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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

Shanghai, the PRC, 28 April 2018

As at the date of this announcement, the Executive Directors of the Company are Mr. KONG Qingwei and Mr. HE Qing; the Non-executive Directors of the Company are Mr. WANG Jian, Mr. WANG Tayu, Mr. KONG Xiangqing, Mr. ZHU Keping, Ms. SUN Xiaoning, Mr. WU Junhao and Mr. CHEN Xuanmin; and the Independent Non-executive Directors of the Company are Mr. BAI Wei, Mr. LEE Ka Sze, Carmelo, Mr. LAM Chi Kuen, Mr. ZHOU Zhonghui and Mr. GAO Shanwen.

Summary of Quarterly Solvency Report

China Pacific Life Insurance Co., Ltd.

1st Quarter of 2018

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I. Basic information

(I) Registered address

South Tower, Bank of Communications Financial Building, 190 Middle Yincheng Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, the PRC

(II) Legal representative

XU Jinghui

(III) Business scope and territories

1. Business scope

Personal insurance denominated in RMB yuan or foreign currencies including life insurance, health insurance, accident insurance, etc.; reinsurance of the above said insurance; statutory life insurance; agency and business relationship with domestic and overseas insurers and organizations, loss adjustment, claims and other business entrusted from overseas insurance organizations; insurance funds investment as prescribed by The Insurance Law and relevant laws and regulation; international insurance activities as approved; other business as approved by the CIRC.

2. Business territories

Beijing, Shanghai, Tianjin, Chongqing, Heilongjiang Province, Jilin Province, Liaoning Province, Hebei Province, Shanxi Province, Shandong Province, Anhui Province, Jiangsu Province, Zhejiang Province, Fujian Province, Jiangxi Province, Guangdong Province, Hainan Province, Guangxi Zhuang Autonomous Region, Hunan Province, Hubei Province, Henan Province, Yunnan Province, Guizhou Province, Sichuan Province, Shaanxi Province, Gansu Province, Xinjiang Uygur Autonomous Region, Ningxia Hui Autonomous Region, Inner Mongolia Autonomous Region, Qinghai Province.

(IV) Ownership structure and shareholders :

1. Ownership structure (10k shares or 10k RMB)

Equity category	Shares as at the end of the reporting period	Percentage (%)
Domestic shares held by legal entities	842,000	100
Domestic shares held by natural persons	-	-
Foreign shares	-	-
Others	-	-
Total	842,000	100

2. Top 10 shareholders (10k shares or 10k RMB)

Name of shareholders	Shares held at the end of the reporting period	Percentage of the shareholding (%)
China Pacific Insurance (Group) Co., Ltd.	827,621.84	98.292
Shenergy Group Co., Ltd.	4,597.90	0.546
Shanghai State-Owned Assets Operation Co., Ltd.	4,576.09	0.544
Shanghai Haiyan Investment Management Company Limited	3,140.45	0.373
Yunnan Hehe (Group) Co., Ltd.	2,063.72	0.245

(V) Controlling shareholder or de facto controller

China Pacific Insurance (Group) Co., Ltd. is the de facto controller, holding 98.292% of the shares of the Company.

(VI) Subsidiaries, joint or associate ventures

Company name	Number of shares held (10k shares)	Percentage of shareholding (%)
Fenghua Xikou Garden Hotel	414	51.80
Changjiang Pension Insurance Co., Ltd.	89,912	62.162
Tianjin Trophy	35,369	100
City Island Developments Limited	0.1	100
Pacific Insurance Elderly Care Investment Management Co., Ltd.	21,900	100
Shanghai Dabao Guisheng Information Technology Co.Ltd.	1,020	34
CHEMCHINA Infrastructure Debt Investment Schemes	2,142	71.4
Ningbo Zhilin Investment Management (LP)	241,632	90
Sichuan Tietou Xugu High-speed Infrastructure Debt Investment Scheme	205	34.17
Yunnan Provincial Energy Investment Infrastructure Debt Investment Scheme	1,000	88.11

Note:

1. CHEMCHINA Infrastructure Debt Investment Schemes, Ningbo Zhilin Investment Management (LP), Sichuan Tietou Xugu High-speed Infrastructure Debt Investment Scheme, and Yunnan Provincial Energy Investment Infrastructure Debt Investment Scheme are structured entities.

(VII) Contacts for solvency information disclosure

Contact person: WANG Teng

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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	255%	245%
Core solvency margin (10K RMB)	15,988,875	14,302,548
Comprehensive solvency margin ratio	255%	245%
Comprehensive solvency margin (10K RMB)	15,988,875	14,302,548
Latest comprehensive risks ranking	--	A
Premium income (10K RMB)	9,031,205	2,063,642
Net profit (10K RMB)	301,252	287,242
Net assets (10K RMB)	6,569,268	6,238,820

III. Actual Capital

Items	As at the end of this quarter	As at the end of last quarter
Admitted assets (10K RMB)	101,424,767	97,344,952
Admitted liabilities (10K RMB)	75,117,904	73,196,378
Actual capital (10K)	26,306,863	24,148,574
Tier 1 core capital (10K RMB)	26,306,863	24,148,574
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	As at the end of last quarter
Required capital (10K RMB)	10,317,988	9,846,026
Required capital for quantitative risk (10K RMB)	10,476,710	9,997,488
1) Required capital for insurance risk (10K RMB)	3,175,938	2,941,389
2) Required capital for market risk (10K RMB)	10,833,380	10,390,487
3) Required capital for credit risk (10K RMB)	2,031,361	1,966,224
4) Diversification effect for quantitative risks (10K RMB)	2,697,169	2,561,132
5) Loss absorption effect for special-type insurance contracts (10K RMB)	2,866,800	2,739,481
Required capital for control risk (10K RMB)	(158,722)	(151,462)
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. Comprehensive Risk Assessment

The Company received an A rating for both Q3 and Q4 of 2017 at the CIRC comprehensive risk assessment.

VI. Risk Management Status

(I) The latest CIRC solvency risk management assessment of the Company

The Company's SARMRA score for 2017 was 83.03 points. To be specific, we received 16.12 points for risk management infrastructure and environment, 8.82 points for risk management objectives and tools, 8.36 points for insurance risk management, 8.00 points for market risk management, 8.00 points for credit risk management, 8.38 points for operational risk management, 8.96 points for strategic risk management, 8.33 points for reputation risk management, and 8.06 points for liquidity risk management.

(II) Measures taken to improve solvency risk management (if any) and the latest status in the reporting period

The Company has achieved initial success in establishing a comprehensive risk management system, improved relevant systems and processes, and set up an internal control system consisting of three lines of defense. Based on recommendations made by the CIRC inspection team in the assessments for 2016 and 2017, and the status of its risk control, the Company formulated the following improvement measures: first, based on its annual work plan and CRIC recommendations, developing a solvency risk management improvement plan to further improve risk management capability in terms of risk appetite and limits, risk management system, effectiveness of implementation, etc; second, based on the ongoing solvency risk management projects and the best practices of the industry, comprehensively enhancing the Company's risk management expertise and management capabilities, improving the risk appetite transmission mechanism, and integrating its risk appetite system into business decision-making.

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)	8,411,981

2. Comprehensive current ratio

Item	Within 3 months
Comprehensive current ratio	374%

3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio -Company level	3036%	3114%

(II) Liquidity risk analysis and mitigation

Liquidity risk is projected to be largely manageable in the next quarter. The Company has taken the following measures to pro-actively mitigate potential liquidity risk:

1. Strengthen daily cash flow management and ensure sufficient liquidity to meet all payment obligations via cash budgeting management.
2. Assess the Company's liquidity and the impact on liquidity before making business plans, selling new products or conducting other insurance business activities.
3. Assess the Company's liquidity and investment's impact on liquidity when formulating investment strategies and plans.
4. Strengthen the management of financing activities; ensure timely access to financing at reasonable costs to meet liquidity needs. Strengthen the volume management of repo to avoid liquidity risks.
5. Closely monitor major events that might lead to liquidity risks, such as irregular concentration of surrenders, major maturity payments or survival benefit pay-outs, and assess their impact on liquidity in a timely manner.
6. Develop contingency plans to avoid major liquidity risks.

VIII. Regulatory Measures Taken Against the Company

(I) Regulatory measures taken against the Company by CIRC

The Company head-office received no administrative penalties from the CIRC in Q1, 2018.

(II) Corrective measures taken by the Company

The Company will continue to strengthen its internal control and tackle problems at their roots to boost the overall risk management capabilities.