., Ltd. (the "Company") pursuant to Part XIVA of the SFO and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial data of the Company for the first quarter of 2022 are unaudited and have been prepared in accordance with the PRC Accounting Standards for Business Enterprises.

§1 Important Information

11 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.

12 The 2022 First Quarter Report of the Company was considered and approved at the 17th meeting of the 9th Board of Directors of the Company on 28 April 2022, which 15 directors were required to attend and all of them attended in person.

13 The financial data contained in the 2022 First Quarter Report of the Company are unaudited and have been prepared in accordance with the PRC Accounting Standards for Business Enterprises.

14 Mr. KONG Qingwei (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 2022	Compared with the three months ended 31 March 2021 (%)
Operating income	146,554	(3.1)
Net profit ^{note}	5,437	(36.4)
Net profit net of non-recurring profit or loss ^{note}	5,396	(36.4)
Net cash flows from operating activities	52,389	45.3
Basic earnings per share (RMB) ^{note}	0.57	(36.4)
Diluted earnings per share (RMB) ^{note}	0.57	(36.4)
Weighted average return on equity (%) ^{note}	2.4	(1.5pt)

	31 March 2022	31 December 2021	Change (%)
Total assets	2,025,715	1,946,164	4.1
Equity ^{note}	221,507	226,741	(2.3)

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 2022
Government grants recognised in current profit or loss	52
Custody fees of entrusted operation	15
Other net non-operating income and expenses other than aforesaid items	(9)
Effect of income tax relating to non-recurring profit or loss	(16)
Net non-recurring profit or loss attributable to non-controlling interests	(1)
Total	41

Note: As an integrated insurance group, investment is one of the major businesses of the Group. Therefore, the non-recurring items do not include fair value gains/(losses) from financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss, etc., as well as investment income from the disposal of financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss and available-for-sale financial assets, etc.

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

Items	Change(%)	Main reason for the changes
Net profit ^{note}	(36.4)	Decrease in investment income
Net profit net of non-recurring profit or loss ^{note}	(36.4)	Decrease in investment income
Net cash flows from operating activities	45.3	Increase in cash received from premium income from direct insurance contracts
Basic earnings per share (RMB) ^{note}	(36.4)	Decrease in net profit attributable to shareholders of the parent
Diluted earnings per share (RMB) ^{note}	(36.4)	Decrease in net profit attributable to shareholders of the parent
Weighted average return on equity (%) ^{note}	(38.5)	Decrease in net profit attributable to shareholders of the parent

Note: Attributable to shareholders of the parent.

§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: 175,250 (including 171,077 holders of A shares and 4,173 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%	2,772,582,429	-97,600	-	-	H Share
Shenergy (Group) Co., Ltd.	State-owned legal person	13.79%	1,326,776,782	-	-	-	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	6.07%	584,112,339	-	-	-	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	1.98%	190,227,978	-7,500,563	-	-	A Share
Shanghai International Group Co. Ltd.	State-owned legal person	1.66%	160,000,000	-	-	-	A Share
Citibank, National Association	Others	1.56%	149,838,515	-202,390	-	-	A Share
China Structural Reform Fund	State-owned legal person	1.20%	115,181,140	-	-	-	A Share
Description of connected relations or concerted actions among the aforesaid shareholders	HKSCC Nominees Limited and HKSCC are connected, 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 connected 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.	None.						

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.

5. Citibank, National Association is the depository of the Company's GDRs, and the underlying A shares represented by GDRs are registered under its name in accordance with the applicable laws. Statistics provided by the depository indicated that, by the end of the reporting period, the remaining number of GDRs was 29,967,703, representing 26.84% of the number of GDRs issued and approved by CSRC.

§4 Business Review

For the reporting period, the Company realised gross written premiums (GWPs) of RMB149.654 billion, representing an increase of 7.3% as compared with the same period of 2021. Of this, GWPs from CPIC Life amounted to RMB99.450 billion, up by 4.2%; those from CPIC P/C^{note 1} amounted to RMB49.864 billion, up by 14.0%. Net profits^{note 2} amounted to RMB5.437 billion, down by 36.4%.

Notes:

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

CPIC Life

Given the inherent development patterns of the life insurance business, the subsidiary put stability in business performance first, while pursuing progress in transformation. During the reporting period, CPIC Life delivered RMB99.450 billion in GWPs, up by 4.2% from the same period of 2021. In the face of COVID-19 resurgence, economic slow-down, and mounting pressure on the insurance industry, CPIC Life persisted in customer orientation, strived for more balanced business growth throughout the year, and enhanced the foundation of the agency force. GWPs from the agency channel reaching RMB79.320 billion, down by 10.0% compared to the same period during 2021.

CPIC Life continued to deepen transformation, and initiated Phase I of the Changhang Action Plan in an all-around way, which particularly pushed for the transitioning of the agency force towards "3 Directions and 5 Mosts" through the Career Agency Force project. Focusing on the core manpower and seeking to drive agent development and productivity gains, the project has got off to a good start. Specifically, it launched the amended Basic Law to reshape agent conduct, optimised recruitment systems and tools, put in place a needs-based selling supportive system, upgraded "Agency Force On-line", a supportive platform for agents, improved the training system, and accelerated renovation of work-sites. As a result, in the first quarter, both business and agency force development showed signs of improvement month by month. FYP per agent per month rose by 19.9% year-on-year; core manpower grew quarter-on-quarter, and their productivity improved both year-on-year and quarter-on-quarter, which showed that the amended Basic Law has started to work. On the other hand,

retention of new recruits continued to improve, with marked improvement in business quality, evidenced by a 13-month policy persistency ratio of 89.0%, up by 5.3pt from a year earlier.

CPIC Life seeks to diversify channel mix. During the reporting period, bancassurance focused on strategic partnerships and value growth, accelerated the building of new business model, and reported RMB11.666 billion in GWPs, a growth of 892.9%. The group channel stepped up work-site marketing and the reshaping of business model, and achieved RMB8.443 billion in GWPs, up by 39.1%.

For the 3 months ended 31 March	2022	2021	unit: RMB million Changes (%)
Gross written premiums	99,450	95,438	4.2
Agency channel	79,320	88,170	(10.0)
New policies	9,219	16,481	(44.1)
Regular premium business	8,099	14,580	(44.5)
Renewed policies	70,101	71,690	(2.2)
Bancassurance channel	11,666	1,175	892.9
New policies	11,030	913	1,108.1
Renewed policies	636	262	142.7
Group channel	8,443	6,071	39.1
New policies	8,153	5,858	39.2
Renewed policies	290	213	36.2
Other channels^{note}	21	22	(4.5)

Note: Other channels include telemarketing & internet sales, and inward reinsurance business.

CPIC P/C

In the face of COVID-19 resurgence, CPIC P/C adhered to high-quality development, and ensured smooth business operation while taking effective pandemic control measures. To support the Rural Invigoration Initiative, the real economy and green development, it further diversified service offering, continuously enhanced quality control and promoted sustainable development.

During the reporting period, the subsidiary recorded RMB49.864 billion in GWPs, up by 14.0% from the same period of 2021. Of this, automobile insurance contributed RMB24.438 billion, up by 11.8%, and non-auto insurance RMB25.426 billion, up by 16.2%. The combined ratio stood at 99.1%, down by 0.2pt. Of this, loss ratio was 70.4%, up by 1.8pt, and expense ratio 28.7%, down by 2.0pt.

	unit: RMB million		
For the 3 months ended 31 March	2022	2021	Changes (%)
GWPs	49,864	43,747	14.0
Auto insurance	24,438	21,867	11.8
Non-auto insurance	25,426	21,880	16.2

Asset management

Since the beginning of this year, the A-share market fell steeply, and market interest rates remained relatively low, with movements within a band. The Company maintained a largely stable asset allocation based on profiles of liabilities. Under the guidance of Strategic Asset Allocation (SAA), it increased allocation into long-term fixed income assets to extend asset duration, while dynamically conducting Tactical Asset Allocation (TAA), seizing market opportunities and delivering largely solid investment results.

As at the end of the reporting period, Group investment assets amounted to RMB1,867.262 billion, an increase of 3.0% from the end of 2021. During the reporting period, annualised net investment yield was 3.7%, down by 0.2pt from the same period of last year; annualised total investment yield was 3.7%, down by 0.9pt.

For the three months ended 31 March	2022	2021	Changes
Net investment yield (annualised) (%) ^{note}	3.7	3.9	(0.2pt)
Total investment yield (annualised) (%) ^{note}	3.7	4.6	(0.9pt)

Note: The impact of securities sold under agreements to repurchase was considered in the calculation of net investment yield. Average investment assets as the denominator in the calculation of net/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), SEHK (www.hkexnews.hk), LSE (www.londonstockexchange.com) and the Company (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.
“CSRC”	China Securities Regulatory Commission
“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
“GDR”	Global depositary receipts
“RMB”	Renminbi
“pt”	Percentage point

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

KONG Qingwei

Chairman

Hong Kong, 28 April 2022

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 of the Company 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 of the Company are Ms. LIU Xiaodan, Mr. CHEN Jizhong, Ms. LAM Tyng Yih, Elizabeth, Mr. WOO Ka Biu, Jackson and Mr. JIANG Xuping.

§6 APPENDIX

6.1

CONSOLIDATED BALANCE SHEET 31 March 2022

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

in RMB million

ITEM	31 March 2022	31 December 2021
	(unaudited)	(audited)
ASSETS		
Cash at bank and on hand	33,692	32,545
Financial assets at fair value through profit or loss	12,687	12,353
Derivative financial assets	301	259
Securities purchased under agreements to resell	9,029	13,432
Premium receivables	48,559	25,803
Reinsurance receivables	10,102	11,091
Interest receivables	19,439	20,427
Reinsurers' share of unearned premium reserves	8,669	7,914
Reinsurers' share of claim reserves	9,579	9,164
Reinsurers' share of life insurance reserves	1,984	1,910
Reinsurers' share of long-term health insurance reserves	12,193	11,884
Policy loans	67,507	66,950
Term deposits	206,971	196,519
Available-for-sale financial assets	637,813	645,381
Held-to-maturity financial assets	442,710	396,428
Investments classified as loans and receivables	411,015	406,276
Long-term equity investments	27,202	26,984
Restricted statutory deposits	6,988	7,428
Investment properties	11,347	7,514
Fixed assets	17,146	17,504
Construction in progress	1,670	1,714
Right-of-use assets	3,292	3,475
Intangible assets	6,080	5,509
Goodwill	1,372	1,372
Deferred income tax assets	3,954	1,998
Other assets	14,414	14,330
Total assets	2,025,715	1,946,164

CONSOLIDATED BALANCE SHEET (CONTINUED)

31 March 2022

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

in RMB million

ITEM	31 March 2022	31 December 2021
	(unaudited)	(audited)
LIABILITIES AND EQUITY		
Derivative financial liabilities	3	1
Securities sold under agreements to repurchase	87,787	73,441
Premium received in advance	7,785	25,154
Commission and brokerage payable	4,788	3,695
Reinsurance payables	10,027	7,638
Employee benefits payable	5,742	7,386
Taxes payable	5,271	4,138
Interest payable	425	517
Claims payable	21,481	21,526
Policyholder dividend payable	22,351	24,176
Policyholders' deposits and investment contract liabilities	114,833	102,843
Unearned premium reserves	87,114	71,493
Claim reserves	61,572	58,420
Life insurance reserves	1,183,041	1,129,622
Long-term health insurance reserves	136,668	125,798
Insurance premium reserves	341	207
Long-term borrowings	122	-
Bonds payable	9,996	9,995
Lease liabilities	2,954	3,105
Deferred income tax liabilities	895	3,601
Other liabilities	35,401	41,003
Total liabilities	1,798,597	1,713,759
Issued capital	9,620	9,620
Capital reserves	79,662	79,662
Other comprehensive income	8,984	19,655
Surplus reserves	5,114	5,114
General reserves	19,543	19,521
Retained profits	98,584	93,169
Equity attributable to shareholders of the parent	221,507	226,741
Non-controlling interests	5,611	5,664
Total equity	227,118	232,405
Total liabilities and equity	2,025,715	1,946,164

Kong Qingwei
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 2022

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

in RMB million

ITEM	For the three months ended 31 March 2022	For the three months ended 31 March 2021
	(unaudited)	(unaudited)
I. Operating income	146,554	151,263
Net premiums earned	127,651	122,614
Gross written premiums	149,654	139,443
Including: Premium from reinsurance assumed	612	489
Less: Premiums ceded to reinsurers	(7,130)	(7,301)
Net change in unearned premium reserves	(14,873)	(9,528)
Other income	51	32
Investment income	18,263	27,382
Including: Share of profits of associates and joint ventures	128	53
Losses arising from changes in fair value	(368)	(26)
Exchange (losses)/gains	(61)	130
Other operating income	1,018	1,131
II. Operating expense	(140,521)	(140,477)
Surrenders	(6,397)	(5,040)
Claims	(38,642)	(39,058)
Less: Claim recoveries from reinsurers	3,528	3,019
Change in insurance contract reserves	(74,642)	(71,174)
Less: Insurance contract reserves recovered from reinsurers	764	1,154
Changes in insurance premium reserves	(135)	(115)
Policyholder dividends	(3,428)	(3,562)
Expenses for reinsurance assumed	(108)	(216)
Taxes and surcharges	(271)	(266)
Commission and brokerage expenses	(8,218)	(11,353)
Operating and administrative expenses	(11,739)	(11,941)
Less: Expense recoveries from reinsurers	1,799	1,801
Interest expenses	(902)	(891)
Other operating expenses	(1,529)	(1,879)
Asset impairment losses	(601)	(956)
III. Operating profit	6,033	10,786
Add: Non-operating income	24	63
Less: Non-operating expenses	(17)	(8)
IV. Profit before tax	6,040	10,841
Less: Income tax	(451)	(2,053)
V. Net profit	5,589	8,788
Classified by continuity of operations:		
Net profit from continuing operations	5,589	8,788
Net profit from discontinued operations	-	-
Classified by ownership of the equity:		
Attributable to shareholders of the parent	5,437	8,547
Non-controlling interests	152	241
VI. Earnings per share		
Basic earnings per share (RMB per share)	0.57	0.89
Diluted earnings per share (RMB per share)	0.57	0.89

CONSOLIDATED INCOME STATEMENT (CONTINUED)

For the three months ended 31 March 2022

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

in RMB million

ITEM	For the three months ended 31 March 2022	For the three months ended 31 March 2021
	(unaudited)	(unaudited)
VII. Other comprehensive income/(loss)	(10,876)	(2,267)
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	(10,876)	(2,267)
Exchange differences on translation of foreign operation	(10)	4
Changes of fair value of available-for-sale financial assets and related impact to insurance liabilities	(14,482)	(3,009)
Income tax relating to these item	3,616	738
VIII. Total comprehensive income	(5,287)	6,521
Attributable to shareholders of the parent	(5,234)	6,329
Attributable to non-controlling interests	(53)	192

Kong Qingwei
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 2022

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

in RMB million

ITEM	For the three months ended 31 March 2022 (unaudited)	For the three months ended 31 March 2021 (unaudited)
I Cash flows from operating activities		
Cash received from premium income from direct insurance contracts	112,507	101,827
Net cash received from reinsurance contracts	1,844	-
Net increase in policyholders' deposits and investments contract liabilities	9,905	8,688
Refund of taxes and surcharges	10	11
Cash received relating to other operating activities	2,129	1,641
Sub-total of cash inflows	126,395	112,167
Cash paid for claims under direct insurance contracts	(38,199)	(39,082)
Net cash paid under reinsurance contracts	-	(128)
Cash paid for commission and brokerage expenses	(7,467)	(10,523)
Cash paid for policyholder dividends	(3,870)	(4,114)
Cash paid to and on behalf of employees	(7,888)	(8,277)
Payments of taxes and surcharges	(1,998)	(2,305)
Cash paid relating to other operating activities	(14,584)	(11,683)
Sub-total of cash outflows	(74,006)	(76,112)
Net cash flows from operating activities	52,389	36,055
II Cash flows from investing activities		
Cash received from disposal of investments	88,701	90,896
Cash received from returns on investments	19,571	16,834
Net cash received from disposal of subsidiaries and other business entities	1	3,636
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	2	5
Sub-total of cash inflows	108,275	111,371
Cash paid to acquire investments	(168,929)	(118,312)
Net increase in policy loans	(566)	(875)
Net cash paid to acquire subsidiaries and other business entities	(225)	(1,936)
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(5,578)	(395)
Cash paid relating to other investing activities	(65)	(28)
Sub-total of cash outflows	(175,363)	(121,546)
Net cash flows used in investing activities	(67,088)	(10,175)
III Cash flows from financing activities		
Increase in securities sold under agreements to repurchase, net	15,156	-
Cash received relating to other financing activities	319	74
Sub-total of cash inflows	15,475	74
Cash repayments of borrowings	(2,387)	(2,500)
Cash payments for distribution of dividends, profits or interest expenses	(775)	(894)
Decrease in securities sold under agreements to repurchase, net	-	(18,599)
Cash paid relating to other financing activities	(847)	(680)
Sub-total of cash outflows	(4,009)	(22,673)
Net cash flows from/(used in) financing activities	11,466	(22,599)
IV Effects of exchange rate changes on cash and cash equivalents	(41)	17
V Net (decrease)/increase in cash and cash equivalents	(3,274)	3,298
Add: Cash and cash equivalents at the beginning of period	45,628	34,767
VI Cash and cash equivalents at the end of period	42,354	38,065

Kong Qingwei
Legal Representative

Zhang Yuanhan
Principal in charge of Accounting Affairs

Xu Zhen
Head of Accounting Department

BALANCE SHEET

31 March 2022

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

in RMB million

ITEM	31 March 2022 (unaudited)	31 December 2021 (audited)
ASSETS		
Cash at bank and on hand	3,379	5,261
Financial assets at fair value through profit or loss	6	9
Securities purchased under agreements to resell	350	10
Interest receivables	778	631
Term deposits	14,253	14,278
Available-for-sale financial assets	29,606	29,442
Investments classified as loans and receivables	16,319	17,086
Long-term equity investments	65,685	64,985
Investment properties	2,956	2,992
Fixed assets	1,297	1,338
Construction in progress	3	3
Right-of-use assets	334	350
Intangible assets	209	236
Other assets	2,685	2,613
Total assets	137,860	139,234
LIABILITIES AND EQUITY		
Securities sold under agreements to repurchase	400	1,120
Commission and brokerage payable	1	1
Employee benefits payable	197	339
Taxes payable	84	8
Lease liabilities	317	362
Deferred income tax liabilities	163	356
Other liabilities	574	556
Total liabilities	1,736	2,742
Issued capital	9,620	9,620
Capital reserves	79,312	79,312
Other comprehensive income	752	1,354
Surplus reserves	4,810	4,810
Retained profits	41,630	41,396
Total equity	136,124	136,492
Total liabilities and equity	137,860	139,234

Kong Qingwei
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 2022

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

in RMB million

ITEM	For the three months ended 31 March 2022	For the three months ended 31 March 2021
	(unaudited)	(unaudited)
I. Operating income	871	1,352
Other income	4	3
Investment income	634	995
Exchange (losses)/gains	(46)	92
Other operating income	279	262
II. Operating expenses	(571)	(563)
Taxes and surcharges	(22)	(22)
Operating and administrative expenses	(527)	(436)
Interest expenses	(8)	(10)
Other operating expenses	(39)	(33)
Assets impairment losses	25	(62)
III. Operating profit	300	789
Add: Non-operating income	-	52
Less: Non-operating expenses	-	(1)
IV. Profit before tax	300	840
Less: Income tax	(66)	(199)
V. Net profit	234	641
Classified by continuity of operations:		
Net profit from continuing operations	234	641
Net profit from discontinued operations	-	-
VI. Other comprehensive income/(loss)	(602)	(279)
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Changes in fair value of available-for-sale financial assets	(803)	(372)
Income tax relating to available-for-sale financial assets	201	93
VII. Total comprehensive income	(368)	362

Kong Qingwei
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 2022

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

in RMB million

ITEM	For the three months ended 31 March 2022	For the three months ended 31 March 2021
	(unaudited)	(unaudited)
I Cash flows from operating activities		
Cash received relating to other operating activities	155	360
Sub-total of cash inflows	155	360
Cash paid to and on behalf of employees	(475)	(310)
Payments of taxes and surcharges	(27)	(23)
Cash paid relating to other operating activities	(102)	(246)
Sub-total of cash outflows	(604)	(579)
Net cash flows used in operating activities	(449)	(219)
II Cash flows from investing activities		
Cash received from disposal of investments	3,001	4,358
Cash received from returns on investments	425	386
Net cash received from disposal of subsidiaries and other business entities	-	43
Sub-total of cash inflows	3,426	4,787
Cash paid to acquire investments	(3,055)	(6,608)
Net cash paid to acquire subsidiaries and other business entities	(700)	(155)
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(7)	(32)
Sub-total of cash outflows	(3,762)	(6,795)
Net cash flows used in investing activities	(336)	(2,008)
III Cash flows from financing activities		
Increase in securities sold under agreements to repurchase, net	-	2,988
Cash received relating to other financing activities	-	52
Sub-total of cash inflows	-	3,040
Cash payments for distribution of dividends, profits or interest expenses	(5)	(6)
Decrease in securities sold under agreements to repurchase, net	(720)	-
Cash paid relating to other financing activities	(12)	(3)
Sub-total of cash outflows	(737)	(9)
Net cash flows (used in)/from financing activities	(737)	3,031
IV Effect of exchange rate changes on cash and cash equivalents	(20)	1
V Net (decrease)/increase in cash and cash equivalents	(1,542)	805
Add: Cash and cash equivalents at the beginning of period	5,271	381
VI Cash and cash equivalents at the end of period	3,729	1,186

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