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中國太平洋保險(集團)股份有限公司

CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02601)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is made pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The announcement is attached hereof for information purpose only.

By Order of the Board
China Pacific Insurance (Group) Co., Ltd.
KONG Qingwei
Chairman

Hong Kong, 25 April 2020

As at the date of this announcement, the Executive Director of the Company is Mr. KONG Qingwei; the Non-executive Directors of the Company are Mr. WANG Tayu, Mr. KONG Xiangqing, Ms. SUN Xiaoning, Mr. LI Qiqiang, Mr. WU Junhao, Mr. CHEN Xuanmin and Mr. HUANG Dinan; and the Independent Non-executive Directors of the Company are Mr. LEE Ka Sze, Carmelo, Mr. CHEN Jizhong, Ms. LAM Tyng Yih, Elizabeth, Mr. JIANG Xuping and Mr. GAO Shanwen.

Summary of Quarterly Solvency Report

CPIC Allianz Health Insurance Co., Ltd.

1st Quarter of 2020

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I. Basic information

(I) Registered address: 13th Floor, Building No. 1, 1229 Century Avenue, China
(Shanghai) Pilot Free Trade Zone, Shanghai, the PRC

(II) Legal representative: SUN Peijian

(III) Business scope and territories

1. Business scope:

Health and personal accident insurance denominated in RMB yuan and foreign currencies; health insurance commissioned by the government or supplementary to state medical insurance policies; reinsurance of the above said insurance; health insurance-related agency and consulting business; insurance funds investment as approved by relevant laws and regulations; other business as approved by the CIRC.

2. Business territories:

Shanghai, Beijing, Guangdong Province, Sichuan Province

(IV) Ownership structure and shareholders:

1. Ownership structure

Equity category	Number of shares or contributed amounts (10K shares)	Percentage (%)
Domestic shares held by legal entities	130,986.70	77.05
Domestic shares held by natural persons	-	-
Foreign shares	39,013.30	22.95
Others	-	-
Total	170,000.00	100.00

2. Top 10 shareholders

Name of shareholders	Shares held or amounts contributed as at the end of the reporting period (10K shares)	Percentage of the shareholding (%)
1.China Pacific Insurance (Group) Co., Ltd.	130,986.70	77.05
2.Allianz Group	39,013.30	22.95

(V) Controlling shareholder or de facto controller:

China Pacific Insurance (Group) Co., Ltd.

(VI) Subsidiaries, joint or associate ventures:

Company name	Number of shares held (10k shares)	Percentage of the shareholding (%)
Shanghai Proton & Heavy Ion Hospital	10,000	20

(VII) Contacts for solvency information disclosure:

1. Contact person: CHANG Zhi
2. Telephone number: 021-33963458

II. Main indicators

Items	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Core solvency margin ratio	162%	155%
Core solvency margin (10K RMB)	42,455.88	38,275.59
Comprehensive solvency margin ratio	162%	155%
Comprehensive solvency margin (10K RMB)	42,455.88	38,275.59
Latest IRR result	-	-
Premium income (10K RMB)	52,916.49	84,393.91
Net profit (10K RMB)	3,013.86	3,040.81
Net assets (10K RMB)	119,328.09	117,618.85

III. Actual capital

Items	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Admitted assets (10K RMB)	764,598.34	722,641.45
Admitted liabilities (10K RMB)	653,928.04	614,215.42
Actual capital (10K RMB)	110,670.30	108,426.02
Tier 1 core capital (10K RMB)	110,670.30	108,426.02
Tier 2 core capital (10K RMB)	-	-
Tier 1 supplement capital (10K RMB)	-	-
Tier 2 supplement capital (10K RMB)	-	-

IV. Required capital

Items	As at the end of this quarter/during this quarter	As at the end of last quarter/during last quarter
Required capital (10K RMB)	68,214.43	70,150.43
Required capital for quantitative risks (10K RMB)	67,861.55	69,787.54
1) Required capital for insurance risk (10K RMB)	59,012.91	62,415.92
2) Required capital for market risk (10K RMB)	12,832.62	10,610.69
3) Required capital for credit risk (10K RMB)	10,059.37	9,464.02
Required capital for control risk (10K RMB)	352.88	362.90
Supplement capital (10K RMB)	-	-
1) Counter-cyclical supplement capital (10K RMB)	-	-
2) Supplement capital of D- SIIs (10K RMB)	-	-
3) Supplement capital of G-SIIs (10K RMB)	-	-
4) Other supplement capital (10K RMB)	-	-

V. Integrated risk rating (IRR)

The Company received an A rating for both Q2 and Q3 of 2019 at the IRR.

VI. Risk management status

(I) The latest CBIRC Solvency Aligned Risk Management Requirements and Assessment (SARMRA) of the Company

In 2017, the Company received 78.96 points in the regulatory SARMRA. The same score, as per regulatory notice, was used as the result for the 2019 assessment. To be specific, 78.96 consisted of 14.07 points for risk management infrastructure and environment, 7.54 points for risk management objectives and tools, 8.02 points for insurance risk management, 8.00 points for market risk management, 8.00 points for credit risk management, 8.36 points for operational risk management, 8.08 points for strategic risk management, 8.22 points for reputation risk management, and 8.68 points for liquidity risk management.

(II) Measures taken to improve solvency risk management and the latest results in the reporting period.

In the reporting period, the Company took the following steps to further enhance risk management: launched and implemented the emergency response contingency plan for COVID-19, evaluated and updated its Annual Risk Appetite Statement, and formulated the Framework Program of Risk Management for 2020. First, on January 25, it initiated level-1 emergency response to major public health crises, and released the contingency plan. The Emergency Response Commanding Centre of the Company was responsible for making key decisions and deploying resources. The Working Group adopted effective and coordinated prevention and control measures and ensured steady business and operational performance of the Company. In the wake of business resumption, the Company closely monitored the developments of the epidemic, conducted continuous assessment of its impact and adjusted, where necessary, risk mitigation measures. Second, as per regulatory rules such as Insurance Companies Solvency Regulation Standards No. 11: Solvency Aligned Risk Management Requirements and Assessment, the Company reviewed its Risk Appetite Framework for 2019, updated the 2020 Risk Appetite Statement within the Group Integrated Risk Management Framework and adjusted part of its Risk Tolerance. Third, based on an assessment of its risk profiles and status, the Company identified

priority areas and formulated the Framework Program of Risk Management for 2020, which specified the responsible units for key risk management tasks. The Company's risk management work in 2020 will proceed in an orderly manner according to plan.

VII. Liquidity risk

(I) Liquidity risk management indicators

1. Net cash flow

Item	During/as at the end of this quarter
Net cash flow (10K RMB)	-21,917.57

2. Comprehensive current ratio

Item	Within 3 months	Within 1 year	1-3 years	3-5 years	Above 5 years
Comprehensive current ratio	103%	55%	307%	121,280%	-

3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio	5,500%	5,422%

(II) Liquidity risk analysis and countermeasures

The Company's future net cash flow is positive under the baseline scenario and all stress scenarios, an indication of good liquidity.

VIII. Regulatory measures taken against the Company

(I) Regulatory measures taken against the Company by CBIR

CBIRC has not taken any regulatory measures against the Company during the reporting quarter.

(II) Corrective measures taken by the Company

None.