

中船保



China Shipowners Mutual
Assurance Association
Annual Report

2023

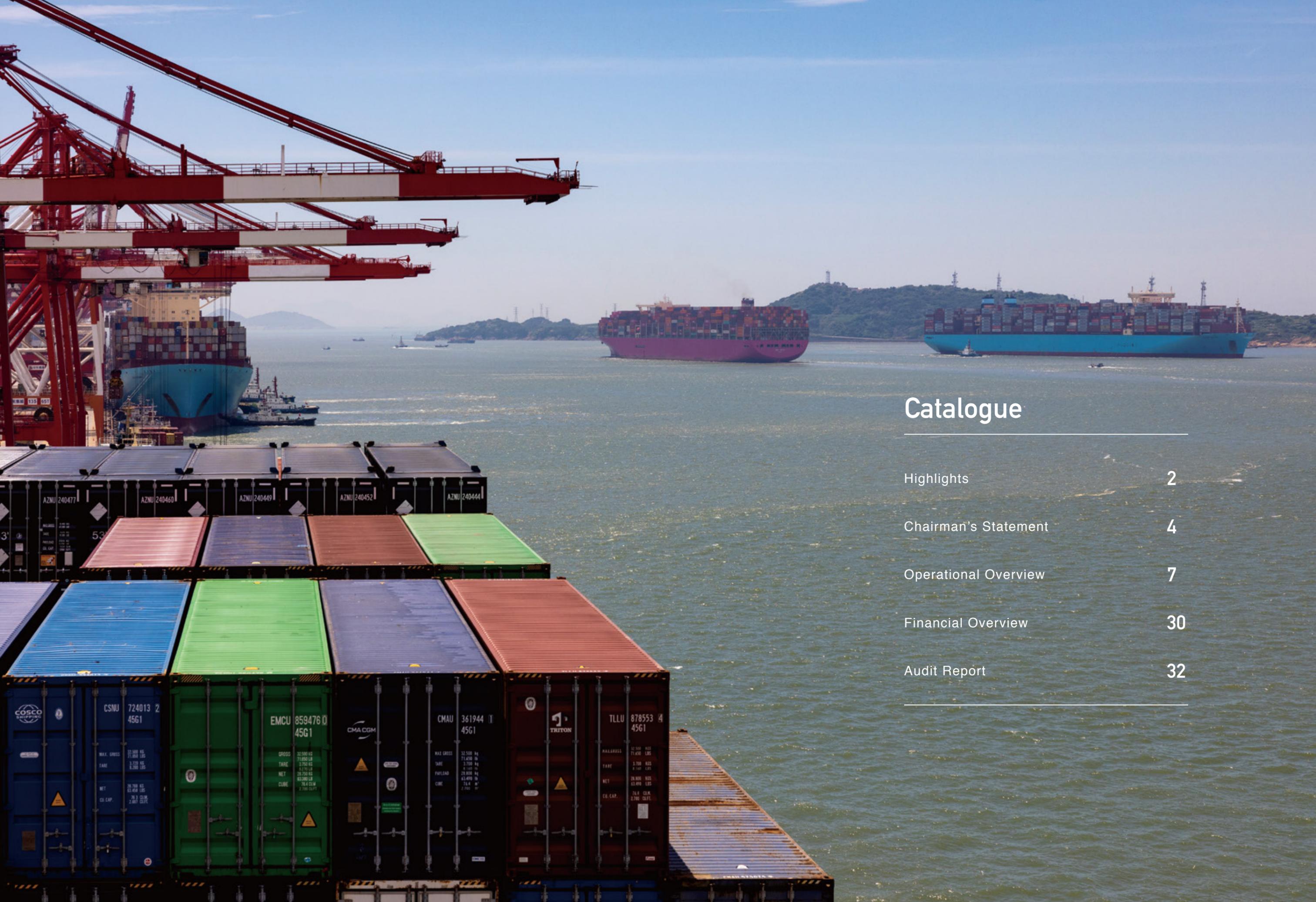


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Highlights

All references to "Policy Year" in respect of P&I, Charterers Comprehensive Cover and FD&D in this report will refer to the period from noon GMT on 20 February of a given year to noon GMT on 20 February one year thereafter, unless specified otherwise. All references to "Policy Year" in respect of Mutual H&M in this report will refer to the period from 00:00, Beijing Time on 1 January of a given year to 24:00, Beijing Time on 31 December of the same year, unless specified otherwise.

Entered Tonnage (P&I)

84.34 Million GT

Members (P&I)

191

Entered Ships (P&I)

1,861

Entered Ships
(Charterers Comprehensive Cover)

466

Entered Ships (Mutual H&M)

1,109

Entered Ships (FD&D)

261

Covered with FD&D
ancillary to P&I

116

Covered with FD&D
ancillary to Charterers
Comprehensive Cover

AM Best Financial Strength Rating

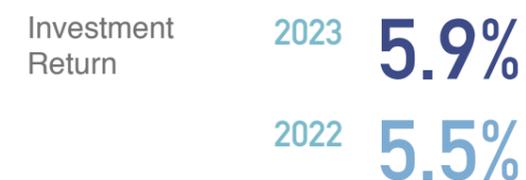
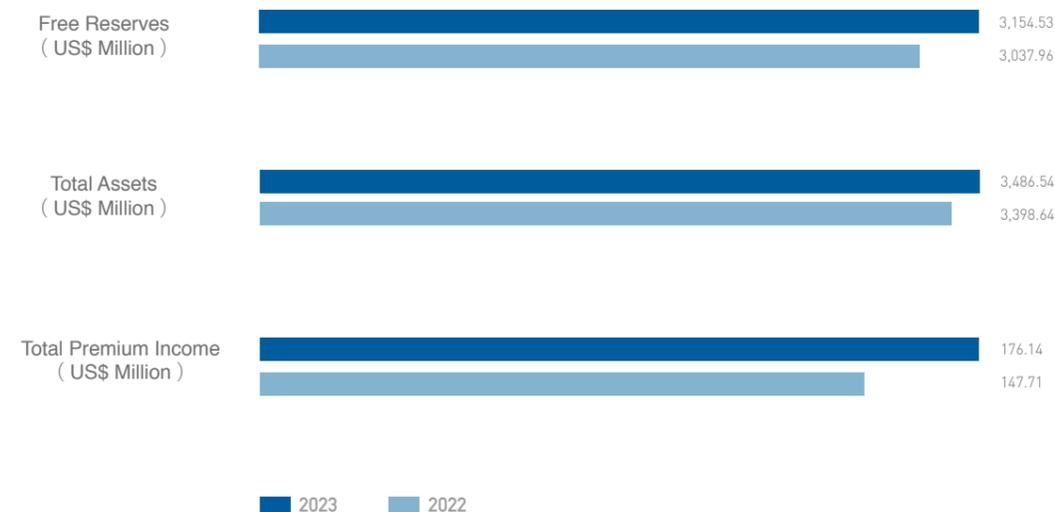
A-

(Excellent)
Outlook: Stable

AM Best Long-Term Issuer Credit Rating

a-

(Excellent)
Outlook: Stable



Chairman's Statement



The year 2023 is a year for the Association to build on its strengths and make good achievements. With the high-quality development of the shipping industry, improving high-end shipping services is being extensively discussed across the maritime spectrum. The Association intends to make new contributions to maintaining a stable maritime supply chain and promoting global cooperation by joining hands with its Members and partners. On behalf of the Association, I wish to express my heartfelt gratitude to our friends who have been caring and supportive, and to our employees for their dedication in their roles.

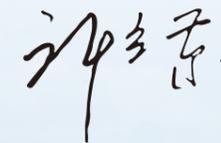
The Association's entered tonnage has grown steadily. By the end of 2023, the P&I entered tonnage was close to 90 million GT and the total insured value of Mutual H&M was again over US\$10 billion. The Charterers Comprehensive Cover, FD&D Cover and the Marine Delay Insurance were all well developed. In recognition of the changing market dynamics, the Association has seized opportunities to enhance its competitiveness and influence, as in 2023 it covered a 24,188 TEU mega containership and the world's largest LNG-fueled car carrier, and it became a member of the China Shipping Leasing Innovation Alliance. The Association has also maintained stable investment returns and consolidated its financial strength, providing a strong guarantee for its various undertakings.

The Association has raised the bar of its Member services. The Association adheres to the Member-centered approach and has focused on the practical needs of Members. The innovative "Innovative Mechanism of the Vessel Release from Judicial Arrest" initiative was taken to more maritime courts and well received by the industry. The Association has refined its global network of correspondents and carried out risk management review programs for Members to reasonably understand and respond to risks. With the professional services and the attitude for constant improvement, the Association is earning the trust of Members.

The Association has stepped up its governance and management. It has reflected on strategic, holistic, and long-term issues related to its development with focuses on industry trends and high-level international development. For two consecutive years, the Association has been assigned by AM Best a Financial Strength Rating (FSR) of A- (Excellent). The Association has continued to make new progress in regulatory management, enterprise risk management, budget management, actuarial and internal audit management. Programmes on IT development, data governance, knowledge management, image promotion and talent management have been further enhanced.

During the past year, we highly valued our friendly and cooperative relationships with industry peers and reinforced our presence on various occasions. The Association has visited many domestic and international organisations, signed multiple cooperation agreements, and actively participated in a number of industry events, including the China Maritime Week, the Hong Kong Maritime Week, the North Bund Forum, and the Singapore Maritime Week, highlighting the role of P&I Insurance and P&I Clubs in promoting high-end shipping services. The Association continued to give Members ETC discount to relieve their operating pressure and practice mutuality in action.

The year 2024 marks the 40 years of P&I service in China and the 40th anniversary of China Shipowners Mutual Assurance Association. We will take this opportunity to strengthen the Association's foundation and plan for market-oriented operation. The Association will work together with its global partners and take advantage of digital means to make due efforts for the high-quality development of shipping real economy and high-end shipping service.



Capt. Xu Lirong
Chairman
China Shipowners Mutual Assurance Association



Operational Overview

Underwriting

P&I

All references to "Policy Year" in respect of P&I in this report will refer to the period from noon GMT on 20 February of a given year to noon GMT on 20 February one year thereafter, unless specified otherwise.

1. The Entry

The Association maintained a stable membership growth during the 2023 Policy Year. As of 20 February 2024, the Association had 191 P&I members with 1,861 entered ships and 84.34 million GT owned tonnage, 6.23 million GT or 7.98% higher compared to the previous Policy Year.

During the 2023 Policy Year, 256 ships with combined tonnage of 9.81 million GT entered the Association, 4.08 million GT of which were accounted for by 73 newbuilds, amounting to 41.59% of the total. During the same period, the Association lost 3.58 million GT due to the withdrawal of 125 ships, 850 thousand GT of which were the 32 ships aged over 21 years, amounting to 23.74% of the total.

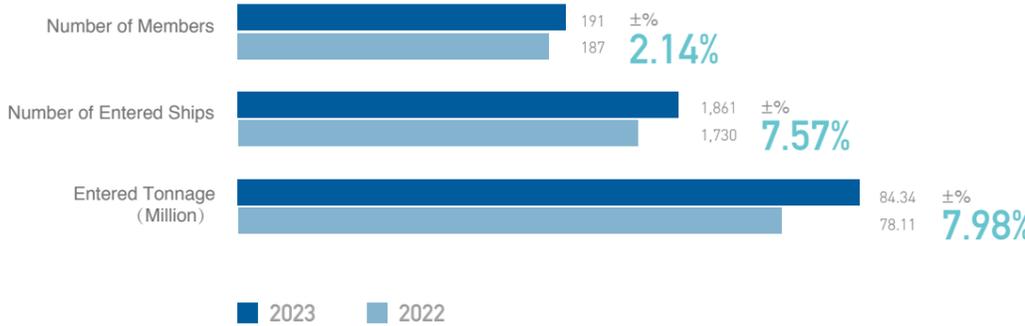


Chart 1 Underwriting (P&I)

Following the 2024 Policy Year renewal, the Association registers 1,927 ships entered for P&I with a combined tonnage of 88.37 million GT and an average age of 12.32 years, 210 of which were at and above 21 years old, amounting to 5.28 million GT.

2. Reinsurance

The International Group of P&I Clubs (IG) has seen a significant reduction in the number of Pool Claim cases for the 2022 Policy Year. The IG Clubs have got a break after a sustained period of five high-payout years. However, there was also a significant loss on their overall investments, leading to reductions in reserves. Industry-wide losses persisted, with the IG combined reserves fell to \$4,865 million, down from \$5,254 million in the 2021 insurance year. Most Clubs have announced either a General Increase on P&I premium rates or a target overall increase of 10%. After several rounds of negotiation, the Managers of the Association reached renewal agreements with reinsurance Clubs and other reinsurers at an increased cost that is rather reasonable and maintained a reliable pooling arrangement and a consolidated partnership.

Mutual H&M

All references to "Policy Year" in respect of Mutual H&M in this report will refer to the period from 00:00, Beijing Time on 1 January of a given year to 24:00, Beijing Time on 31 December of the same year, unless specified otherwise.

1. The Entry

Mutual H&M membership continued to grow during the 2023 Policy Year. As of 31 December 2023, 1,109 ships from 107 Members, with an aggregate total insured value of US\$10.36 billion were insured against H&M Risks (including IV whose insured value accounted for US\$1.52 billion) by the Association. By comparison with the figures of the previous Policy Year, these figures constituted a respective increase of 4.90%, 7.57% and 2.31% in terms of the number of Members, the number of entered ships, and their aggregate total insured value. In the previous Policy Year, 1,031 ships from 102 Members were covered by the Association, with a total insured value of US\$10.13 billion.

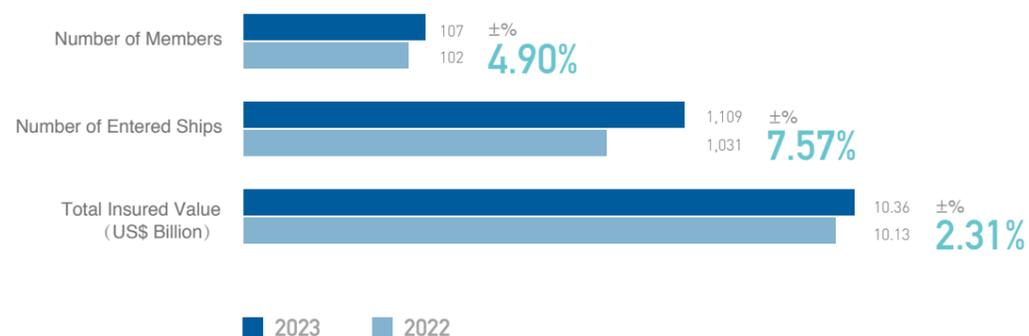


Chart 2 Underwriting (H&M)

Notes: The total insured value includes H&M Insurance and IV Risks but excludes War Risks and Loss of Hire.

Following the 2024 Policy Year renewal, the Association registers 1,096 ships entered for H&M with a total insured value of US\$9.96 billion and an average age of 11.38 years, 93 of which were at and above 21 years old and insured for US\$597 million.



2. Reinsurance

In the 2023 Policy Year, renewal of Mutual H&M reinsurance was again under significant pressure of inflated rates, mainly due to the major cases and deterioration in the claims records.

The Managers of the Association finally closed renewal agreements after two months of negotiation. It has revised the previous placements and managed to control costs by fairly deploying pro rata reinsurance arrangement and the collective overspill programme to ensure that reinsurance risks are manageable.

Charterers Comprehensive Cover

All references to "Policy Year" in respect of Charterers Comprehensive Cover in this report will refer to the period from noon GMT on 20 February of a given year to noon GMT on 20 February one year thereafter, unless specified otherwise.

The Association has maintained a stable development of the Charterers Comprehensive Cover during the 2023 Policy Year. 466 ships with combined tonnage of 18.87 million GT entered the Association, 1.97% up and 2.93% down respectively compared with the 457 entered ships and the 19.44 million entered tonnage of the previous Policy Year.

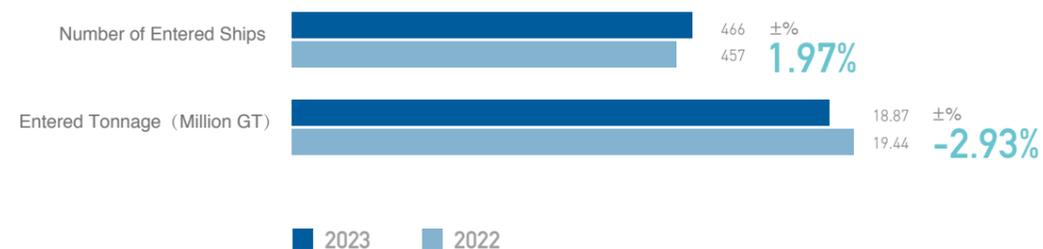


Chart 3 Underwriting (Charterers Comprehensive Cover)

FD&D

All references to "Policy Year" in respect of FD&D in this report will refer to the period from noon GMT on 20 February of a given year to noon GMT on 20 February one year thereafter, unless specified otherwise.

During the 2023 Policy Year, 261 ships were covered with FD&D ancillary to P&I Insurance and 116 ships were covered with FD&D ancillary to Charterers Cover, 1.95% up and 35.56% down respectively compared to the 256 ships (P&I) and 180 ships (Charterers Cover) in the previous Policy Year.

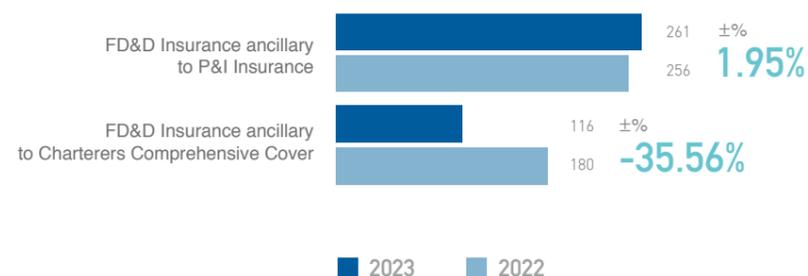


Chart 4 Underwriting (FD&D)

Claims

P&I

1. Claims Record

(1) Incurred Claims

In the 2023 Policy Year, a total of 2,548 claims were filed with an aggregate amount of US\$85.11 million, a decrease of 3.67% in the number of claims and 23.49% in the claim amount compared to the 2,645 claims and US\$111.24 million in the previous Policy Year.

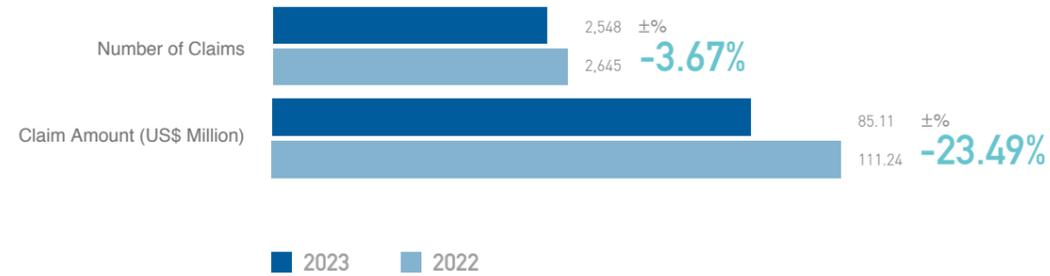


Chart 5 Incurred Claims (P&I)

(2) Incurred Claims by Category

In the 2023 Policy Year, cargo liability, crew claims and expenses incurred by direction of the Association were the top three types of most frequently incurred claims, which differed slightly from the previous Policy Year, with the increase in expenses incurred by direction of the Association being mainly due to a higher number of nickel ore inspections carried out in accordance with the Association's Circular. The top three risks with the highest claim amount were cargo liability, loss of or damage to property and crew injury, illness or death, which were consistent with the 2022 Policy Year.



Risk Type	Number of Claims		Risk Type	Claim Amount (US\$ Thousand)	
	2022	2023		2022	2023
Cargo liability	1,759	1,757	Cargo liability	78,100	49,220
Crew injury, illness or death	662	510	Loss of or damage to property	10,660	19,080
Expenses incurred by direction of the Association	20	78	Crew injury, illness or death	11,610	6,810
Loss of or damage to property	53	73	Collision liability	2,160	3,700
Fines	12	30	Pollution risk	860	2,310
Personal injury or death (other than crew)	25	29	Unrecoverable GA	2,550	1,500
Collision liability	23	21	Wreck removal	900	910
Pollution risks	20	16	Stowaways and refugees	50	600
Wreck removal	9	7	Fines	380	380
Stowaways and refugees	7	7	Personal injury or death (other than crew)	70	200
Others	55	20	Others	390	400
Total	2,645	2,548	Total	111,240	85,110

Chart 6 Incurred Claims by Category (P&I)

(3) Guarantees

In the 2023 Policy Year, the Association issued 73 guarantees with a total amount of US\$33.79 million, an increase of 15.87% in the number and 17.78% in the amount compared to the 63 guarantees and US\$28.69 million in the previous Policy Year.

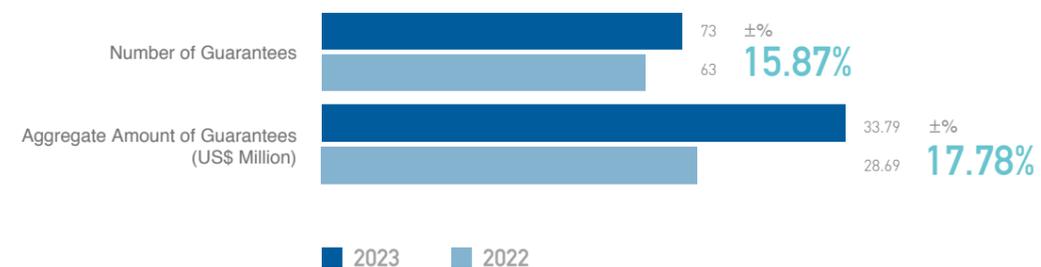


Chart 7 Guarantees (P&I)

2. Claims Settlement

2,965 claims were concluded at the expiry of the 2023 Policy Year with an aggregate claim amount of US\$167.68 million. The aggregate payment by the Association amounted to US\$49.41 million. The number of claims concluded increased by 47.59%, the claim amount and the payment increased by 2.50% and 24.52% respectively. The significant increase in the number of claims closed was mainly due to the lower number of claims closed in the previous Policy Year under the influence of Covid.

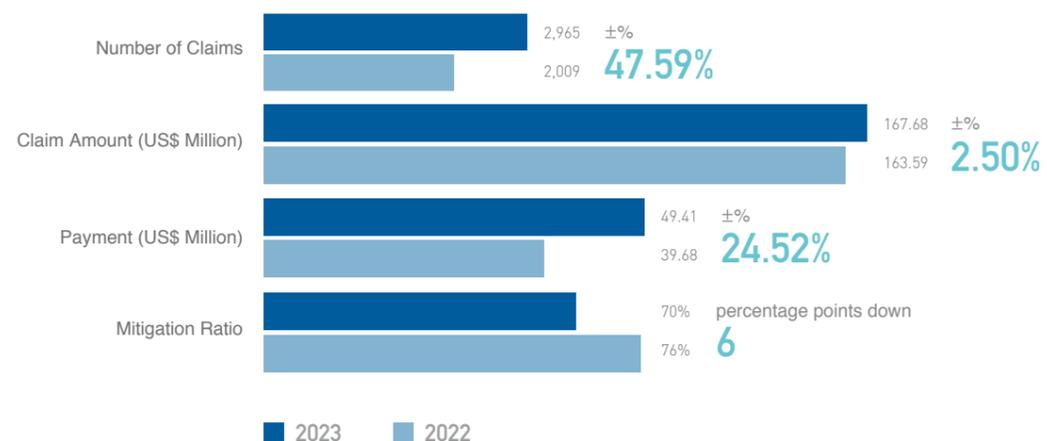


Chart 8 Concluded Claims (P&I)



Mutual H&M

1. Claims Record

(1) Incurred Claims

A total of 319 claims were filed during the 2023 Policy Year with an aggregate claim amount of US\$64.38 million, 11.93% higher in the number of claims and 33.65% higher in the claim amount compared to the 285 claims and US\$48.17 million in the previous Policy Year.

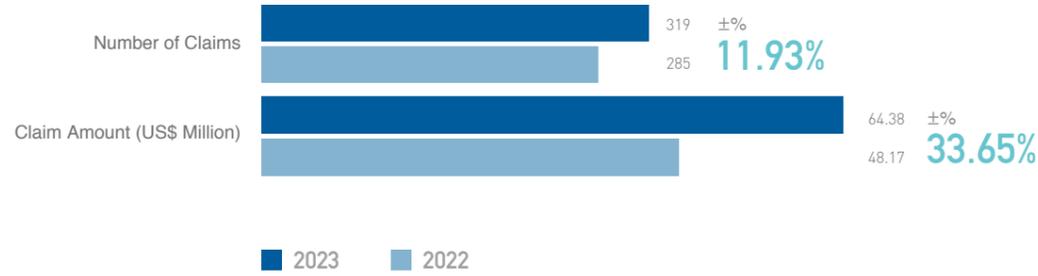


Chart 9 Incurred Claims (H&M)

(2) Guarantees

In the 2023 Policy Year, the Association issued 13 guarantees with a total amount of US\$5.07 million, an increase of 62.50% in the number and 22.17% in the amount compared with the 8 guarantees and US\$4.15 million in the previous Policy Year.

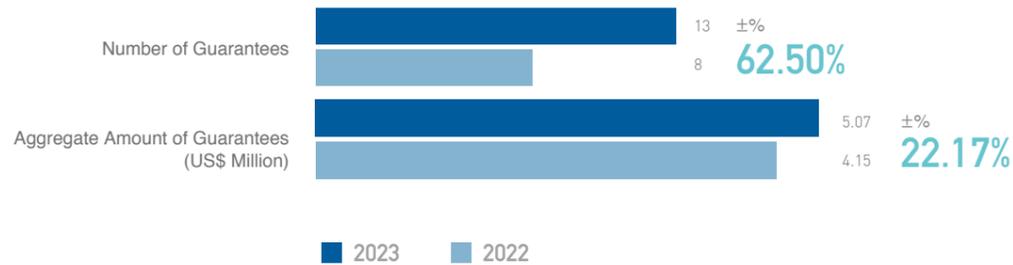


Chart 10 Guarantees (H&M)

2. Claims Settlement

272 claims were concluded at the expiry of the 2023 Policy Year with an aggregate payment of US\$6.87 million, a decrease of 15.53% in the number and 63.10% in the payment amount compared to the previous Policy Year. The mitigation ratio was 71%, 2 percentage point higher compared to the previous Policy Year.

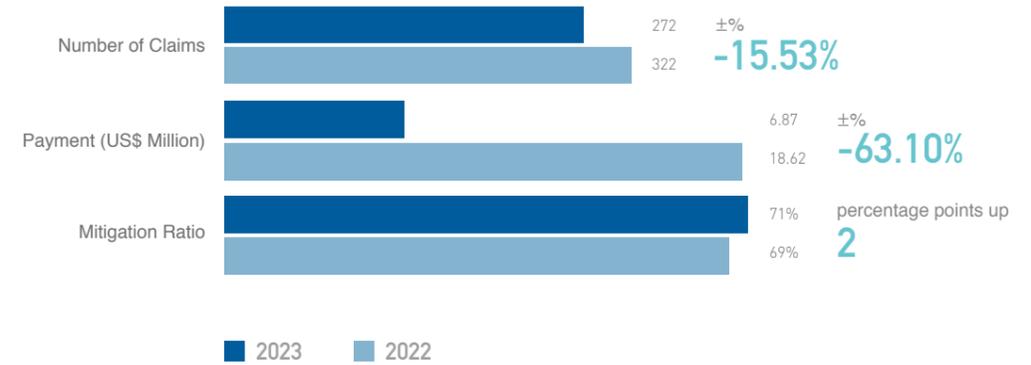


Chart 11 Concluded Claims (H&M)

Charterers Comprehensive Cover

1. Claims Record

(1) Incurred Claims

In the 2023 Policy Year, a total of 194 claims were filed with an aggregate claim amount of US\$0.43 million, a decrease of 16.02% in the number and 95.76% in the claim amount compared with the 231 claims and US\$10.15 million in the previous Policy Year. The decrease in the claim amount was mainly due to the five large claims in the previous Policy Year with claim amounts totaling US\$7.83 million.

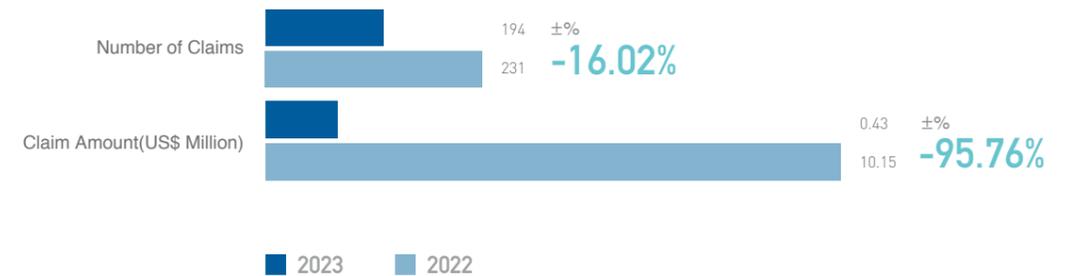


Chart 12 Incurred Claims (Charterers Comprehensive Cover)

(2) Incurred Claims by Category

Cargo liability and damage to hull are the top two types of most frequently incurred claims in the 2023 Policy Year, the same as in the previous Policy Year.

Risk Type	Number of Claims		Risk Type	Claim Amount (US\$ Thousand)	
	2022	2023		2022	2023
Cargo liability	179	165	Cargo liability	9,320	420
Damage to Hull	41	24	Damage to Hull	780	10
Others	11	5	Others	50	0
Total	231	194	Total	10,150	430

Chart 13 Incurred Claims by Category (Charterers Comprehensive Cover)

(3) Guarantees

In the 2023 Policy Year, no guarantee was provided by the Association. One guarantee was provided with an aggregate amount of US\$0.4 million in the previous Policy Year.

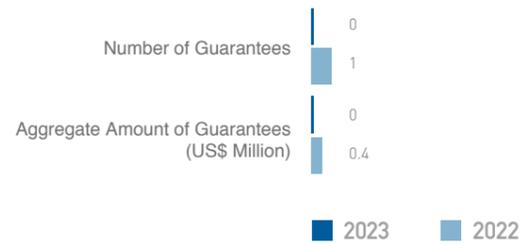
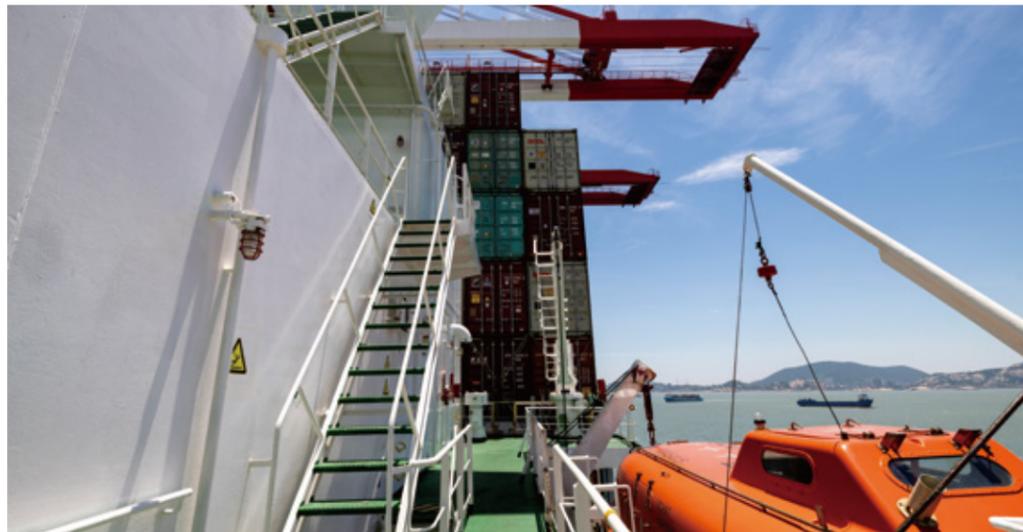


Chart 14 Guarantees (Charterers Comprehensive Cover)



2. Claims Settlement

198 claims were concluded during this Policy Year. The aggregate claim amount was US\$17.46 million and the aggregate payment by the Association was US\$3.02 million with the mitigation ratio standing at 83%. There was a noticeable decrease in the number of concluded claims while the claim amount and the payment amount both increased significantly compared to the same period in the previous Policy Year, mainly due to the six large claims concluded this year with claim amounts totaling US\$14.04 million while only three large claims were closed in the previous Policy Year with claim amounts totaling US\$0.5 million.

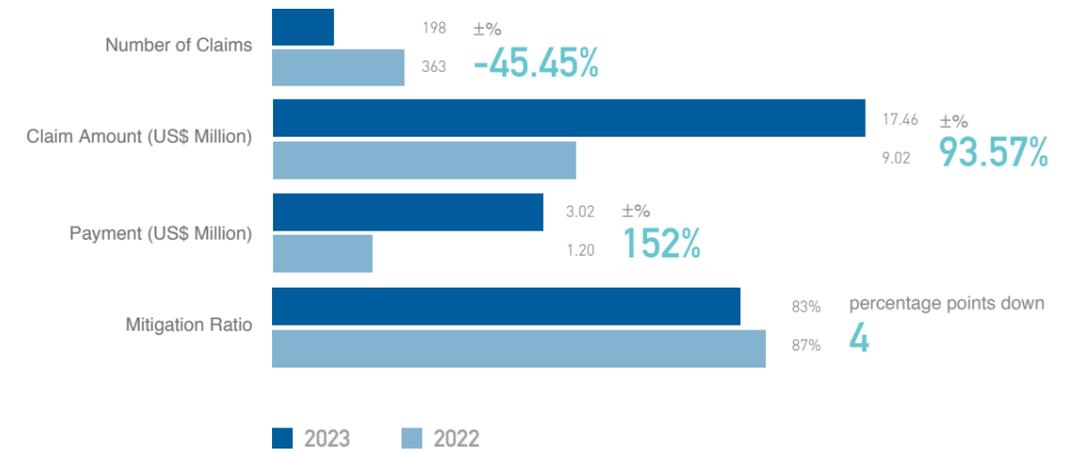


Chart 15 Concluded Claims (Charterers Comprehensive Cover)

FD&D

1. Claims Record

(1) Incurred Claims

A total of 203 claims were filed in the 2023 Policy Year, representing a 4.25% decrease compared to the 212 claims in the previous Policy Year.

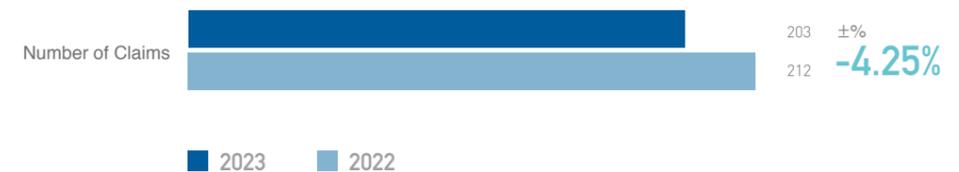


Chart 16 Incurred Claims (FD&D)

(2) Incurred Claims by Category

During the 2023 Policy year, Members' enquiries regarding FD&D claims were mainly related to disputes arising from time charterparties, voyage charterparties and bills of lading, the same as the same period in the previous Policy Year.



Disputes arising from	Number of Claims	
	2022	2023
Time charterparties	166	172
Voyage charterparties	23	12
Bills of lading	13	12
Any other contracts of carriage	4	3
Vessel building/sale and purchase/repair contracts	/	2
Others	3	2
Bareboat charterparties	3	/
Collisions	/	/
Loss or damage to a ship	/	/
Total	212	203

Chart 17 Incurred Claims by Category (FD&D)

(3) Guarantees

In the 2023 Policy Year, no guarantee was provided by the Association. One guarantee was provided with an aggregate amount of US\$75,000 in the previous Policy Year.

2. Claims Settlement

In the 2023 Policy Year, 134 claims were concluded and the aggregate payment by the Association was US\$0.18 million, down 33.33% and 41.94% respectively compared to the previous Policy Year, primarily due to the unpredictability of the duration of FD&D claims with many of them being enquires.

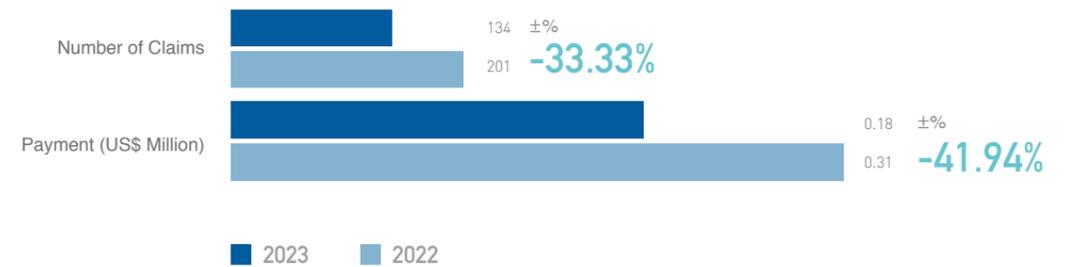


Chart 18 Concluded Claims (FD&D)

Services

All references to "Policy Year" in respect of Loss Prevention and Claims Services in this report will refer to the period from noon GMT on 20 February of a given year to noon GMT on 20 February one year thereafter, unless specified otherwise.

Loss Prevention Services

1. Information and Knowledge Sharing

(1) WeChat Subscriptions

The Association's WeChat information platform released 32 articles in the 2023 Policy Year and has had a total of 20,715 followers as of 31 December 2023, 2,170 more than the same period last year. The articles continued to address a wide range of topics including ship and cargo safety, contractual issues, insurance matters, and regional risks such as updates on the situation in the Red Sea.

(2) Official Website

In the 2023 Policy Year, the Association's official website was updated with a total of 52 articles in Chinese and English and four issues of Loss Prevention Bulletin for Members' easy access to loss prevention information.

(3) Loss Prevention Publications

In the 2023 Policy Year, two Loss Prevention Brochures were made, one in collaboration with China MSA PSC Sub-Committee and titled Focus on Tokyo MOU Port State Control Inspection, and the other in collaboration with Huayang Maritime Center and titled A Guide to Safe Carriage of Timber Deck Cargoes, both were available in Chinese and English. Four issues of Loss Prevention Bulletin which select articles that are of most concern and practical value were printed and distributed. The CPI Review of Shipping Safety Risks 2023 was released to explore the shift of focus on safety risks and share insight on industry data.

(4) Media Partnership

In the 2023 Policy Year, the Association has authorized 24 trade media accounts to forward its original articles on WeChat. Articles written by its employees were published in core periodicals such as Shipping Exchange Bulletin, Maritime China, and COSCO Shipping Safety.

2. Ship Visits

In the 2023 Policy Year, the Association reinitiated on-board ship visits, and alongside cloud ship visits, a total of 26 visits were arranged for 22 Members, covering 15 bulk carriers, 3 containerships, 2 oil tankers, 2 chemical tankers, 2 ro-ro ships, 1 multi-purpose vessel and 1 general cargo ship. Targeted service was provided to assist Members in crew training and identification of risks in early stages. Meanwhile, loss prevention information and articles were updated to the WeChat mini program for browsing on mobile devices.

3. Training Seminars

In the 2023 Policy Year, 2 national/regional seminars and 22 tailored training sessions were provided on legal and practical issues of common concerns to respond to the request of Members. The seminars addressed topics such as introduction on the Association's products, charterparty dispute resolution, oil pollution liabilities, navigation safety management, emergency response to maritime incidents and sanctions compliance. The seminars were intended to offer advice on effective risk prevention and were applauded by Members for the actual effect.

Meanwhile, the Association was invited to participate in a number of industry seminars and webinars where it interacts with interested parties and keeps up with emerging trends. The seminars have covered the topics including Shipping Insurance and Risk Reduction, Impact of Decarbonisation and Clean Fuels on Shipping, Latest



Practices and Developments in Oil Pollution Damage Compensation, Opportunities and Challenges for Insurers, and Management Risks on Chemical Tankers.

In addition, the Association continued the CPI Lecture Hall program, inviting industry experts and professionals to provide thematic training lectures on maritime trials and regulatory developments and sharing with Members leading voices of the community.

4. Technical Support

During the 2023 Policy Year, technical support was provided by the loss prevention and compliance department to Members on 210 occasions for counseling on risks with respect to sanctions and regional conflicts, cargoes, navigation, and pollution prevention. The enquiries come from multiple sources and are well taken care of to help promote safe operations and reduce the likelihood of Members incurring claims.

5. Condition Surveys

In the 2023 Policy Year, a total of 110 condition surveys of various types were completed, a significant increase compared to the previous Policy Year. The Association noted that some entered ships were poorly maintained, and to urge the Members to strengthen ship management and maintenance, the Association increased the number of random surveys.

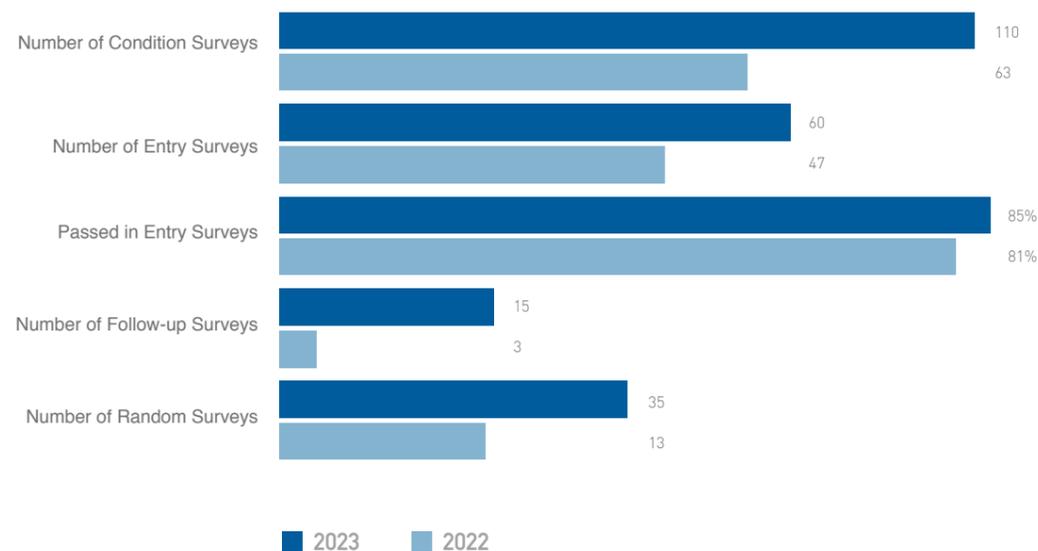


Chart 19 Condition Surveys

Notes: Regular loading or discharge surveys arranged by the Claims Department are not included.

6. Risk Management Review Program

During the 2023 Policy Year, the Association continued to promote the risk management review program to help Members identify and control risks through interviews and questionnaires. The program, based on the risks covered by the Association, aims to evaluate key risk elements that are related to ship and crew management, major incident response and pollution prevention, and provide Members with a comprehensive reflection on ways to improve risk management and tackle challenges.





Ancillary Claims Services

1. Member Personas

Personas were created for Members by going through their claims records and visualizing the data to first identify typical risks and then to find solutions and assist Members in resolving risks and reducing claims.

2. Claims Advisory Service

Advisory service was provided on all kinds of Member enquiries with respect to claims handling and legal issues, more specifically with respect to the Russia-Ukraine conflict, the regional tension in the Red Sea, cargo operation and loss prevention, the review of bills of lading and charterparties, applicable laws and regulations in certain countries, and other general questions regarding crews, ports and cargoes.

3. Industry Exchanges

The claims departments have actively participated in various national and industry-specific seminars and have been invited to conduct research and give opinions on the legislative studies of the Seafarers Law and on amendments to the Regulations of the PRC on International Maritime Transportation, and also played a part in the Shanghai MSA's research project on blue cards, the 7th Maritime Silk Road Port Cooperation Forum, the 2nd International Marine Economy and Maritime Services Forum, the 2023 Maritime Law Seminar, the COSCO Broker lectures, the 2023 China Maritime Law Forum, and the training sessions by the MSA's Dangerous Cargo Control and Pollution Prevention Department.

4. Cooperation with Maritime Courts

Ever since the recognition by the Supreme Court on the Association's innovative cooperation with the Shanghai Maritime Court, the Association has taken the "Innovative Mechanism of the Vessel Release from Judicial Arrest" initiative to more places and has signed Memorandums of Cooperation with 8 maritime courts to help Members reduce damages for detention and facilitate its own claims handling procedures.



北外滩航运会客厅

Other Business Activities

1. Member Services

(1) ETC Discount and Extension of Premium Due

In the 2023 Policy Year, a 20% ETC discount was applicable to P&I and H&M. As an effort to support Members and to share risks on a mutual basis, the policy has continued to safeguard the interests of Members and relieve their stress on business operation.

(2) Correspondents Management

The Association continued to consolidate its correspondent network during the 2023 Policy Year. The updated List of Correspondents has covered 452 correspondents across 351 important ports worldwide. A good connection was maintained with the correspondents by keeping them informed of major developments of the Association. Resources and information provided by them were shared internally and with the Members, and two issues of Correspondent News Clippings were released in Chinese and English.

(3) Member Exchanges

In the 2023 Policy Year, the Association provided a two-week course related to marine insurance to enhance mutual understanding between Members and the Association, and to support Members' needs to visit the Association for learning and exchanges.

2. Corporate Governance

(1) Data Governance

The Association launched a 4-month data governance project with PwC, during which scope and objectives of the project were defined, 4 data governance regulations were made, 420 basic data standards and 182 indicator data standards were identified. The project has provided strong support to the Association in various aspects such as increasing consistency in decision making, improving data security, and preparing it for application of big data, cloud computing, artificial intelligence and other advanced technologies in the future.

(2) Actuarial Function

The Association continued to improve its actuarial function during the 2023 Policy Year with key tasks such as data validation, model building, stress-testing and liquidity management steadily carried out. It has streamlined the actuarial workflow to meet the requirements of international credit rating agencies.

(3) Information Systems

The Association has developed and launched the EXL insurance management subsystem and Marine Delay Insurance subsystem based on the CPICOS for online management of related business and integration with finance system. The CRM system was developed and launched to help manage information of Members, brokers and reinsurers and to improve efficiency of customer services.

The data platform and Business Intelligence System projects were initiated to make use of the results of the data governance project for the development of upper-level data analysis applications and the maximum value of the Association's information systems.

(4) Management Regulations

The Association continued to improve its regulation regimes during the 2023 Policy Year. A total of 33 regulations were formulated or amended (including the rules and regulations established under the China P&I Management Co., Ltd), which involved the Association's administrative affairs, human resources, insurance, strategic development, compliance management, and information technology management.



(5) Image Promotion

Significant progress was made in the Association's image promotion work during the 2023 Policy Year. The systems and facilities of the multi-functional hall in the China P&I Centre were further upgraded to provide visitors with better experience. Intellectual property rights of the software and hardware products in the hall were protected, with five computer software copyrights and two patents for utility model established.

The Association's visual identity system was further developed and now applied to various scenarios.

An animated video that explains the history and development of P&I insurance was finalized. The Association's Wechat Account and Douyin account were regularly updated, with a total of 41 pieces of news released to strengthen its professional image.

3. Events and Cooperation

11 July 2023, Capt. Xu Lirong, Chairman of the Association, attended China Maritime Forum and Opening Ceremony of China Maritime Week 2023 in Cangzhou, Hebei Province, and participated in the Summit on Building China into a Maritime Power. The Association will be in a synergistic mechanism led by the China Institute of Navigation to promote independent research on high-level maritime science and technology. The mechanism will gather wisdom and efforts of multiple parties for the implementation of national strategies and for transportation modern development.

22-24 September 2023, the North Bund Forum 2023, co-hosted by the Shanghai Municipal Government and the Ministry of Transportation of the PRC, was held at the Shanghai World Hall with the theme of "Openness, Cooperation and Innovation: Co-building a New Landscape of Global Shipping and Aviation". Capt. Xu Lirong attended the opening ceremony and the main forum. The "Innovative Mechanism of the Vessel Release from Judicial Arrest" initiative established by the Association with the maritime courts of Shanghai, Tianjin, Dalian, Guangzhou and Ningbo was presented as one of the innovative cases in the main forum and the finance and insurance forum. Dr. Song Chunfeng, Managing Director of the Association, delivered a keynote speech and the Association supported organization of the finance and insurance forum.

October 2023, the research project on development of P&I Clubs, commissioned to the East China University of Political Science and Law (ECUPL) by the Association was successfully completed. The research group conducted in-depth research and comparative analysis on the legal status and regulatory mechanism of P&I Clubs in China and abroad and invited senior experts to review and revise the results, which provided important references for the Association.

7 November 2023, during the 6th China International Import Expo (CIIE), the Member Session on Shipping Finance of the 6th Hongqiao International Economic Forum themed "Gathering High Energy Shipping and Serving the New Development Pattern", hosted by the Bank of Communications and organized by BOCOM Leasing, was successfully held at the National Exhibition and Convention Center (Shanghai). Dr. Song Chunfeng attended the event and the launching ceremony of "China Shipping Leasing Innovation Alliance", which consists of 8 members, including BOCOM Leasing, BIMCO, DNV, China Shipowners Mutual Assurance Association, Shanghai Merchant Ship Design & Research Institute, Clarksons Research, Wah Kwong, and Hong Kong Marine Department.

20 November 2023, the opening ceremony of Hong Kong Maritime Week 2023 and the 3rd World Maritime Merchants Forum were held in Hong Kong, China. Capt. Xu Lirong was invited and was interviewed by the Hong Kong Maritime and Port Board (HKMPB). The Association was one of the co-organizers.

In addition, the Association held four seminars for Members in 2023 in Qingdao, Shenzhen, Hefei and Dalian, and organised the General Meeting of the CPI Insurance and Legal Committee 2023, to closely follow up on trendy issues in the industry, and to enhance the Association's professional service.

Financial Overview

All references to "Policy Year" in respect of Financial Overview will refer to the period from 00:00, Beijing Time on 1 January of a given year to 24:00, Beijing Time on 31 December of the same year, unless specified otherwise.

Pursuant to the Auditor's Report of the 2023 Policy Year, the total assets increased to US\$3.49 billion, a 2.59% increase of US\$87.9 million, or US\$137 million removing the effect of exchange rate fluctuations, upon the previous Policy Year.

The aggregate liabilities of the 2023 Policy Year reached US\$332 million, decreased 7.95% by US\$28.68 million from the previous Policy Year.

The free reserves of the Association stood at US\$3.16 billion, which constituted a 3.84% increase of US\$117 million, or an increase of US\$166 million removing the effect of exchange rate fluctuations, compared to the figure in the previous Policy Year.

The surplus for the 2023 Policy Year was US\$166 million, a 62.35% increase of US\$63.56 million upon the previous Policy Year, mainly due to significant growth in both the surplus and the investment return.

Report of the Independent Auditor





中审亚太会计师事务所(特殊普通合伙)
China Audit Asia Pacific Certified Public Accountants LLP

审计报告

AUDIT REPORT

**China Shipowners Mutual
Assurance Association
Audit Report
(Summary Financial Statements)
For The Year Ended
December 31 2023**

中国·北京
BEIJING CHINA

AUDITOR'S REPORT

CAAP (2024) 007260

To the Board of China Shipowners Mutual Assurance Association:

Opinion

We have audited the accompanying Summary Financial Statements of China Shipowners Mutual Assurance Association (hereafter "the Association"), which comprise the balance sheet as at December 31, 2023, and the income and expenditure account, cash flow statement for the year then ended, and the notes to the financial statements.

In our opinion, the Summary Financial Statements present fairly, in all material respects, the summary financial position of the Association as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with the Association's accounting principles based on generally accepted accounting standards and principles in the People's Republic of China (including Nongovernmental Nonprofit Organization Accounting System) and international practice.

Responsibilities of the Management and Governing Bodies for the Financial Statements

Management of the Association is responsible for the preparation and fair presentation of these financial statements. This responsibility includes: (1) Preparing the financial statements in accordance with the accounting policies of the financial statements notes provided by the Association to achieve fair presentation. (2) Designing, implementing and maintaining the necessary internal control system to enable the financial statements to be free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Association's ability to continue as a going concern, disclosing the matters related to the going concern basis (if applicable) and using the going concern basis of accounting unless the management either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The governing bodies are responsible for overseeing the financial reporting process of the Association.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also performed the following works:

a Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

c Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

d Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Association to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.

e Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with the governing bodies regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that they identify during the audit.



Chinese Certified Public Accountant:

Yuan Zhenxiang

Chinese Certified Public Accountant:

Ni Xiaolu

Date: April 28, 2024



Balance Sheet

As at 31 December 2023

China Shipowners Mutual Insurance Association		Amount in USD	
Items	Note	2023	2022
Assets			
Cash and cash equivalents	4(1)	254,581,549.99	236,423,741.64
Short-term investments	4(2)	234,254,648.20	202,431,794.50
Calls and premiums receivable	4(3)	6,017,882.72	9,374,952.62
Claims recoveries from third party receivable	4(4)	25,976.60	17,800.00
Reinsurance recoveries receivable	4(5)	7,873,545.19	10,269,430.54
Reinsurers' share of provision for unearned premium	4(16)	12,054,357.30	10,115,926.97
Reinsurers' share of provision for outstanding claims	4(17)	187,773,784.45	187,417,912.31
Other receivables	4(6)	9,663,811.84	5,727,721.95
Guarantee	4(7)	446,269.68	597,451.48
Total current assets		712,691,825.97	662,376,732.01
Long-term investments	4(8)	2,641,449,392.10	2,598,348,739.27
Total long-term investments		2,641,449,392.10	2,598,348,739.27
Fixed assets		153,982,912.62	156,791,741.01
Less: Accumulated depreciation		23,050,682.42	20,450,069.64
Net fixed assets	4(9)	130,932,230.20	136,341,671.37
Intangible assets		1,854,671.24	1,785,612.96
Less: Accumulated amortization		385,858.00	212,792.80
Net intangible assets	4(10)	1,468,813.24	1,572,820.16
Total assets		3,486,542,261.51	3,398,639,962.81
Liabilities			
Reinsurance premiums ceded payable	4(11)	-	3,389,538.09
Brokerage payable	4(12)	2,736,820.99	2,244,631.11
Tax payable	4(13)	867,324.14	734,060.40
Other payables	4(14)	17,380,417.84	30,877,539.33
Guarantee payable	4(15)	4,742,420.58	6,937,766.03
Provision for unearned premium	4(16)	22,453,676.12	20,023,839.33
Provision for outstanding claims	4(17)	283,826,596.17	296,476,450.48
Total liabilities		332,007,255.84	360,683,824.77
Reserves	4(18)	3,154,535,005.67	3,037,956,138.04
Total liabilities & reserves		3,486,542,261.51	3,398,639,962.81

The notes on pages 7 to 21 form part of these financial statements.

These financial statements were approved by

Legal Representative: Song Chunfeng

The head of the accounting department: Yu Min

Income And Expenditure Statement

For the year ended 31 December 2023

China Shipowners Mutual Insurance Association		Amount in USD	
Items	Note	2023	2022
Net premium written	4(19)	74,943,715.83	57,902,799.05
Calls and premiums written		176,138,338.07	147,714,144.13
Less: Reinsurance premiums ceded		101,194,622.24	89,811,345.08
Changes in provision for unearned premium, net of reinsurance	4(20)	491,406.46	1,036,542.72
Net claims paid	4(21)	50,740,562.77	30,153,272.47
Claims paid		68,630,189.16	52,128,781.93
Less: Claims recoveries from third party		767,904.64	1,162,633.03
Reinsurance recoveries		17,121,721.75	20,812,876.43
Changes in provision for outstanding claims, net of reinsurance	4(22)	(13,005,726.45)	27,061,543.72
Changes in provision for outstanding claims		(12,649,854.31)	33,021,306.33
Less: Changes in provision for ceded outstanding claims		355,872.14	5,959,762.61
Other expenditure		32,325,111.19	33,358,070.26
Brokerage		9,751,836.26	7,729,877.68
Operating expenses		30,621,509.28	28,429,214.96
Financial expenses		(10,258,870.96)	(3,591,268.13)
Others		2,210,636.61	790,245.75
Asset impairment loss		1,019,182.16	2,040,417.99
Other income		205,844.89	152,931.75
Surplus from operating activities		3,579,024.59	(35,594,116.36)
Investment income	4(23)	161,920,744.68	137,535,059.77
Surplus for the year		165,499,769.27	101,940,943.41

The notes on pages 7 to 21 form part of these financial statements.

Cash Flow Statement

China Shipowners Mutual Insurance Association		For the year ended 31 December 2023	
		Amount in USD	
Items		2023	2022
Operating activities:			
Calls and premiums received		179,176,334.45	146,146,223.65
Claims recoveries from third party received		763,728.04	1,160,833.03
Guarantee received		151,181.80	293,419.65
Guarantee payable received		-	1,571,740.75
Proceeds from reinsurance recoveries		18,851,152.90	16,220,648.38
Proceeds from other operating activities		8,296,754.17	1,386,503.91
Subtotal	A	207,239,151.36	166,779,369.37
Payment for claims		68,630,189.16	52,128,781.93
Payment for reinsurance premiums		104,584,160.33	89,424,928.97
Payment for operating expenses		27,114,056.49	24,521,737.69
Return of guarantee payable		2,162,149.41	-
Payment for brokerage fee		9,248,216.73	6,475,422.16
Payment for other operating activities		9,976,875.09	11,925,633.88
Subtotal	B	221,715,647.21	184,476,504.63
Net cash flow from operating activities	C=A-B	(14,476,495.85)	(17,697,135.26)
Investing activities:			
Proceeds from disposal of investments		49,006,738.41	19,850,479.50
Investment returns received		56,723,058.70	55,253,718.50
Proceeds from disposals of fixed assets, intangible assets and other long-term assets		62.64	56,866.15
Subtotal	D	105,729,859.75	75,161,064.15
Payment for acquisition of fixed assets and other long-term assets		108,613.80	49,569.25
Payment for acquisition of investments		72,853,572.79	102,518,270.98
Subtotal	E	72,962,186.59	102,567,840.23
Net cash flow from investing activities	F=D-E	32,767,673.16	(27,406,776.08)
Financing activities:			
Net cash flow from financing activities	G	-	-
Effect of foreign exchange rate changes on cash and cash equivalents	H	(133,368.96)	(5,225,477.57)
Net increase in cash and cash equivalents	C+F+G+H	18,157,808.35	(50,329,388.91)
Add: cash and cash equivalents at the beginning of the year		236,423,741.64	286,753,130.55
Cash and cash equivalents at the end of the year		254,581,549.99	236,423,741.64

The notes on pages 7 to 21 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1-Basic information

China Shipowners Mutual Assurance Association ("the Association"), founded in 1984 under the approval of the State Council of the People's Republic of China, is a non-profit mutual marine insurance organization. The Association stands on a mutual basis and safeguards the prestige and interests of its members, for which the Association provides insurance solution.

Note 2- Significant accounting policies

a. Statement of compliance

The financial statements have been prepared in accordance with the requirements of the detailed accounting policies based on generally accepted accounting standards and principles in the People's Republic of China (including Nongovernmental Nonprofit Organization Accounting System) and international practice.

b. Accounting year

The accounting year of the Association is from 1 January to 31 December.

c. Accounting year and policy year

The operating expenses, financial expenses, brokerage expenses and investment income are recognized in the accounting year when incurred. Calls and premiums written, reinsurance premiums ceded, claims paid, claims recoveries from third parties, and reinsurance recoveries are recognized in the accounting year when incurred and are presented in the related policy year.

d. Basis of preparation

The Association adopts accrual basis in accounting unless otherwise stipulated. Assets and liabilities are stated at historical cost.

e. Functional currency and translation of foreign currencies

The Association's functional currency is USD and adopts the original-currency method. Assets, liabilities, income and expenditure of RMB accounts are translated to USD at the official exchange rate of 7.0827 which is published by the People's Bank of China on December 31, 2023. Translation differences are recognized in the Income and Expenditure Statement.

f. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits at bank and other cash and cash equivalents with different keeping places and purposes.

g. Short-term investments

Short-term investments refer to the financial assets which can be readily converted into cash and were held with the intention to be sold within one year, including stocks, bonds, etc.

h. Calls and premiums receivable

It refers to the accumulated amounts of calls and premiums receivable due from members.

i. Reinsurance recoveries receivable

It refers to the receivable due from reinsurer arising from reinsurance contracts.

j. Reinsurers' share of provision for unearned premium

It refers to the share of provision for unearned premium that can be charged back from reinsurer according to the reinsurance contract.

k. Reinsurers' share of provision for outstanding claims

It refers to the share of provision for outstanding claims that the Association, as a cedant, can received from the reinsurers.

l. Guarantee

It refers to the deposits at domestic or overseas banks for issuing letters of guarantee.

m. Long-term investments

Long-term investments comprise long-term equity investment and long-term debt investment. For long-term equity investment, the equity method is used when the Association has significant influence, control, or co-control over the operation of the invested company. In the equity method, the initial or supplementary investment is firstly recorded at cost.

The investment is later adjusted every year according to the changes in the equity of the investee while the changes are also recognized as investment income or loss. The cost method is used for other long-term equity investments.

When long-term bond investment is acquired, the initial investment cost should be recorded at cost, including tax and commissions, less any interest receivable.

Before convertible bond is converted, it is treated the same as general bond investment. When the conversion right is exercised, the initial investment cost should be record as the book value less cash received.

After the investment, interest income should be recognized according to the principal and interest rate. The difference between the maturity value and the cost of the bond is amortized over the life of the bond.

n. Fixed assets

Fixed assets represent the tangible assets held by the Association for use in administrative purposes, supply of services, business activities or rental to others, with useful lives over one year and the unit value over RMB 2,000. Fixed assets are depreciated using the straight-line method over its estimated useful life. If fixed assets are retired, sold, or experienced any damage or losses due to the event of force majeure for natural disasters, any gain or losses in the process of disposing the fixed asset, should be listed separately under 'disposal of fixed assets' in the Balance Sheet.

o. Intangible assets

Intangible assets refer to nonphysical assets held by the Association for business activities, lease, or administrative use. Examples of intangible assets include patents, trademarks, and land use rights. Intangible assets should be amortized using the straight-line methods during useful life.

p. Reinsurance premiums ceded payable

It records reinsurance premiums payable by the Association to the reinsurance recipient

q. Brokerage payable

It refers consultancy fees payable by the Association to insurance brokers

r. Tax payable

It records the taxation payable according to laws and regulations, including VAI, income tax and other surtax.

s. Guarantee payable

It refers to the deposit received from the members for business needs.

t. Provision for unearned premium

It refers to the provision for the amount of calls and premiums written but not yet earned.

u. Provision for outstanding claims

It refers to the reserves for all claims that have been made and for which the Association is liable but have not been settled at the balance sheet date.

v. Method of evaluating policy liabilities

The Association estimates provision of unearned premium based on information available and the reinsurance agreement per actuarial judgement. The Association will recognize 'provision for unearned premium' and 'reinsurers' share of provision for unearned premium' based on the result. The changes will be recognized in 'changes in provision of unearned premium' at the Income and Expenditure Statement.

The Association estimates provision for outstanding claims based on reasonable assessment by business segments and the reinsurance agreement per actuarial judgement, using the information available on the reporting date. The Association will adjust 'provision for outstanding claims' and 'reinsurers' share of provision for outstanding claims' based on the result. The changes will be recognized in 'changes in provision for outstanding claims' and 'changes in provision for ceded outstanding claims' at the Income and Expenditure Statement.

w. Reserves

The reserves are the net assets of the Association.

x. Calls and premiums written

Calls and premiums written record all kind of premiums income according to insurance clauses of the Association.

y. Reinsurance premiums ceded

According to business procedures and related rules, the Association would transfer risks to reinsurers and pay reinsurance premiums to the reinsurers.

z. Claims paid

It includes all claims paid during the year.

aa. Claims recoveries from third party

It refers to the amount recovered from third party, which is credited into the Income and Expenditure Statement as the deduction of claims paid.

bb. Reinsurance recoveries

The insurance risks of the Association are ceded out to reinsurers. When the claims and related expenses exceed the Association's retained limit, the excess will be paid by the reinsurers. Reinsurance recoveries, as a deduction of claims paid, are included in the Income and Expenditure Statement.

cc. Brokerage

It refers to fees paid by the Association to the brokers.

dd. Operating expenses

Operating expenses include the expense for organizing and managing operating activities, such as office expense, property management fee, communication fee, travel fee and costs of the Board.

ee. Investment income

Investment income refers to the gains and losses from the investing activities of the Association, including gains and losses from shares, securities and other investments.

ff. Taxation

The Association enforces the relevant tax policies of the People's Republic of China.

gg. Related parties

The related parties of the association refer to the related parties that one party controls the other party jointly or exerts significant influence on the other party, and that two or more parties are jointly controlled or significantly influenced by the same control.

Note 3. Changes in accounting policies and estimation

a. Changes in accounting policies

Nil.

b. Changes in accounting estimation

Nil.

Note 4. Disclosures of main financial accounts

(1) Cash and cash equivalents

December 31 2023				
Items	Currency	Amount in original currency	Rate	Amount in USD
Deposits at bank	RMB	72,156,443.95	7.0827	10,187,702.99
	USD	244,389,278.59	1.0000	244,389,278.59
	Subtotal			254,576,981.58
Others	RMB	32,356.65	7.0827	4,568.41
	Subtotal			4,568.41
Total				254,581,549.99

December 31 2022				
Items	Currency	Amount in original currency	Rate	Amount in USD
Deposits at bank	RMB	55,684,381.48	6.9646	7,995,345.24
	USD	228,425,329.21	1.0000	228,425,329.21
	Subtotal			236,420,674.45
Others	RMB	21,361.74	6.9646	3,067.19
	Subtotal			3,067.19
Total				236,423,741.64

(2) Short-term investments

Item	Beg. of year	Increase during the year	Decrease during the year	End of year
Securities	202,431,794.50	75,648,098.84	43,825,245.14	234,254,648.20
Total	202,431,794.50	75,648,098.84	43,825,245.14	234,254,648.20

(3) Calls and premiums receivable

Item	December 31 2023	December 31 2022
P&I	4,367,018.61	7,595,539.44
FD&D	671,919.16	701,933.71
TCL	1,109,638.85	944,882.80
H&M	1,100,017.32	1,099,318.90
MDI	92,750.24	17,137.40
Total original value	7,341,344.18	10,358,812.25
Provision for bad debts	1,323,461.46	983,859.63
Net value	6,017,882.72	9,374,952.62

(4) Claims recoveries from third party receivable

Item	December 31 2023	December 31 2022
P&I	25,976.60	21,800.00
Total original value	25,976.60	21,800.00
Provision for bad debts	-	4,000.00
Net value	25,976.60	17,800.00

(5) Reinsurance recoveries receivable

Item	December 31 2023	December 31 2022
P&I	1,183,444.87	1,305,008.36
FD&D	-	5,918.40
H&M	9,517,398.02	11,119,347.28
Total original value	10,700,842.89	12,430,274.04
Provision for bad debts	2,827,297.70	2,160,843.50
Net value	7,873,545.19	10,269,430.54

(6) Other receivables

Item	December 31 2023	December 31 2022
Interest receivable	7,102,478.18	4,913,389.38
Advance payment	275,701.82	392,471.55
Generation of advances	2,278,207.43	364,935.64
Others	69,725.93	103,364.24
Total original value	9,726,113.36	5,774,160.81
Provision for bad debts	62,301.52	46,438.86
Net value	9,663,811.84	5,727,721.95

(7) Guarantee

Item	December 31 2023	December 31 2022
P&I	446,269.68	597,451.48
Total	446,269.68	597,451.48

(8) Long-term investments

Item	Beg. of year	Increase during the year	Decrease during the year	End of year
Long-term equity investments	2,463,808,303.05	149,682,455.81	88,212,776.13	2,525,277,982.73
Long-term debt investments	50,254,142.38	-	837,959.29	49,416,183.09
Other long-term investments	84,286,293.84	5,082,807.40	22,613,874.96	66,755,226.28
Total	2,598,348,739.27	154,765,263.21	111,664,610.38	2,641,449,392.10

(9) Net fixed assets

Item	December 31 2023	December 31 2022
Original value		
Including: Transportation facilities	432,379.18	439,711.11
Buildings	151,123,405.46	153,686,032.78
Office equipment	2,237,955.00	2,425,863.16
Others	189,172.98	240,133.96
Total	153,982,912.62	156,791,741.01
Accumulated depreciation		
Including: Transportation facilities	405,259.34	405,078.74
Buildings	20,708,774.46	18,142,102.87
Office equipment	1,770,215.39	1,672,356.39
Others	166,433.23	230,531.64
Total	23,050,682.42	20,450,069.64

Item	December 31 2023	December 31 2022
Book value		
Including: Transportation facilities	27,119.84	34,632.37
Buildings	130,414,631.00	135,543,929.91
Office equipment	467,739.61	753,506.77
Others	22,739.75	9,602.32
Total	130,932,230.20	136,341,671.37

(10) Net intangible assets

Item	December 31 2023	December 31 2022
Original value		
Including: Nonpatent technology	1,599,672.44	1,785,612.96
Copyright	254,998.80	-
Total	1,854,671.24	1,785,612.96
Accumulated amortization		
Including: Nonpatent technology	313,704.51	212,792.80
Copyright	72,153.49	-
Total	385,858.00	212,792.80
Book value		
Including: Nonpatent technology	1,285,967.93	1,572,820.16
Copyright	182,845.31	-
Total	1,468,813.24	1,572,820.16

(11) Reinsurance premiums ceded payable

Item	December 31 2023	December 31 2022
P&I	-	2,848,298.02
FD&D	-	41,254.81
TCL	-	499,985.26
Total	-	3,389,538.09

(12) Brokerage payable

Item	December 31 2023	December 31 2022
P&I	1,569,584.10	1,510,217.75
FD&D	48,271.77	56,224.04
TCL	185,197.08	155,870.10
H&M	920,549.06	519,748.62
MDI	13,218.98	2,570.60
Total	2,736,820.99	2,244,631.11

(13) Tax payable

Item	December 31 2023	December 31 2022
VAT	16,836.43	16,836.43
Income Tax	715,417.74	715,417.74
Individual Income Tax	957.22	957.22
Stamp Tax	264.71	-
House Tax	131,734.48	-
Land Use Tax	372.82	-
Construction Tax	704.42	432.21
Education Supplementary	301.88	250.08
Local Education Supplementary	201.26	166.72
Total	867,324.14	734,060.40

(14) Other payables

Item	December 31 2023	December 31 2022
Accounts payable	10,995,411.97	20,773,683.03
Reparations payable	4,902,888.98	5,274,779.57
Others	1,482,116.89	4,829,076.73
Total	17,380,417.84	30,877,539.33

(15) Guarantee payable

Item	December 31 2023	December 31 2022
P&I	4,742,420.58	6,937,766.03
Total	4,742,420.58	6,937,766.03

(16) Provision for unearned premium

	December 31 2023					
	P&I	FD&D	TCL	H&M	MDI	Total
Provision for unearned premium	21,234,183.25	297,252.53	843,461.31	-	78,779.03	22,453,676.12
Less : Reinsurers' share of provision for unearned premium	11,779,515.95	72,910.44	161,799.81	-	40,131.10	12,054,357.30
Net provision for unearned premium	9,454,667.30	224,342.09	681,661.50	-	38,647.93	10,399,318.82

	December 31 2022					
	P&I	FD&D	TCL	H&M	MDI	Total
Provision for unearned premium	18,757,161.37	322,394.97	941,888.45	-	2,394.54	20,023,839.33
Less : Reinsurers' share of provision for unearned premium	9,874,912.87	127,432.47	113,581.63	-	-	10,115,926.97
Net provision for unearned premium	8,882,248.50	194,962.50	828,306.82	-	2,394.54	9,907,912.36

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(17) Provision for outstanding claims

Accounting year / Policy year	December 31 2023					
	P&I	FD&D	TCL	H&M	MDI	Total
2023	47,334,628.67	224,383.87	52,800.00	24,300,822.22	210,160.14	72,122,794.90
2022	38,973,518.17	188,442.11	1,935,096.62	5,752,682.88	-	46,849,739.78
2021	20,346,715.01	203,185.04	491,650.00	2,305,145.45	-	23,346,695.50
2020 & prior	114,740,488.14	716,688.36	6,354,514.85	19,695,674.64	-	141,507,365.99
Provision for outstanding claims	221,395,349.99	1,332,699.38	8,834,061.47	52,054,325.19	210,160.14	283,826,596.17
Less : Reinsurers' share of provision for outstanding claims	136,419,998.17	714,090.71	5,358,200.32	45,134,383.15	147,112.10	187,773,784.45
Net provision for outstanding claims	84,975,351.82	618,608.67	3,475,861.15	6,919,942.04	63,048.04	96,052,811.72

Accounting year / Policy year	December 31 2022				
	P&I	FD&D	TCL	H&M	Total
2022	62,760,452.26	238,465.88	1,174,706.29	13,864,576.48	78,038,200.91
2021	33,876,854.25	292,814.77	2,032,010.36	7,710,936.63	43,912,616.01
2020	92,914,174.61	123,455.97	7,859,560.39	6,202,632.00	107,099,822.97
2019 & prior	50,605,197.08	382,809.05	693,389.17	15,744,415.29	67,425,810.59
Provision for outstanding claims	240,156,678.20	1,037,545.67	11,759,666.21	43,522,560.40	296,476,450.48
Less : Reinsurers' share of provision for outstanding claims	147,652,344.08	629,900.00	7,208,655.85	31,927,012.38	187,417,912.31
Net provision for outstanding claims	92,504,334.12	407,645.67	4,551,010.36	11,595,548.02	109,058,538.17

(18) Reserves (See note 2y)

Item	December 31 2023	December 31 2022
Total Reserves	3,154,535,005.67	3,037,956,138.04

(19) Net premium written

Item	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
Calls and premiums written	139,198,539.19	2,966,340.78	4,440,044.43	28,984,767.04	548,646.63	176,138,338.07
Less: reinsurance premiums ceded	84,920,953.80	695,982.03	792,171.62	14,459,787.67	325,727.12	101,194,622.24
Net premium written	54,277,585.39	2,270,358.75	3,647,872.81	14,524,979.37	222,919.51	74,943,715.83

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Item	2022					
	P&I	FD&D	TCL	H&M	MDI	Total
Calls and premiums written	116,429,261.20	2,342,882.39	4,250,184.62	24,674,678.52	17,137.40	147,714,144.13
Less: reinsurance premiums ceded	76,743,560.30	157,162.46	105,043.66	12,805,578.66	-	89,811,345.08
Net premium written	39,685,700.90	2,185,719.93	4,145,140.96	11,869,099.86	17,137.40	57,902,799.05

1) Calls and premiums written

Accounting year / Policy year	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
2023	122,009,878.30	2,347,863.63	3,814,282.80	27,981,561.80	494,699.77	156,648,286.30
2022	17,490,980.97	618,422.07	726,790.99	1,013,784.80	53,946.86	19,903,925.69
2021	54,100.75	-	-	(7,821.02)	-	46,279.73
2020 & prior	(356,420.83)	55.08	(101,029.36)	(2,758.54)	-	(460,153.65)
Total	139,198,539.19	2,966,340.78	4,440,044.43	28,984,767.04	548,646.63	176,138,338.07

Accounting year / Policy year	2022					
	P&I	FD&D	TCL	H&M	MDI	Total
2022	96,512,001.56	1,944,973.04	3,492,595.40	24,268,761.84	17,137.40	126,235,469.24
2021	19,654,727.52	379,246.30	795,721.23	397,605.63	-	21,227,300.68
2020	163,689.90	7,349.22	(38,132.01)	8,311.05	-	141,218.16
2019 & prior	98,842.22	11,313.83	-	-	-	110,156.05
Total	116,429,261.20	2,342,882.39	4,250,184.62	24,674,678.52	17,137.40	147,714,144.13

2) Reinsurance premiums ceded

Accounting year / Policy year	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
2023	82,487,540.90	631,854.04	475,056.22	13,527,483.65	285,603.64	97,407,538.45
2022	2,506,056.10	23,396.33	(53,641.52)	968,051.76	40,123.48	3,483,986.15
2021	(73,046.10)	40,731.66	346,825.20	(1,928.40)	-	312,582.36
2020 & prior	402.90	-	23,931.72	(33,819.34)	-	(9,484.72)
Total	84,920,953.80	695,982.03	792,171.62	14,459,787.67	325,727.12	101,194,622.24

Accounting year / Policy year	2022					
	P&I	FD&D	TCL	H&M	MDI	Total
2022	73,583,146.03	659,000.00	960,000.00	12,460,625.43	-	87,662,771.46
2021	3,218,398.49	(501,837.54)	(854,956.34)	327,584.12	-	2,189,188.73
2020	(57,984.22)	-	-	17,369.11	-	(40,615.11)
2019 & prior	-	-	-	-	-	-
Total	76,743,560.30	157,162.46	105,043.66	12,805,578.66	-	89,811,345.08

(20) Changes in provision for unearned premium, net of reinsurance

Accounting year / Policy year	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
As of 31/12/2023						
Provision for unearned premium	21,234,183.25	297,252.53	843,461.31	-	78,779.03	22,453,676.12
Reinsurers' share of provision for unearned premium	11,779,515.95	72,910.44	161,799.81	-	40,131.10	12,054,357.30
Net provision for unearned premium	9,454,667.30	224,342.09	681,661.50	-	38,647.93	10,399,318.82
As of 31/12/2022						
Provision for unearned premium	18,757,161.37	322,394.97	941,888.45	-	2,394.54	20,023,839.33
Reinsurers' share of provision for unearned premium	9,874,912.87	127,432.47	113,581.63	-	-	10,115,926.97
Net provision for unearned premium	8,882,248.50	194,962.50	828,306.82	-	2,394.54	9,907,912.36
Changes in provision for unearned premium, net of reinsurance	572,418.80	29,379.59	(146,645.32)	-	36,253.39	491,406.46

Accounting year / Policy year	2022					
	P&I	FD&D	TCL	H&M	MDI	Total
As of 31/12/2022						
Provision for unearned premium	18,757,161.37	322,394.97	941,888.45	-	2,394.54	20,023,839.33
Reinsurers' share of provision for unearned premium	9,874,912.87	127,432.47	113,581.63	-	-	10,115,926.97
Net provision for unearned premium	8,882,248.50	194,962.50	828,306.82	-	2,394.54	9,907,912.36
As of 31/12/2021						
Provision for unearned premium	15,130,329.62	269,501.24	589,717.74	-	-	15,989,548.60
Reinsurers' share of provision for unearned premium	6,825,766.34	52,025.71	240,386.91	-	-	7,118,178.96
Net provision for unearned premium	8,304,563.28	217,475.53	349,330.83	-	-	8,871,369.64
Changes in provision for unearned premium, net of reinsurance	577,685.22	(22,513.03)	478,975.99	-	2,394.54	1,036,542.72

(21) Net claims paid

Items	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
Claims paid	40,872,441.40	727,623.73	5,144,983.43	21,581,100.60	304,040.00	68,630,189.16
Less: claims recoveries from third party	424,419.05	9,356.25	-	334,129.34	-	767,904.64
Reinsurance recoveries	6,641,188.30	35,887.77	3,530,499.56	6,701,318.12	212,828.00	17,121,721.75
Net claims paid	33,806,834.05	682,379.71	1,614,483.87	14,545,653.14	91,212.00	50,740,562.77

Items	2022					
	P&I	FD&D	TCL	H&M	MDI	Total
Claims paid	38,941,348.58	823,575.57	1,704,586.81	10,659,270.97	-	52,128,781.93
Less: claims recoveries from third party	869,142.65	-	-	293,490.38	-	1,162,633.03
Reinsurance recoveries	11,076,344.49	163,470.70	166,397.01	9,406,664.23	-	20,812,876.43
Net claims paid	26,995,861.44	660,104.87	1,538,189.80	959,116.36	-	30,153,272.47

1) Claims paid

Accounting year Policy year	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
2023	5,370,650.49	53,978.02	51,823.49	8,497,394.36	-	13,973,846.36
2022	18,845,779.73	69,743.92	683,483.37	6,829,558.12	304,040.00	26,732,605.14
2021	6,955,404.92	363,709.27	409,576.57	3,421,538.56	-	11,150,229.32
2020 & prior	9,700,606.26	240,192.52	4,000,100.00	2,832,609.56	-	16,773,508.34
Total	40,872,441.40	727,623.73	5,144,983.43	21,581,100.60	304,040.00	68,630,189.16

Accounting year Policy year	2022					
	P&I	FD&D	TCL	H&M	MDI	Total
2022	5,274,103.08	14,540.00	262,457.52	2,273,504.56	-	7,824,605.16
2021	15,104,640.66	111,786.41	519,167.00	4,459,678.12	-	20,195,272.19
2020	10,052,633.06	521,247.72	689,097.22	1,545,093.43	-	12,808,071.43
2019 & prior	8,509,971.78	176,001.44	233,865.07	2,380,994.86	-	11,300,833.15
Total	38,941,348.58	823,575.57	1,704,586.81	10,659,270.97	-	52,128,781.93

2) Claims recoveries from third party

Accounting year Policy year	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
2023	-	-	-	-	-	-
2022	24,712.58	-	-	-	-	24,712.58
2021	271,245.94	-	-	-	-	271,245.94
2020 & prior	128,460.53	9,356.25	-	334,129.34	-	471,946.12
Total	424,419.05	9,356.25	-	334,129.34	-	767,904.64

Accounting year Policy year	2022					
	P&I	FD&D	TCL	H&M	MDI	Total
2022	19,652.94	-	-	-	-	19,652.94
2021	36,542.20	-	-	-	-	36,542.20
2020	8,531.18	-	-	35,434.98	-	43,966.16
2019 & prior	804,416.33	-	-	258,055.40	-	1,062,471.73
Total	869,142.65	-	-	293,490.38	-	1,162,633.03

3) Reinsurance recoveries

Accounting year Policy year	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
2023	265,237.91	-	-	3,863,821.80	-	4,129,059.71
2022	1,484,835.49	19,098.63	-	149,956.49	212,828.00	1,866,718.61
2021	124,916.53	3,294.58	-	2,363,965.21	-	2,492,176.32
2020 & prior	4,766,198.37	13,494.56	3,530,499.56	323,574.62	-	8,633,767.11
Total	6,641,188.30	35,887.77	3,530,499.56	6,701,318.12	212,828.00	17,121,721.75

Accounting year Policy year	2022					
	P&I	FD&D	TCL	H&M	MDI	Total
2022	-	11,413.17	-	115,700.75	-	127,113.92
2021	1,651,153.66	3,418.40	-	738,453.34	-	2,393,025.40
2020	4,612,892.51	6,691.00	166,397.01	2,129,893.04	-	6,915,873.56
2019 & prior	4,812,298.32	141,948.13	-	6,422,617.10	-	11,376,863.55
Total	11,076,344.49	163,470.70	166,397.01	9,406,664.23	-	20,812,876.43

(22) Changes in provision for outstanding claims, net of reinsurance

Accounting year	2023					
	P&I	FD&D	TCL	H&M	MDI	Total
Provision for outstanding claims as of 31/12/2023	221,395,349.99	1,332,699.38	8,834,061.47	52,054,325.19	210,160.14	283,826,596.17
Provision for outstanding claims as of 31/12/2022	240,156,678.20	1,037,545.67	11,759,666.21	43,522,560.40	-	296,476,450.48
Changes in provision for outstanding claims	(18,761,328.21)	295,153.71	(2,925,604.74)	8,531,764.79	210,160.14	(12,649,854.31)
Reinsurers' share of provision for outstanding claims as of 31/12/2023	136,419,998.17	714,090.71	5,358,200.32	45,134,383.15	147,112.10	187,773,784.45
Reinsurers' share of provision for outstanding claims as of 31/12/2022	147,652,344.08	629,900.00	7,208,655.85	31,927,012.38	-	187,417,912.31
Changes in provision for ceded outstanding claims	(11,232,345.91)	84,190.71	(1,850,455.53)	13,207,370.77	147,112.10	355,872.14
Changes in provision for outstanding claims, net of reinsurance	(7,528,982.30)	210,963.00	(1,075,149.21)	(4,675,605.98)	63,048.04	(13,005,726.45)

Accounting year	2022				
	P&I	FD&D	TCL	H&M	Total
Provision for outstanding claims as of 31/12/2022	240,156,678.20	1,037,545.67	11,759,666.21	43,522,560.40	296,476,450.48
Provision for outstanding claims as of 31/12/2021	207,999,632.98	798,214.46	13,855,324.30	40,801,972.41	263,455,144.15
Changes in provision for outstanding claims	32,157,045.22	239,331.21	(2,095,658.09)	2,720,587.99	33,021,306.33
Reinsurers' share of provision for outstanding claims as of 31/12/2022	147,652,344.08	629,900.00	7,208,655.85	31,927,012.38	187,417,912.31
Reinsurers' share of provision for outstanding claims as of 31/12/2021	142,526,502.50	340,821.18	9,903,642.19	28,687,183.83	181,458,149.70
Changes in provision for ceded outstanding claims	5,125,841.58	289,078.82	(2,694,986.34)	3,239,828.55	5,959,762.61
Changes in provision for outstanding claims, net of reinsurance	27,031,203.64	(49,747.61)	599,328.25	(519,240.56)	27,061,543.72

*MDI has not been evaluated separately in the first year because of no basic data.

(23) Investment income

Items	2023	2022
Realized investment income:		
Equity investments	46,923,233.99	47,702,728.99
Securities	1,940,939.34	2,536,150.35
Rental income	693,957.41	902,711.04
Other investment income	7,982,616.30	5,625,073.34
Total realized investment income	57,540,747.04	56,766,663.72
Add: Unrealized investment income	104,379,997.64	80,768,396.05
Total investment income	161,920,744.68	137,535,059.77



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.



姓名 袁振湘
Full name
性别 男
Sex
出生日期 1962年9月7日
Date of birth
工作单位 中审会计师事务所
Working unit
身份证号码 110108620907643
Identity card No.

执业证书号: 100000762212
No. of Certificate
批准注册协会: 中国注册会计师协会
Authorized Institute of CPAs
发证日期: 2000年1月7日
Date of Issue

2000年1月7日



注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意转出
Agree to be transferred from
转出人
CPA
同意转入
Agree to be transferred to
转入人
CPA

转出日期: 2013年12月30日
Date of the transfer: 2013.12.30
转入日期: 2013年12月30日
Date of the transfer: 2013.12.30

转出人: 袁振湘
CPA
转入人: 袁振湘
CPA



注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意转出
Agree to be transferred from
转出人
CPA
同意转入
Agree to be transferred to
转入人
CPA

转出日期: 2007年2月10日
Date of the transfer: 2007.2.10
转入日期: 2007年2月10日
Date of the transfer: 2007.2.10

转出人: 袁振湘
CPA
转入人: 袁振湘
CPA



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.



姓名 倪晓群
Full name
性别 女
Sex
出生日期 1987-02-01
Date of birth
工作单位 中审亚太会计师事务所(特
殊普通合伙)
Working unit
身份证号码 130730198702012228
Identity card No.

执业证书号: 100000762212
No. of Certificate
批准注册协会: 中国注册会计师协会
Authorized Institute of CPAs
发证日期: 2000年1月7日
Date of Issue

2000年1月7日



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Annual Renewal Registration

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Annual Renewal Registration

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Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

执业证书号: 110101700020
No. of Certificate
批准注册协会: 北京注册会计师协会
Authorized Institute of CPAs
发证日期: 2018年06月19日
Date of Issue

年度检验登记
Annual Renewal Registration

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年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
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Contact us

China Shipowners Mutual Assurance Association

5F-7F, China P&I Centre, Building 7, No. 18 Gongping Road, Hongkou District, Shanghai 200082, China
Tel: +86 21 35036888
Fax: +86 21 65950217
Web: www.chinapandi.com

China Shipowners Mutual Assurance Association Beijing Branch

Room 506-513, Lucky Tower A, No.3 Dongsanhuan Beilu, Chaoyang District, Beijing 100027, China
Tel: +86 10 64640510
Fax: +86 10 64640522

China Shipowners Mutual Assurance Association Dalian Branch

Unit 07, 17F, Xiwang Tower, No.136 Zhongshan Road, Zhongshan District, Dalian, Liaoning 116001, China
Tel: +86 411 39603008/39603009
Fax: +86 411 39603011

China Shipowners Mutual Assurance Association Qingdao Branch

Room 3307, 33F, Qingdao International Shipping Centre, 66 Lianyungang Road, Shibei District, Qingdao, Shandong 266000, China
Mobile: +86 13708982529

China Shipowners Mutual Assurance Association Guangzhou Branch

Room 2505, 25F, R&F Well Centre, 180 Jiangnan Avenue (M), Haizhu District, Guangzhou, Guangdong 510220, China
Tel: +86 20 84159756
Mobile: +86 13825204707

China P&I Services (Hong Kong) Ltd.

Room 2602, 26F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong SAR, China
Tel: +852 25483722
Fax: +852 25488907

CPI Services (UK) Ltd.

Mezzanine East, 3 St. Helen's Place, London, United Kingdom
Tel: +44 203 146 8800
Fax: +44 203 146 8801

CPI (SGP) Services Pte. Ltd.

Level 11, Marina Bay Financial Centre Tower 1, 8 Marina Blvd, Singapore 018981
Tel: +65 65571028

