

QUARTERLY SOLVENCY REPORT SUMMARY



General Reinsurance AG Shanghai Branch

4th quarter of 2021

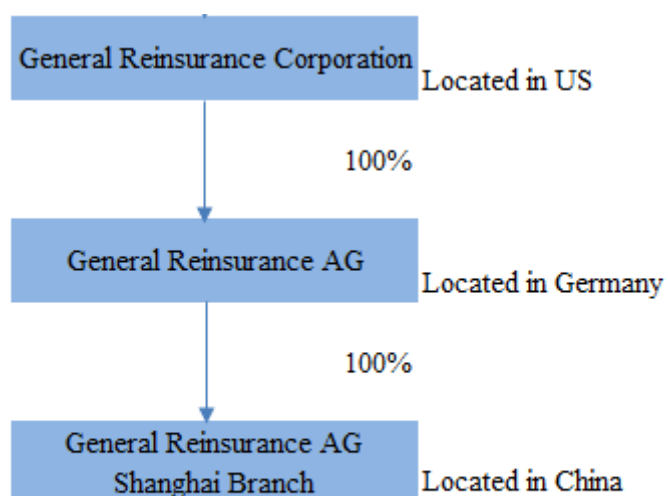
I. Basic Introduction

Company Name (English)	General Reinsurance AG Shanghai Branch
Company Name (Chinese)	德国通用再保险股份有限公司上海分公司
Legal Representative	Chua Tuan Miang
Registered Address	Room 1801A, 1801B, 1802A, 1803, China Merchants Tower, 161 East Lujiazui Road, Shanghai
Registered Capital	438,714,000 CNY
Opening Year	July of 2004
Business Scope	(1) Life reinsurance, including reinsurance business and retrocession business in the region of PRC and international reinsurance business; (2) Non-life reinsurance, including reinsurance business and retrocession business in the region of PRC and international reinsurance business.
Contact Person	Yolanda Huang
Office Telephone	+86 21 6100 6312
Office Fax	+86 21 6100 6366
Email	Yolanda.huang@genre.com

II. Basic Information

1. Actual Controller

The Head Office of General Reinsurance AG Shanghai branch ((hereinafter referred to as “GRAG Shanghai) is General Reinsurance AG located in Cologne, Germany. And the ultimate holding group is General Reinsurance Corporation in the United States.



2. There is no subsidiaries, associates and joint ventures for GRAG Shanghai.

3. Senior management basic information

Name	Age	Education	Tenure date	Title	Approval file No.	Whether take the job or part-time job in the affiliate company or other company	Working experience for the last 5 years
Chua Tuan Miang	48	Master of Economics	2006.05	General Manager	Bjgj[2006]410	No	Gen Re Shanghai
Haifei Chen	43	Master of Science	2011.04	Deputy general manager	Bjgj[2011]493	No	Gen Re Shanghai
Pin Huang	44	Bachelor	2019.08	Deputy general manager/ Chief Risk Officer	Ybjf[2019]704	No	Gen Re Shanghai
Hong Shao	41	Master of Economics	2020.08	Chief Actuary	Ybjf[2020]439	No	Gen Re Shanghai
Ziying Shen	40	Master	2021.08	Chief Compliance Officer	Ybjf[2021]584	No	Lloyd's Insurance (China) Gen Re Shanghai

III. Key Performance Indicator

1. Solvency Ratio Indicator

(RMB: 1 Yuan, %)

Indicators	Current quarter	Previous quarter
Admitted assets	8,575,719,914	8,009,706,246
Admitted liabilities	3,932,243,933	3,987,465,573
Actual capital	4,643,475,981	4,022,240,673
Of which: Tier 1 core capital	4,643,475,981	4,022,240,673
Tier 2 core capital	-	-
Tier 1 supplementary capital	-	-
Tier 2 supplementary capital	-	-
Minimum capital	2,007,027,420	1,561,353,348
Of which: Quantifiable risk minimum capital	1,997,737,939	1,554,126,658
Insurance risk minimum capital for Life	1,650,122,871	1,184,495,851
Insurance risk minimum capital for Non-	556,689,017	625,594,297
Market risk minimum capital	262,471,534	181,030,457
Credit risk minimum capital	19,938,299	31,787,776
Correlation coefficient effect	491,483,782	468,781,722
Loss absorbency effect for special contract	-	-
Control risk minimum capital	9,289,481	7,226,689
Supplementary capital	-	-
Core solvency surplus	2,636,448,561	2,460,887,325
Core solvency ratio	231%	258%
Comprehensive solvency surplus	2,636,448,561	2,460,887,325
Comprehensive solvency ratio	231%	258%

2. Liquidity risk regulatory indicator

(RMB: 1 Yuan, %)

Indicators	Current quarter	Previous quarter
Actual net cash flow	483,679,335	-634,871,326
Consolidated Liquidity Ratio		
Within 3 months	109%	357%
Within 1 year	220%	97%
Above 1 year	47%	55%
Liquidity Coverage Ratio		
Stress scenario 1	1450%	178%
Stress scenario 2	1812%	223%
Liquidity coverage of independent accounts for investment products	Not applicable	Not applicable

**Stress scenario 1 is under the assumption that the cash outflow of reinsurance business in the forecast period is 50% higher than that in the basic scenario.*

**Stress scenario 2 is under the assumption that the 20% principals and interests of fixed income assets can not be recovered within the forecast period.*

Net cash inflow during this quarter is RMB 484 million constituted by RMB 791 million received from reinsurance business, RMB 3,210 million received from the redemption of government bonds, RMB 3,600 million for purchasing time deposit and other cash inflow and outflow of business operation and investment activities are in line with the expectations. There was no cash flow from financing activities during this quarter. The consolidated liquidity ratios for 3 months, 1 year and above 1 year are 109%, 220% and 47% respectively. Compared to the previous quarter, the consolidated liquidity ratios within 3 months and above 1 year decrease 249% and 8% respectively, while the consolidated liquidity ratio within 1 year increase 123%. It is mainly because of government bonds that due dates within 3 months decreasing RMB 2,779 million at the quarter end, and at the same time, term deposits with due dates more than 3 months and less than 1 year increasing RMB 3,600 million.

Shanghai branch holds enough high-quality liquidity assets consist of cash, time deposit and government bonds, so the liquidity coverage ratios keep high.

3. Operating indicator

(RMB: 1 Yuan)

Indicator	Current quarter	Previous quarter
Premium	1,208,177,804	1,237,328,113
Net profit	29,858,378	303,477,791
Net assets	2,450,164,340	2,422,085,976

IV. Integrated Risk Rating Indicator for the last two quarter

GRAG Shanghai branch was classified as category B in Q3 2021 CBIRC integrated risk rating (IRR) evaluation.

GRAG Shanghai branch was classified as category A in Q2 2021 CBIRC integrated risk rating (IRR) evaluation.

V. Solvency Risk Management Capability

1. Latest score of solvency risk management capability

In November 2018, GRAG Shanghai branch received the "Notice on the Results of the SARMRA Assessment of 2018" issued by the China Banking and Insurance Regulatory Commission. The SARMRA evaluation score of our Company in 2018 was 79.07. Among them, risk management foundation and environment 17.24 points, risk management objectives and tools 7.23 points, insurance risk management 7.78 points, market risk management 7.61 points, credit risk management 8.37 points, operational risk management 8.17 points, strategic risk management 7.30 points, reputation risk Management 7.46 points, liquidity risk management 7.93 points.

2. Improvements of solvency management

General Reinsurance AG is committed to an integrated approach to risk management which forms the basis of a company-wide understanding of all risks that impact the organization and ensures that conscious risk management is part of the daily decision-making processes of every member of our staff.

GRAG Shanghai Branch established a risk management mechanism applicable to the Shanghai branch under the framework of the risk management of the head office to achieve the overall goal of solvency management with appropriate risk management methods and tools based on the company's strategy and business objectives.

To improve the risk management capability, Gen Re Shanghai Branch carefully analyzed the gap between evaluation result of solvency risk management capability in 2018 and annual self-assessment result. Meanwhile, considering the time, manpower, material resources and other aspects that need to be invested to determine the priority of rectification matters. Besides, the risk management system can be improved from aspects of policies soundness and implementation effectiveness.

In current quarter, the risk management department and legal department took the lead in reviewing and improving the solvency risk management guideline and policies. At the same

time, the work processes required for the operation of risk management was also improved in a timely manner.

VI. Regulatory measures taken by regulatory authorities

None.

The difference is...the quality of the promise.



genre.com

General Reinsurance AG

Shanghai Branch

Room 1803, China Merchants Tower, 161 East Lujiazui Road

Shanghai 200120 (P.R. China)

Tel. +86 21 6100 6300

Fax +86 21 6100 6388

© General Reinsurance AG 2022