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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, 30 August 2021

As at the date of this announcement, the Executive Directors of the Company are Mr. KONG Qingwei and Mr. FU Fan; the Non-executive Directors are Mr. HUANG Dinan, Mr. WANG Tayu, Mr. WU Junhao, Mr. CHEN Ran, Mr. ZHOU Donghui, Ms. LIANG Hong, Ms. LU Qiaoling and Mr. John Robert DACEY; and the Independent Non-executive Directors are Ms. LIU Xiaodan, Mr. CHEN Jizhong, Ms. LAM Tyng Yih, Elizabeth, Mr. WOO Ka Biu, Jackson, and Mr. JIANG Xuping.

Summary of Solvency Report

China Pacific Insurance (Group) Co., Ltd.

2021 Interim

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I. Basic information

(1) Registered address:

1 South Zhongshan Road, Huangpu District, Shanghai, PRC.

(2) Legal representative:

KONG Qingwei

(3) Business scope

Invest in controlling stakes of insurance companies; supervise and manage the domestic and international reinsurance business of the insurers under its control; supervise and manage the investments by the insurers under its control; participate in international insurance activities as approved.

(4) Contacts for solvency information disclosure:

Contact person: HUANG Danyan

Office number: 021-33968093

Email address: huangdanyan@cpic.com.cn

II. Group ownership structure and changes to member companies

Please refer to our 2021 Interim Report for detailed information.

III. Main indicators

Items	As at the end of the reporting period	As at the beginning of the reporting period
Core solvency margin ratio	274%	282%
Core solvency margin (10K RMB)	41,117,836	41,212,169
Comprehensive solvency margin ratio	279%	288%
Comprehensive solvency margin (10K RMB)	32,941,204	33,347,786

IV. Actual capital

Items	As at the end of the reporting period	As at the beginning of the reporting period
Actual capital (10K)	51,294,469	51,076,552
Tier 1 core capital (10K RMB)	50,294,469	50,076,552
Tier 2 core capital (10K RMB)	–	–

Tier 1 supplement capital (10K RMB)	1, 000, 000	1, 000, 000
Tier 2 supplement capital (10K RMB)	-	-

V. Required capital

Items	As at the end of the reporting period	As at the beginning of the reporting period
Required capital (10K RMB)	18, 353, 265	17, 728, 766
Required capital for quantitative risks (10K RMB)	18, 353, 265	17, 728, 766
1)Required capital for parent company	-	-
2)Required capital for insurance member company	18, 353, 265	17, 728, 766
3)Required capital for banking member company	-	-
4)Required capital for securities member company	-	-
5)Required capital for trust member company	-	-
6)Required capital for quantifiable Group specific risks	-	-
7)Increase in required capital for risk diversification effect	-	-
8)Decrease in required capital for risk diversification effect	-	-
Required capital for control risk (10K RMB)	-	-
Supplement capital (10K RMB)	-	-

Note: Detailed regulations are yet to be promulgated by the CBIRC regarding the required capital for quantifiable Group specific risks, increase in required capital for risk aggregation effect, decrease in required capital for risk diversification effect, required capital for control risk, and supplement capital.

VI. Material events

During the reporting period, there was no material investment losses, no major guarantees for external parties, no financial crisis incurred by the Group's subsidiaries or associates, or their takeovers by regulators.

VII. Group specific risks

(1) Risk contagion

As per regulatory requirements, the Company has set up risk quarantine mechanisms for its business operation, personnel management, fund management, information systems and internal transactions, etc., to effectively prevent the spread of relevant risks within the Group and to minimize the risk of contagion.

(2) Risk due to opaque organizational structure

As a listed insurance group, the Company boasts a clear ownership structure and sound corporate governance. The focus on insurance as its core business supplemented by other related business effectively prevents the risk of losses incurred by the Company as a result of opaque organizational structure.

(3) Concentration risk

As per regulatory requirements, the Company and its member insurers identify, evaluate, monitor and report on the concentration risk of various types on a regular basis, including the concentration risk of investment and reinsurance counter-parties, insurance and non-insurance business and investment assets, which effectively prevented the aggregation of a single risk or risk portfolios at the Group level, or a material threat to the Group's solvency and liquidity.

(4) Non-insurance risk

The Company's deployment in non-insurance sectors is aligned with its strategy of focusing on the core business of insurance, and thus the non-insurance risk is limited in both magnitude and impact. In strict compliance with regulatory rules, it prudently manages investment in non-insurance areas, continuously monitors and prevents the adverse effect on the solvency of both the Group and its member insurers by the business operation of its non-insurance member companies.