

26. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (continued)**(b) Particulars of the principal associates are as follows: (continued)****(1) Industrial Bank (continued)**

	31 December 2023	31 December 2022
Fair value of shares listed in Mainland China	39,596	47,124

(2) Hua Xia Bank

On 28 December 2015, PICC P&C entered into a share transfer agreement with Deutsche Bank Aktiengesellschaft ("Deutsche Bank"), Sal. Oppenheim jr. & Cie. AG & Co. Kommanditgesellschaft auf Aktien ("Sal. Oppenheim") and Deutsche Bank Luxembourg S. A. ("Deutsche Bank Luxembourg"), pursuant to which each of Deutsche Bank, Sal. Oppenheim and Deutsche Bank Luxembourg conditionally agreed to transfer to PICC P&C 877 million shares, 267 million shares and 992 million shares of Hua Xia Bank, respectively, held by them (amounting to a total of 2,136 million shares, representing approximately 19.99% of the total issued shares of Hua Xia Bank) and PICC P&C conditionally agreed to purchase these shares. This transaction was completed on 17 November 2016. Management has assessed the level of influence that the Group has on Hua Xia Bank, and determined that it has significant influence over Hua Xia Bank since 17 November 2016 even though the respective shareholding is below 20% because of the board representation and other arrangements made. Consequently, this investment has been classified as an associate and is accounted for using equity method.

On 28 December 2018, Hua Xia Bank completed its private offering. The PICC P&C did not subscribe for the shares proportionately, therefore, its total equity interest in Hua Xia Bank was diluted from 19.99% to 16.66%.

On 18 October 2022, Hua Xia Bank completed its private offering of shares, issued 527,704,485 new shares, raising net proceeds of RMB7,994 million. The PICC P&C, a subsidiary of the Group, did not subscribe for the shares proportionately, therefore its total equity interest in Hua Xia Bank was diluted from 16.66% to 16.11%. As such, a deemed disposal loss amounting to RMB95 million was recognised in dilution loss arising on a reduced stake in an associate.

	31 December 2023	31 December 2022
Total assets	4,254,766	3,900,167
Net assets attributable to equity holders of Hua Xia Bank	318,579	320,457
	2,023	2,022
Revenue	93,207	93,808
Profit attributable to equity holders of Hua Xia Bank	26,363	25,035
Dividends received from the associate during the year	982	866