



General Reinsurance AG Shanghai Branch
Information Disclosure Report for a Significant Related Party Transaction
Related to Retrocession

As General Reinsurance AG (hereinafter referred to as “GRAG”), the parent company of General Reinsurance AG Shanghai Branch (hereinafter referred to as the “Company”), signed a quota share retrocession agreement with respect to property insurance with General Reinsurance Corporation (hereinafter referred to as “GRC”) in November 2016, retroceding to GRC 20% of the whole property insurance business of GRAG, including that of the Company. In addition, the accumulative amount of transactions between the Company and GRC under the retrocession agreement has been exceeding RMB30 million up till now in 2019. Therefore, the transaction constitutes a significant related party transaction. Hence, as per relevant provisions of the *Measures for Administration of Information Disclosures by Insurance Companies* and *Measures for Administration of Related Party Transactions by Insurance Companies* issued by the China Banking and Insurance Regulatory Commission (CBIRC), the information of the related party transaction under the retrocession agreement is hereby disclosed as follows:

I. Counterparty Information

i. Basic Information about the Related Parties

Name of related legal person	General Reinsurance Corporation Chinese Translation: 通用再保险集团公司
Type of Company	Stock companies
Business Scope	It engages in reinsurance business related to non-life insurance throughout the world.
Registered capital	USD11,523,673,948 (the end of 2019 Q3)
Relationship with the Company	The Company is a branch established by General Reinsurance AG, a subsidiary of General Reinsurance Corporation, in the mainland of China.

II. Type and Subject Matter of the Related Party Transaction

i. Type of the related party transaction

The related party transaction is a quota share retrocession agreement.

ii. Basic information on the underlying assets

20% of the Company’s whole property insurance business is retroceded to GRC.



III. Main Content of the Transaction Agreement

i. Transaction price

The reinsurance premium under the retrocession agreement is 20% of the reinsurance premium under the original reinsurance agreement.

ii. Terms of payment for the transaction

With respect to the transaction, reinsurance premium shall be paid on a quarterly basis.

iii. Conditions for entry into force, effective date and term of the agreement

The retrocession agreement entered into force on January 1, 2017 and is automatically renewed each year. It can be rescinded by giving a notice prior to October 1 each year.

IV. Pricing Policies for the Related Party Transaction

The reinsurance premium under the retrocession agreement is charged based on proportionate quota share, which is in line with market practice.

V. Transaction-related Decisions and Deliberation

As a branch established by a foreign reinsurance company in China, the Company is not an independent legal person, and has no Shareholders' General Meeting or Board of Directors in China. The transaction is a retrocession arrangement made by GRAG, the Company's parent company.

VI. Other Information That Needs to Be Disclosed

None.

The Company warrants that it has fully known the responsibilities and risks associated with the transaction, and is responsible for the authenticity, accuracy, completeness and compliance of the information disclosed in this announcement and willing to cooperate in supervision from relevant parties. For any objection to the information disclosed in this announcement, one may raise it with CBIRC within ten working days from the date of release of this announcement.

General Reinsurance AG Shanghai Branch

December 12, 2019