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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, 2024

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) and the website of China Bond (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 2024 to be published by the Company in due course on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.sinosig.com).

Sunshine P&C will also disclose the unaudited financial data for the nine months ended September 30, 2024 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, 2024 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
SHU Gaoyong
Joint Company Secretary

Hong Kong, October 28, 2024

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, Ms. JIA Ning, Mr. WU Xiaoqiu, Mr. HONG Qi and Mr. XU Ying as independent non-executive Directors.

APPENDIX

CONSOLIDATED BALANCE SHEET

As at September 30, 2024

Assets	(RMB)
	Closing balance at the end of the period (unaudited)
Assets:	
Cash at bank and on hand	2,743,351,914.77
Securities purchased under agreements to resell	82,325,656.52
Term deposits	416,061,026.87
Financial investment:	
Financial assets at fair value through profit or loss	11,590,422,263.15
Financial assets at amortised cost	1,798,597,439.29
Debt financial assets at fair value through other comprehensive income	19,145,826,800.87
Equity financial assets at fair value through other comprehensive income	6,171,222,288.92
Insurance contract assets	910,328,969.93
Reinsurance contract assets	3,227,224,372.98
Long-term equity investments	1,691,140,588.04
Statutory deposits	2,006,845,671.77
Investment properties	3,851,817,939.06
Fixed assets	1,530,029,506.52
Construction in progress	57,665,216.31
Right-of-use assets	419,696,461.00
Intangible assets	49,005,024.81
Deferred tax assets	892,383,116.75
Other assets	2,002,384,987.40
Total assets	58,586,329,244.96

Liabilities and equity	(RMB)
	Closing balance at the end of the period (unaudited)
Liabilities:	
Financial liabilities at fair value through profit or loss	4,634.99
Securities sold under agreements to repurchase	2,010,881,823.97
Premiums received in advance	242,749,755.59
Payroll payable	540,552,269.98
Taxes payable	735,628,159.55
Insurance premium reserves	63,828,751.47
Bonds payable	5,182,648,513.72
Insurance contract liabilities	29,776,330,644.12
Reinsurance contract liabilities	20,034,703.90
Lease liabilities	366,279,982.11
Deferred tax liabilities	3,296,174.92
Other liabilities	2,134,867,383.06
Total Liabilities	41,077,102,797.38
Equity:	
Share capital	6,456,900,000.00
Capital reserves	3,109,717,287.07
Other comprehensive income	677,870,492.87
Surplus reserves	3,660,927,766.26
General reserves	1,377,553,560.70
Catastrophic loss reserves	56,896,663.66
Nuclear catastrophe reserves	19,670,876.03
Retained profits	583,135,501.06
Attributable to equity owners of the parent	15,942,672,147.65
Non-controlling interests	1,566,554,299.93
Total equity	17,509,226,447.58
Total liabilities and equity	58,586,329,244.96

CONSOLIDATED INCOME STATEMENT

For the nine months ended September 30, 2024

	(RMB) Cumulative amount for this year (unaudited)
I. Operating income	<u>37,933,566,214.24</u>
Insurance revenue	35,938,586,442.47
Interest income	553,922,654.66
Investment income	416,613,501.00
Including: Share of profits of associates and joint ventures	136,314,468.61
Gains from changes in fair value	778,050,766.47
Foreign exchange gains	(33,035,940.62)
Other operating income	231,555,518.23
Other income	46,358,700.67
Gains from disposal of assets	<u>1,514,571.36</u>
II. Operating expenses	<u>37,107,327,871.40</u>
Insurance service expenses	35,344,125,908.39
Allocation of reinsurance premiums paid	874,465,386.22
Less: Amount recovered from reinsurer	595,983,233.33
Net insurance finance expenses for insurance contracts issued	550,671,741.37
Less: Net reinsurance finance income for reinsurance contracts held	62,154,049.87
Interest expense	211,640,503.54
Commission and brokerage expenses	1,185,046.72
Changes in insurance premium reserves	24,064,030.53
Tax and surcharges	33,917,447.54
Operating and administrative expenses	290,566,263.52
Expected credit losses	174,889,313.91
Impairment losses on other assets	22,144,383.42
Other operating expenses	<u>237,795,129.44</u>
III. Operating profit	<u>826,238,342.84</u>
Add: Non-operating income	49,995,971.44
Less: Non-operating expenses	<u>28,254,603.55</u>
IV. Total profit	<u>847,979,710.73</u>
Less: Income tax	<u>(62,522,960.14)</u>
V. Net profit	<u>910,502,670.87</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended September 30, 2024

	(RMB)
	Cumulative amount for this year (unaudited)
I. Cash flows from operating activities	
Cash received from premiums of insurance contracts issued	38,325,431,407.22
Net cash received from reinsurance contracts issued	(14,312,975.14)
Cash received relating to other operating activities	<u>5,577,077,032.04</u>
Subtotal of cash inflows from operating activities	<u>43,888,195,464.12</u>
Cash paid for claims under insurance contracts issued	21,804,396,899.50
Net cash paid under reinsurance contracts held	354,915,405.71
Cash paid for commission and brokerage expenses	4,694,880,089.32
Cash paid to and on behalf of employees	4,206,692,948.26
Payments of taxes and surcharges	1,148,516,327.43
Cash paid relating to other operating activities	<u>9,517,415,260.75</u>
Subtotal of cash outflows from operating activities	<u>41,726,816,930.97</u>
Net cash inflows from operating activities	<u>2,161,378,533.15</u>
II. Cash flows from investing activities	
Cash received from disposal of investments	10,769,262,947.38
Cash received from returns on investments and interest income	1,367,199,914.49
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,686,446.49
Cash received relating to other investing activities	<u>9,762,302.18</u>
Subtotal of cash inflows from investing activities	<u>12,147,911,610.54</u>
Cash paid to purchase investments	14,831,115,713.74
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	86,334,249.64
Cash paid relating to other investing activities	<u>44,015,276.95</u>
Subtotal of cash outflows from investing activities	<u>14,961,465,240.33</u>
Net cash outflows from investing activities	<u>(2,813,553,629.79)</u>

(RMB)
Cumulative amount
for this year (unaudited)

III. Cash flows from financing activities

Increase in securities sold under agreements to repurchase, net	12,388,692.50
Cash received relating to other financing activities	<u>500,000.00</u>

Subtotal of cash inflows from financing activities **12,888,692.50**

Cash paid for distribution of dividends, profits or interest expenses	958,282,250.00
Cash paid relating to other financing activities	<u>153,712,204.55</u>

Subtotal of cash outflows from financing activities **1,111,994,454.55**

Net cash outflows from financing activities **(1,099,105,762.05)**

**IV. Effects of foreign exchange rate changes on cash and cash
equivalents** **(2,502,741.84)**

V. Net decrease in cash and cash equivalents **(1,753,783,600.53)**

Add: Opening balance of cash and cash equivalents	<u>4,579,545,253.25</u>
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VI. Closing balance of cash and cash equivalents **2,825,761,652.72**