

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Sunshine Insurance Group Company Limited**

**陽光保險集團股份有限公司**

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

**(Stock Code: 6963)**

## **ANNOUNCEMENT**

### **UNAUDITED FINANCIAL DATA AND SOLVENCY STATEMENT OF SUNSHINE P&C FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

This announcement is made by Sunshine Insurance Group Company Limited (the “**Company**”) pursuant to Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Sunshine Property and Casualty Insurance Company Limited (“**Sunshine P&C**”), a subsidiary of the Company, has publicly issued a 10-year capital supplementary bond with a total principal of RMB5.0 billion in the National Inter-bank Bond Market on December 3, 2021 (bond name is “Sunshine Property and Casualty Insurance Company Limited 2021 Capital Supplementary Bond”, abbreviated as “21 Sunshine P&C”). According to relevant regulations, during the duration of the above-mentioned bond, Sunshine P&C shall publicly disclose its quarterly reports and solvency statement on the website of China Money ([www.chinamoney.com.cn](http://www.chinamoney.com.cn)) and the website of China Bond ([www.chinabond.com.cn](http://www.chinabond.com.cn)). For details of the solvency statement, please refer to relevant reports that Sunshine P&C will disclose on the above-mentioned websites in due course and the announcement on main indicators of solvency of subsidiaries as of the end of the third quarter of 2023 to be published by the Company in due course on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.sinosig.com](http://www.sinosig.com)).

Sunshine P&C will also disclose the unaudited financial data for the nine months ended September 30, 2023 prepared in accordance with the PRC Accounting Standards for Business Enterprises. For details, please refer to the appendix of this announcement.

**The above unaudited financial data of Sunshine P&C for the nine months ended September 30, 2023 were not audited or reviewed by the auditor of the Company. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Sunshine Insurance Group Company Limited**  
**陽光保險集團股份有限公司**  
**NIE Rui**  
*Joint Company Secretary*

Hong Kong, October 27, 2023

*As at the date of this announcement, the board of directors of the Company comprises Mr. ZHANG Weigong, Mr. ZHAO Zongren, Mr. LI Ke, Mr. PENG Jihai and Mr. WANG Yongwen as executive directors; Mr. CAI Qiwu, Mr. WANG Jingwei, Mr. CHEN Yong, Ms. QIAN Yiqun and Mr. HOU Huisheng as non-executive directors; and Mr. LIU Zhanqing, Mr. GAO Bin, Ms. JIA Ning, Mr. WU Xiaoqiu and Mr. HONG Qi as independent non-executive directors.*

## APPENDIX

### CONSOLIDATED BALANCE SHEET

As at September 30, 2023

<b>Assets</b>	<b>(RMB)</b>
	<b>Closing balance at the end of the period (unaudited)</b>
<b>Assets:</b>	
Cash at bank and on hand	4,006,390,857.76
Derivative financial assets	–
Securities purchased under agreements to resell	685,965,889.98
Dividend receivable	48,036,508.02
Other receivables	677,206,979.50
Term deposits	258,019,030.04
<b>Financial investment:</b>	
Financial assets at fair value through profit or loss	12,371,224,360.74
Debt financial assets at fair value through other comprehensive income	18,430,219,791.36
Equity financial assets at fair value through other comprehensive income	4,148,372,310.83
Insurance contract assets	1,088,435,480.48
Reinsurance contract assets	2,152,126,353.52
Long-term equity investments	1,650,137,411.68
Statutory deposits	1,860,430,808.57
Investment properties	3,956,376,238.88
Fixed assets	1,635,303,278.72
Construction in progress	60,847,910.12
Right-of-use assets	480,535,282.49
Intangible assets	29,451,539.82
Goodwill	–
Deferred tax assets	1,039,484,675.66
Other assets	973,358,508.77
<b>Total assets</b>	<b><u>55,551,923,216.94</u></b>

<b>Liabilities and equity</b>	<b>(RMB)</b>
	<b>Closing balance at the end of the period (unaudited)</b>
<b>Liabilities:</b>	
Short-term borrowings	122,500.00
Financial liabilities at fair value through profit or loss	4,634.99
Derivative financial liabilities	–
Securities sold under agreements to repurchase	3,111,259,210.50
Premiums received in advance	236,264,261.88
Payroll payable	574,486,865.12
Taxes payable	482,909,676.14
Dividends payable	–
Other payables	297,308,505.26
Insurance premium reserves	47,662,327.57
Long-term borrowings	153,758,000.00
Bonds payable	5,181,979,501.67
Insurance contract liabilities	26,627,175,523.97
Reinsurance contract liabilities	31,463,490.40
Lease liabilities	416,879,413.55
Deferred tax liabilities	638,508.56
Other liabilities	3,193,776,757.48
<b>Total Liabilities</b>	<b>40,355,689,177.09</b>
<b>Equity:</b>	
Share capital	5,746,000,000.00
Less: Treasury stock	–
Capital reserves	2,318,602,999.79
Other comprehensive income	(345,858,951.29)
Surplus reserves	3,087,264,067.71
General reserves	1,303,889,862.15
Catastrophic loss reserves	56,896,663.66
Nuclear catastrophe reserves	11,540,985.66
Retained profits	1,452,492,237.82
<b>Attributable to equity owners of the parent</b>	<b>13,630,827,865.50</b>
Non-controlling interests	1,565,406,174.35
<b>Total equity</b>	<b>15,196,234,039.85</b>
<b>Total liabilities and equity</b>	<b>55,551,923,216.94</b>

## CONSOLIDATED INCOME STATEMENT

For the nine months ended September 30, 2023

	(RMB) Cumulative amount for this year (unaudited)
<b>I. Operating income</b>	<b><u>35,599,273,654.82</u></b>
Insurance revenue	34,061,939,871.48
Interest income	570,567,970.96
Invest income (loss is represented by “-”)	509,908,784.33
Including: Share of profits of associates and joint ventures	137,254,059.70
Gains from derecognition of financial assets measured at amortized cost	—
Gains from changes in fair value (loss is represented by “-”)	180,072,662.35
Foreign exchange gains (loss is represented by “-”)	(3,520,106.47)
Other operating income	238,480,102.51
Other income (loss is represented by “-”)	41,557,945.24
Gains from disposal of assets (loss is represented by “-”)	<u>266,424.42</u>
<b>II. Operating expenses</b>	<b><u>34,374,752,969.56</u></b>
Insurance service expenses	32,821,767,225.44
Allocation of reinsurance premiums paid	971,659,572.44
Less: Amount recovered from reinsurer	612,594,367.89
Net insurance finance expenses for insurance contracts issued	470,128,716.57
Less: Net reinsurance finance income for reinsurance contracts held	59,996,154.17
Interest expense	211,395,332.26
Commission and brokerage expenses	656,379.48
Changes in insurance premium reserves	19,651,042.17
Tax and surcharges	27,087,133.29
Operating and administrative expenses	285,157,765.93
Expected credit losses	54,538,694.91
Impairment losses on other assets	10,092,073.77
Other operating expenses	<u>175,209,555.36</u>
<b>III. Operating profit (loss is represented by “-”)</b>	<b><u>1,224,520,685.26</u></b>
Add: Non-operating income	128,919,515.42
Less: Non-operating expenses	<u>34,197,656.78</u>
<b>IV. Total profit (loss is represented by “-”)</b>	<b>1,319,242,543.90</b>
Less: Income tax	<u>158,178,604.59</u>
<b>V. Net profit (loss is represented by “-”)</b>	<b><u>1,161,063,939.31</u></b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended September 30, 2023

	(RMB)
	<b>Cumulative amount for this year (unaudited)</b>
<b>I. Cash flows from operating activities</b>	
Cash received from premiums of insurance contracts issued	35,715,309,664.06
Net cash received from reinsurance contracts issued	(187,877.01)
Cash received relating to other operating activities	<u>571,898,582.08</u>
<b>Subtotal of cash inflows from operating activities</b>	<b><u>36,287,020,369.13</u></b>
Cash paid for claims under insurance contracts issued	19,785,505,129.77
Net cash paid under reinsurance contracts held	183,750,896.38
Net increase in policy loans	-
Cash paid for commission and brokerage expenses	3,855,540,083.41
Cash paid to and on behalf of employees	4,479,610,419.06
Payments of taxes and surcharges	1,678,164,672.63
Cash paid relating to other operating activities	<u>5,456,667,569.20</u>
<b>Subtotal of cash outflows from operating activities</b>	<b><u>35,439,238,770.45</u></b>
<b>Net cash inflows from operating activities</b>	<b><u>847,781,598.68</u></b>
<b>II. Cash flows from investing activities</b>	
Cash received from disposal of investments	10,155,296,946.37
Cash received from returns on investments and interest income	1,363,759,487.97
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,301,512.63
Cash received relating to other investing activities	<u>22,744,741.98</u>
<b>Subtotal of cash inflows from investing activities</b>	<b><u>11,544,102,688.95</u></b>
Cash paid to purchase investments	12,519,937,305.33
Increase in securities purchased under agreements to resell, net	-
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	167,280,419.30
Cash paid relating to other investing activities	<u>39,201,932.37</u>
<b>Subtotal of cash outflows from investing activities</b>	<b><u>12,726,419,657.00</u></b>
<b>Net cash outflows from investing activities</b>	<b><u>(1,182,316,968.05)</u></b>

	<b>(RMB)</b>
	<b>Cumulative amount for this year (unaudited)</b>
<b>III. Cash flows from financing activities</b>	
Cash received from absorption of investments	–
Proceeds from borrowings	–
Cash received from bonds issued	–
Increase in securities sold under agreements to repurchase, net	758,233,921.24
Cash received relating to other financing activities	1,499,999,000.00
<b>Subtotal of cash inflows from financing activities</b>	<b><u>2,258,232,921.24</u></b>
Cash repayments of borrowings	–
Cash paid for distribution of dividends, profits or interest expenses	517,420,429.76
Cash paid relating to other financing activities	188,822,863.17
<b>Subtotal of cash outflows from financing activities</b>	<b><u>706,243,292.93</u></b>
<b>Net cash inflows from financing activities</b>	<b><u>1,551,989,628.31</u></b>
<b>IV. Effects of foreign exchange rate changes on cash and cash equivalents</b>	<b><u>(1,140,392.29)</u></b>
<b>V. Net increase in cash and cash equivalents</b>	<b><u>1,216,313,866.65</u></b>
Add: Opening balance of cash and cash equivalents	<u>3,476,693,718.40</u>
<b>VI. Closing balance of cash and cash equivalents</b>	<b><u>4,693,007,585.05</u></b>

*Note:* The Company has officially implemented the “Accounting Standards for Business Enterprises No. 25 – Insurance Contracts” (Cai Kuai [2020] No. 20), “Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments” (Cai Kuai [2017] No. 7), “Accounting Standards for Business Enterprises No. 23 – Transfer of Financial Assets” (Cai Kuai [2017] No. 8), “Accounting Standards for Business Enterprises No. 24 – Hedge Accounting” (Cai Kuai [2017] No. 9) and “Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments” (Cai Kuai [2017] No. 14) issued by the Ministry of Finance of the People’s Republic of China from January 1, 2023.