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中国人民保险集团股份有限公司

THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

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

(Stock Code: 1339)

FIRST QUARTERLY REPORT OF 2024

This announcement is made by The People's Insurance Company (Group) of China Limited (the “**Company**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 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 presented in the first quarterly report of 2024 are unaudited and have been prepared in accordance with the PRC Accounting Standards for Business Enterprises.

IMPORTANT INFORMATION:

- The board of directors, the board of supervisors, the directors, the supervisors and the senior management of the Company undertake that the contents of this quarterly report are true, accurate and complete and that there is no false record, misleading statement or material omission in this quarterly report, and they severally and jointly accept responsibility for the contents of this quarterly report.
- Person in charge of the Company, president in charge of accounting work and head of the finance department (accounting supervisor) warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- The financial data of the Company presented in the first quarterly report of 2024 are unaudited and have been prepared in accordance with the PRC Accounting Standards for Business Enterprises.

1. KEY FINANCIAL DATA

1.1 Key Accounting Data and Financial Indicators

Unit: RMB million, except for percentages

Items	January to March 2024	January to March 2023	Change (%)
Total operating income	138,778	137,769	0.7
Net profit attributable to the owners of the Company	8,963	11,721	(23.5)
Net profit attributable to the owners of the Company after deducting non-recurring items	8,928	11,665	(23.5)
Net cash flows from operating activities	33,154	41,213	(19.6)
Basic earnings per share (<i>RMB/share</i>)	0.20	0.27	(23.5)
Diluted earnings per share (<i>RMB/share</i>)	0.20	0.26	(22.3)
Basic earnings per share after deducting non-recurring items (<i>RMB/share</i>)	0.20	0.26	(23.5)
Weighted average return on equity (%)	3.7	5.0	Decrease of 1.3 pts
Weighted average return on equity after deducting non-recurring items (%)	3.7	4.9	Decrease of 1.2 pts

Items	As of 31 March 2024	As of 31 December 2023	Change (%)
Total assets	1,574,558	1,557,159	1.1
Equity attributable to owners of the Company	245,823	242,355	1.4
Net assets per share attributable to owners of the Company (<i>RMB/share</i>)	5.6	5.5	1.4

Notes:

1. The percentage increase or decrease of basic earnings per share, diluted earnings per share, basic earnings per share after deducting non-recurring items and net assets per share attributable to the owners of the Company is calculated based on the data before rounding off, similarly hereinafter.
2. Unless otherwise specified, the currencies in this report are all in RMB.

1.2 Non-recurring Items and Amounts

Items	<i>Unit: RMB million</i>	
	January to March 2024	January to March 2023
Gains or losses from disposal of non-current assets	18	25
Government grants included in profit or loss	70	89
Non-recurring gains or losses other than those mentioned above	(18)	(4)
Effect of income tax on non-recurring gains or losses mentioned above	(20)	(31)
Effect of non-controlling interests	(15)	(23)
Total	35	56

Explanation of defining the non-recurring profit or loss items listed in the “Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public-non-recurring profit or loss” as recurring profit and loss items: As an insurance group company, investment with insurance funds is one of the principal activities of the Company. The holding of financial assets held for trading, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income constitutes the normal operation business of the Company. Therefore, the investment income and gains or losses on the changes in fair value derived from financial assets held for trading, financial assets at amortized cost and debt financial assets at fair value through other comprehensive income are not regarded as non-recurring profit or loss.

1.3 Particulars of and Reasons for Material Changes in Major Accounting Data and Financial Indicators

N/A.

2. INFORMATION OF SHAREHOLDERS

2.1 Total Number of Shareholders, Shareholdings of the Top Ten Shareholders and Top Ten Shareholders not Subject to Selling Restrictions as at the end of the Reporting Period

				<i>Unit: Share</i>		
Total number of shareholders (Shareholder) as at the end of the reporting period	A Share: 171,202 H Share: 5,238	Total number of preferred shareholders with restored voting rights as at the end of the reporting period (if any)		N/A		
Shareholdings of the Top Ten Shareholders (Not Including the Lending Shares Through Refinancing)						
Name of shareholder	Nature of Shareholder	Number of shares held	Percentage (%)	Number of shares held subject	Pledged, marked or frozen shares	Number of shares
				to selling restrictions	Status of the shares	
Ministry of Finance of the PRC	The State	26,906,570,608	60.84	–	–	–
HKSCC Nominees Limited	Foreign legal person	8,702,902,414	19.68	–	–	–
National Council for Social Security Fund, PRC	The State	5,605,582,779	12.68	–	–	–
Hong Kong Securities Clearing Company Limited	Foreign legal person	328,351,138	0.74	–	–	–
Kong Fengquan	Domestic natural person	50,957,185	0.12	–	–	–
Industrial and Commercial Bank of China Ltd. – Huatai-PineBridge CSI 300 Trading Open-ended Index Securities Investment Fund	Others	34,856,900	0.08	–	–	–
Guosen Securities Co., Ltd. – Founder Fubon China Securities Insurance Themed Index Securities Investment Fund	Others	25,570,976	0.06	–	–	–
Industrial and Commercial Bank of China Ltd. – Fullgoal CSI 300 Enhanced Securities Investment Fund	Others	24,632,041	0.06	–	–	–
China Construction Bank Co., Ltd. – E Fund CSI 300 Trading Open-ended Index Initiated Securities Investment Fund	Others	24,016,200	0.05	–	–	–
Bank of China Limited – Harvest CSI 300 Trading Open-ended Index Securities Investment Fund	Others	18,653,100	0.04	–	–	–

Shareholdings of the Top Ten Shareholders Not Subject to Selling Restrictions

Name of shareholder	Number of shares		Class	Number
	held not subject to selling restrictions			
Ministry of Finance of the PRC	26,906,570,608		A Share	26,906,570,608
HKSCC Nominees Limited	8,702,902,414		H Share	8,702,902,414
National Council for Social Security Fund, PRC	5,605,582,779		A Share	5,605,582,779
Hong Kong Securities Clearing Company Limited	328,351,138		A Share	328,351,138
Kong Fengquan	50,957,185		A Share	50,957,185
Industrial and Commercial Bank of China Ltd. – Huatai-PineBridge CSI 300 Trading Open-ended Index Securities Investment Fund	34,856,900		A Share	34,856,900
Guosen Securities Co., Ltd. – Founder Fubon China Securities Insurance Themed Index Securities Investment Fund	25,570,976		A Share	25,570,976
Industrial and Commercial Bank of China Ltd. – Fullgoal CSI 300 Enhanced Securities Investment Fund	24,632,041		A Share	24,632,041
China Construction Bank Co., Ltd. – E Fund CSI 300 Trading Open-ended Index Initiated Securities Investment Fund	24,016,200		A Share	24,016,200
Bank of China Limited – Harvest CSI 300 Trading Open-ended Index Securities Investment Fund	18,653,100		A Share	18,653,100

Details of the above shareholders who are connected to each other or acting in concert

The Company is not aware of any connected relationship among the above shareholders or any parties acting in concert as defined by the “Measures for the Administration of the Takeover of Listed Companies”.

Statement of top ten shareholders and top ten shareholders not subject to selling restrictions that participating in businesses of securities of margin trading and refinancing

Among the top 10 shareholders, Kong Fengquan holds 50,957,185 A shares of the Company through credit securities account. Industrial and Commercial Bank of China Ltd. – Huatai-PineBridge CSI 300 Trading Open-ended Index Securities Investment Fund and China Construction Bank Co., Ltd. – E Fund CSI 300 Trading Open-ended Index Initiated Securities Investment Fund participate in refinancing business. The details are shown in the table below.

Notes:

1. HKSCC Nominees Limited holds shares on behalf of securities firm customers in Hong Kong and other CCASS participants. Relevant regulations of The Stock Exchange of Hong Kong Limited do not require such persons to declare whether their shareholdings are pledged, marked or frozen. Hence, HKSCC Nominees Limited is unable to calculate or provide the number of shares that are pledged, marked or frozen.
2. The shares under Hong Kong Securities Clearing Company Limited are held by the shareholders of the Shanghai Stock Connect.

2.2 Participation of Shareholders Holding More Than 5% of the Shares, the Top 10 Shareholders and the Top 10 Shareholders not Subject to Selling Restrictions in the Lending of Shares Through Refinancing Business

Name of shareholder	Shareholding in general account and credit account at the beginning of the period		Shares lent through refinancing but not yet returned at the beginning of the period		Shareholding in general account and credit account at the end of the period		Shares lent through refinancing but not yet returned at the end of the period	
	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage
	number	(%)	number	(%)	number	(%)	number	(%)
	<i>Unit: Share</i>							
Industrial and Commercial Bank of China Ltd. – Huatai-PineBridge CSI 300 Trading Open-ended Index Securities Investment Fund	23,733,200	0.05	183,000	0.0004	34,856,900	0.08	0	0
China Construction Bank Co., Ltd. – E Fund CSI 300 Trading Open-ended Index Initiated Securities Investment Fund	8,802,600	0.02	83,000	0.0002	24,016,200	0.05	1,000	0

2.3 The Top 10 Shareholders and the Top 10 Shareholders not Subject to Selling Restrictions Have Undergone Changes Compared to the Previous Period Due to Reasons Related to Lending/Repayment Through Refinancing

Name of shareholder	New additions/ exits during this reporting period	Number of shares lent through refinancing but not yet returned at the end of the period		Number of shares held in the ordinary account and credit account of shareholders, and number of shares lent through refinancing that have not been returned at the end of the period	
		Total	Percentage	Total	Percentage
		number	(%)	number	(%)
Industrial and Commercial Bank of China Ltd. – Huatai-PineBridge CSI 300 Trading Open-ended Index Securities Investment Fund	Exit	0	0	34,856,900	0.08
China Construction Bank Co., Ltd. – E Fund CSI 300 Trading Open-ended Index Initiated Securities Investment Fund	Exit	1,000	0	24,017,200	0.05

3. OPERATION

3.1 Key Financial Indicators

Unit: RMB million, except for percentages

	January to March 2024	January to March 2023	Change (%)
Insurance revenue	126,172	117,155	7.7
Profit before tax	13,849	18,555	(25.4)
Net profit	12,063	16,050	(24.8)
Net profit attributable to the owners of the Company	8,963	11,721	(23.5)
Basic earnings per share (<i>RMB/share</i>)	0.20	0.27	(23.5)
Weighted average return on equity (%)	3.7	5.0	Decrease of 1.3 pts

	As of 31 March 2024	As of 31 December 2023	Change (%)
Total assets	1,574,558	1,557,159	1.1
Total liabilities	1,237,579	1,225,490	1.0
Total equity attributable to the owners of the Company	245,823	242,355	1.4
Net assets per share attributable to the owners of the Company (<i>RMB/share</i>)	5.6	5.5	1.4
Gearing ratio (%)	78.6	78.7	Decrease of 0.1 pt

In the first quarter of 2024, the Group persisted in the general working principle of seeking progress while maintaining stability, practically promoted the optimization and implementation of “To be Prominent Strategy”, focused on serving the overall economic and social development, intensified efforts to improve the effectiveness of strategic services, deepened innovation and reform, further strengthened risk prevention and control, and made progress in business development while maintaining stability. During the reporting period, the insurance revenue amounted to RMB126,172 million, representing a period-on-period increase of 7.7%; net profit attributable to owners of the Company amounted to RMB8,963 million; weighted average return on equity was 3.7%.

The Group further boosted its capital. As of 31 March 2024, the Group’s equity attributable to owners of the Company was RMB245,823 million, representing an increase of 1.4% as compared to the end of last year; the net assets per share attributable to owners of the Company was RMB5.6 per share, representing an increase of 1.4% as compared to the end of last year.

3.2 Insurance Business

3.2.1 PICC P&C

In the first quarter of 2024, PICC Property and Casualty Company Limited (“PICC P&C”) stayed committed to seeking progress while maintaining a stable performance, fully implemented the “Eight Strategic Services”¹, deeply implemented the new business model of “insurance + risk reduction service + technology”, continued to optimize the insurance product supply, fully practised the risk reduction service project, continuously promoted customer service of quality and efficiency enhancement, dedicated to risk prevention and resolution work, and enhanced high-quality development momentum. During the reporting period, PICC P&C² achieved insurance revenue of RMB113,843 million, representing a period-on-period increase of 5.9%; and achieved combined ratio of 97.9% and net profit of RMB5,871 million.

The classification breakdown of the original premiums income³ of PICC P&C during the above-mentioned period is as follows:

Unit: RMB million, except for percentages

	January to March 2024	Period-on- period change (%)
Motor vehicle insurance	69,240	1.9
Accidental injury and health insurance	56,813	6.2
Agricultural insurance	19,964	3.2
Liability insurance	11,603	1.3
Commercial property insurance	6,142	11.3
Credit and surety insurance	1,741	(7.6)
Cargo insurance	1,532	9.4
Other P&C insurance	6,942	5.2
Total	173,977	3.8

1 To serve the construction of modern industrial system, rural revitalization, technological self-reliance and self-improvement, improvement in living standard, green development, safety development, regional development, “the Belt and Road”.

2 The data is from the individual statement of PICC P&C as the parent company.

3 The data of original premiums income was prepared pursuant to the Accounting Standards for Business Enterprises No. 25 – Original Insurance Contracts (Cai Kuai [2006] No. 3) and the Regulations regarding the Accounting Treatment of Insurance Contracts (Cai Kuai [2009] No. 15) of the Ministry of Finance of the People’s Republic of China. The same applies below.

3.2.2 PICC Life

In the first quarter of 2024, PICC Life Insurance Company Limited (“**PICC Life**”) continued to focus on high-quality development, actively promoted “To be Prominent Strategy”, and deeply carried out business model innovation and management model reform, achieving effective enhancement of new business value. During the reporting period, PICC Life achieved insurance revenue of RMB4,786 million, representing a period-on-period increase of 23.4%, and achieved net profit of RMB3,821 million. New business value of PICC Life on a like-for-like basis increased by 81.6% period-on-period.

The classification breakdown of the original premiums income of PICC Life during the above-mentioned period is as follows:

Unit: RMB million, except for percentages

	January to March 2024	Period-on- period change (%)
First-year business of long-term insurance	24,295	(21.4)
Single premiums	11,878	(33.4)
First-year regular premiums	12,417	(4.9)
Renewal business	29,181	6.0
Short-term insurance	1,042	4.2
Total	54,518	(8.2)

3.2.3 PICC Health

In the first quarter of 2024, PICC Health Insurance Company Limited (“**PICC Health**”) actively implemented “To be Prominent Strategy” of the Group, continued to practice the “four new” development ideas, accelerated the construction of the “6+1” business pattern, deepened the “healthy project”, and achieved a stable growth in business quality and efficiency. During the reporting period, PICC Health achieved insurance revenue of RMB6,841 million, representing a period-on-period increase of 40.6%, and achieved net profit of RMB1,520 million.

The classification breakdown of the original premiums income of PICC Health during the above-mentioned period is as follows:

Unit: RMB million, except for percentages

	January to March 2024	Period-on- period change (%)
First-year business of long-term insurance	9,580	2.4
Single premiums	7,321	(6.5)
First-year regular premiums	2,259	48.1
Renewal business	4,357	4.9
Short-term insurance	10,599	15.5
Total	24,536	8.2

3.3 Asset Management Business

In the first quarter of 2024, the lack of global economic recovery momentum and the intertwined and overlapping domestic cyclical structural contradictions posed challenges to investment management. With the combined efforts of existing policies and new policies and the increasing number of positive factors, the basic trend of China's economic recovery and long-term improvement remained unchanged. In terms of asset management, the Group strengthened market research and judgment, actively grasped investment opportunities, and strived to enhance the timeliness, flexibility and foresight of asset allocation. In terms of bond investment, the Group better grasped the favorable timing for allocation of long-term bonds and deposits at the beginning of the year to meet the demand for new capital allocation, strengthened proactive management, and enhanced the contribution of investment returns; the Group actively served the development of the real economy, implemented the "dual service" requirement for investment of the Group, actively allocated high-quality non-target assets, paid attention to the investment opportunities of innovative products, and allocated to asset-backed plans, public REITs and other products to broaden the source of investment income; the Group optimized the credit structure of existing assets, enhanced the overall credit quality of assets, and continued to strengthen credit risk management and control efforts. In terms of equity investment, the Group strengthened market trend research and judgment, actively grasped the structural investment opportunities in the industry, and optimized stock and fund investment strategies; besides, the Group continued to intensify investment structural adjustment efforts, and took the shares of listed companies with relatively stable profit models and high dividend payout ratios as its main investment types.

4. OTHER REMINDERS

There is no other important information of the Company that needs to be brought to the attention of investors regarding the Company's operations during the reporting period.

5. QUARTERLY FINANCIAL STATEMENTS

5.1 Consolidated statements of financial position as at 31 March 2024 and 31 December 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
ASSETS		
Cash and cash balances	20,235	21,870
Financial assets purchased under resale agreements	10,519	8,449
Financial assets		
Financial assets held for trading	381,705	383,020
Financial assets at amortized cost	312,902	318,605
Debt financial assets at fair value through other comprehensive income	358,803	338,717
Equity financial assets at fair value through other comprehensive income	98,860	96,541
Term deposits	85,362	81,487
Insurance contract assets	1,727	2,902
Reinsurance contract assets	34,591	39,259
Investments in long-term equity	159,264	156,665
Restricted statutory deposits	13,798	13,433
Investment properties	15,830	15,791
Fixed assets	31,974	32,487
Right-of-use assets	2,360	2,342
Intangible assets	7,953	8,301
Deferred tax assets	13,472	13,900
Goodwill	198	198
Other assets	25,005	23,192
TOTAL ASSETS	<u>1,574,558</u>	<u>1,557,159</u>

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities measured at fair value through profit or loss	7,963	4,089
Securities sold under agreements to repurchase	73,522	108,969
Premiums received in advance	3,836	5,625
Salaries and staff welfare payables	32,514	33,420
Tax payable	7,966	8,796
Premium reserves	2,257	1,710
Accounts payable	7,979	7,985
Bonds payable	37,916	37,992
Insurance contract liabilities	1,026,777	980,730
Reinsurance contract liabilities	151	118
Lease liabilities	2,326	2,270
Deferred tax liabilities	190	402
Other liabilities	<u>34,182</u>	<u>33,384</u>
TOTAL LIABILITIES	<u>1,237,579</u>	<u>1,225,490</u>
EQUITY		
Issued capital	44,224	44,224
Share premium account	7,385	7,388
Other comprehensive income reserve	(4,815)	913
Surplus reserve	15,697	15,697
General risk reserve	20,485	20,439
Catastrophic loss reserve	91	91
Retained profits	<u>162,756</u>	<u>153,603</u>
Equity attributable to owners of the Company	245,823	242,355
Non-controlling interests	<u>91,156</u>	<u>89,314</u>
TOTAL EQUITY	<u>336,979</u>	<u>331,669</u>
TOTAL LIABILITIES AND EQUITY	<u>1,574,558</u>	<u><u>1,557,159</u></u>

5.2 Consolidated income statements for the three months ended 31 March 2024 and 31 March 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
OPERATING INCOME	138,778	137,769
Insurance revenue	126,172	117,155
Interest income	7,204	7,199
Investment income	2,494	8,073
Included: Share of profits and losses of associates and joint ventures	2,405	3,206
Net gains from the derecognition of financial assets measured at amortized cost	–	95
Other gains	123	112
Net gains on fair value changes	2,072	4,394
Foreign exchange gains/(losses), net	12	(222)
Other operating income	683	1,033
Net gains on disposal of assets	18	25
OPERATING EXPENSES	124,933	119,255
Insurance service expenses	111,371	102,489
Allocation of reinsurance premiums paid	7,507	8,615
Less: Amounts recovered from reinsurance contracts	(4,533)	(4,605)
Finance expenses from insurance contracts issued	7,991	9,680
Less: Finance income from reinsurance contracts held	(310)	(261)
Change in premium reserves	548	516
Interest expenses	835	399
Tax and other surcharges	40	42
General and administrative expenses	1,278	1,480
Credit impairment (reversals)/losses	(214)	91
Other impairment (reversals)/losses	(1)	14
Other operating costs	421	795

	Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
OPERATING PROFIT	13,845	18,514
Add: Sundry income	36	74
Less: Sundry expenses	<u>(32)</u>	<u>(33)</u>
PROFIT BEFORE TAX	13,849	18,555
Less: Income tax expense	<u>(1,786)</u>	<u>(2,505)</u>
NET PROFIT	<u>12,063</u>	<u>16,050</u>
By continuing operations:		
Net profit from continuing operations	<u>12,063</u>	<u>16,050</u>
By ownership:		
1. Net profit attributable to owners of the Company	8,963	11,721
2. Net profit attributable to non-controlling interests	<u>3,100</u>	<u>4,329</u>
OTHER COMPREHENSIVE INCOME, NET OF TAX		
Other comprehensive income attributable to owners of the Company, net of tax	<u>(5,492)</u>	<u>1,459</u>
OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS:		
Other comprehensive income that cannot be reclassified to profit or loss under the equity method	(3)	(11)
Changes in fair value of equity financial assets at fair value through other comprehensive income	1,747	537
Financial (expenses)/income in insurance contracts that will not be reclassified to profit or loss	(64)	71

	Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS:		
Other comprehensive income that may be reclassified to profit or loss under the equity method	187	(195)
Changes in fair value of debt financial assets at fair value through other comprehensive income	4,038	473
Allowance for credit losses on debt instruments measured at fair value through other comprehensive income	(49)	(12)
Financial (expenses)/income in insurance contracts that may be reclassified to profit or loss	(11,396)	566
Financial income in reinsurance contracts that may be reclassified to profit or loss	46	17
Gains on revaluation transferred to investment properties	2	13
Other comprehensive income attributable to non-controlling interests, net of tax	<u>(1,257)</u>	<u>521</u>
TOTAL	<u>(6,749)</u>	<u>1,980</u>
TOTAL COMPREHENSIVE INCOME	<u>5,314</u>	<u>18,030</u>
Attributable to owners of the Company	3,471	13,180
Attributable to non-controlling interests	<u>1,843</u>	<u>4,850</u>
EARNINGS PER SHARE (in RMB Yuan)		
Basic	<u>0.20</u>	<u>0.27</u>
Diluted	<u>0.20</u>	<u>0.26</u>

5.3 Consolidated statements of cash flow for the three months ended 31 March 2024 and 31 March 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Premiums received from insurance contracts issued	192,188	195,190
Proceeds from reinsurance contracts issued, net	–	206
Proceeds from reinsurance contracts held, net	2,576	547
Net increase in policy loans	117	–
Other cash inflows from operating activities	3,305	3,301
	<u>198,186</u>	<u>199,244</u>
Cash inflows from operating activities		
Claims paid for insurance contracts issued	(105,299)	(98,388)
Payments for reinsurance contracts held, net	(41)	–
Net decrease in policy loans	–	(36)
Handling charges and commissions paid	(14,254)	(15,408)
Payment to and on behalf of staff	(13,480)	(11,703)
Taxes and surcharges paid	(5,060)	(4,598)
Other cash outflows for operating activities	(26,898)	(27,898)
	<u>(165,032)</u>	<u>(158,031)</u>
Cash outflows for operating activities		
Net cash flows generated from operating activities	<u>33,154</u>	<u>41,213</u>

Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
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**CASH FLOWS GENERATED FROM/(USED IN) INVESTING
ACTIVITIES**

Proceeds from disposals of investments	88,112	117,230
Investment income and interest income received	8,921	9,104
Proceeds from disposals of fixed assets, intangible assets and other long-term assets	<u>52</u>	<u>68</u>
Cash inflows from investing activities	<u>97,085</u>	<u>126,402</u>
Payment for purchases of investments	(91,276)	(130,538)
Payment for purchases of fixed assets, intangible assets and other long-term assets	(335)	(430)
Other cash outflows for investing activities	<u>(168)</u>	<u>(106)</u>
Cash outflows for investing activities	<u>(91,779)</u>	<u>(131,074)</u>
Net cash flows generated from/(used in) investing activities	<u>5,306</u>	<u>(4,672)</u>

	Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Other cash inflows for financing activities	<u>—</u>	<u>133</u>
Cash inflows from financing activities	<u>—</u>	<u>133</u>
Repayment of bank borrowings	(83)	(20)
Repayment of lease liabilities	(232)	(238)
Cash paid for distribution of dividends, profits or interests	(917)	(301)
Net decrease in securities sold under agreements to repurchase	(35,585)	(45,912)
Other cash outflows for financing activities	<u>(2,759)</u>	<u>—</u>
Cash outflows from financing activities	<u>(39,576)</u>	<u>(46,471)</u>
Net cash flows used in financing activities	<u>(39,576)</u>	<u>(46,338)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>2</u>	<u>(17)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,114)	(9,814)
Add: Cash and cash equivalents at beginning of the period	<u>27,839</u>	<u>40,599</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>26,725</u>	<u>30,785</u>

5.4 Statements of financial position of the Company as at 31 March 2024 and 31 December 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	31 March 2024 (Unaudited)	31 December 2023 (Audited)
ASSETS		
Cash and cash balances	112	139
Financial assets purchased under resale agreements	260	499
Financial assets		
Financial assets held for trading	3,979	3,632
Financial assets at amortized cost	5,287	5,647
Debt financial assets at fair value through other comprehensive income	6,670	6,332
Equity financial assets at fair value through other comprehensive income	4,209	4,021
Term deposits	560	572
Investments in long-term equity	92,226	92,209
Investment properties	2,499	2,499
Fixed assets	2,785	2,854
Intangible assets	129	135
Other assets	393	806
	<u>119,109</u>	<u>119,345</u>
TOTAL ASSETS	119,109	119,345
LIABILITIES AND EQUITY		
LIABILITIES		
Securities sold under agreements to repurchase	–	600
Salaries and staff welfare payables	3,542	3,588
Tax payable	4	2
Bonds payable	12,323	12,224
Other liabilities	700	604
	<u>16,569</u>	<u>17,018</u>
TOTAL LIABILITIES	16,569	17,018
EQUITY		
Issued capital	44,224	44,224
Share premium account	35,578	35,578
Other comprehensive income reserve	84	(79)
Surplus reserve	15,697	15,697
Retained profits	6,957	6,907
	<u>102,540</u>	<u>102,327</u>
TOTAL EQUITY	102,540	102,327
TOTAL EQUITY AND LIABILITIES	119,109	119,345

5.5 Income statements of the Company for the three months ended 31 March 2024 and 31 March 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
OPERATING INCOME	305	556
Interest income	123	168
Investment income	14	164
Included: Share of profits and losses of associates	17	81
Net gains on fair value changes	87	198
Foreign exchange gains/(losses), net	2	(50)
Other operating income	79	76
OPERATING EXPENSES	311	434
Interest expenses	118	249
Tax and other surcharges	3	3
General and administrative expenses	198	182
Net impairment reversals on financial assets	(8)	–
OPERATING (LOSS)/PROFIT	(6)	122
(LOSS)/PROFIT BEFORE TAX	(6)	122
Less: Income tax expense	56	(18)
NET PROFIT	50	104
OTHER COMPREHENSIVE INCOME, NET OF TAX		
OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS:		
Changes in fair value of equity financial assets at fair value through other comprehensive income	140	(87)
OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS:		
Other comprehensive income that may be reclassified to profit or loss under the equity method	–	1
Changes in fair value of debt financial assets at fair value through other comprehensive income	23	34
Allowance for credit losses on debt instruments measured at fair value through other comprehensive income	–	(1)
OTHER COMPREHENSIVE INCOME, NET OF TAX	163	(53)
TOTAL COMPREHENSIVE INCOME	213	51

5.6 Statements of cash flow of the Company for the three months ended 31 March 2024 and 31 March 2023

(Amounts in millions of Renminbi, unless otherwise stated)

	Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Other cash inflows from operating activities	<u>167</u>	<u>115</u>
Cash inflows from operating activities	<u>167</u>	<u>115</u>
Payment to and on behalf of staff	(152)	(154)
Taxes and surcharges paid	(2)	–
Other cash outflows for operating activities	<u>(25)</u>	<u>(67)</u>
Cash outflows for operating activities	<u>(179)</u>	<u>(221)</u>
Net cash flows used in operating activities	<u>(12)</u>	<u>(106)</u>
CASH FLOWS GENERATED FROM/(USED IN) INVESTING ACTIVITIES		
Proceeds from disposals of investments	2,151	3,113
Proceeds from disposals of fixed assets, intangible assets and other long-term assets	–	3
Investment income and interest income received	<u>139</u>	<u>140</u>
Cash inflows from investing activities	<u>2,290</u>	<u>3,256</u>
Payment for purchases of investments	(1,925)	(4,161)
Payment for purchases of fixed assets, intangible assets and other long-term assets	–	(62)
Other cash outflows for investing activities	<u>(18)</u>	<u>(17)</u>
Cash outflows for investing activities	<u>(1,943)</u>	<u>(4,240)</u>
Net cash flows generated from/(used in) investing activities	<u>347</u>	<u>(984)</u>

	Three months ended 31 March 2024 (Unaudited)	Three months ended 31 March 2023 (Unaudited)
CASH FLOWS (USED IN)/GENERATED FROM FINANCING ACTIVITIES		
Net increase in securities sold under agreements to repurchase	—	288
Cash inflows from financing activities	—	288
Cash paid for distribution of dividends, profits or interests	(1)	(3)
Net decrease in securities sold under agreements to repurchase	(600)	—
Cash outflows from financing activities	(601)	(3)
Net cash flows (used in)/generated from financing activities	(601)	285
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	—	(4)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(266)	(809)
Add: Cash and cash equivalents at beginning of the period	638	1,170
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>372</u>	<u>361</u>

By Order of the Board
The People's Insurance Company (Group) of China Limited
Wang Tingke
Chairman

Beijing, the PRC, 29 April 2024

As at the date of this announcement, the executive directors of the Company are Mr. Wang Tingke, Mr. Zhao Peng, Mr. Li Zhuyong and Mr. Xiao Jianyou; the non-executive directors are Mr. Wang Qingjian, Mr. Miao Fusheng, Mr. Wang Shaoqun, Mr. Yu Qiang and Mr. Song Hongjun; and the independent non-executive directors are Mr. Shiu Sin Por, Mr. Ko Wing Man, Ms. Cui Li, Ms. Xu Lina and Mr. Wang Pengcheng.