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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

**CPIC Allianz Health Insurance Co., Ltd.**

**1st Quarter of 2018**

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## I. Basic information

(I) Registered address: Room 663, 6<sup>th</sup> Floor, 26 Jiafeng Road, China (Shanghai)  
Pilot Free Trade Zone, Shanghai, the PRC

(II) Legal representative: SUN Peijian

### (III) Business scope and territories

#### 1. Business scope:

Health insurance and accident insurance denominated in RMB or 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	77,051.00	77.05
Domestic shares held by natural persons	–	–
Foreign shares	22,949.00	22.95
Others	–	–
Total	100,000.00	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.	77,051.00	77.05
2. Allianz Group	22,949.00	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**

- Contact person: DING Liang
- Telephone number: 021-33966101

**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	390	210
Core solvency margin (10K RMB)	86,731.71	27,451.93
Comprehensive solvency margin ratio	390	210
Comprehensive solvency margin (10K RMB)	86,731.71	27,451.93
Latest comprehensive risks assessment	–	A
Premium income (10K RMB)	65,309.35	25,785.35
Net profit (10K RMB)	–6,266.14	2,813.69
Net assets (10K RMB)	122,938.00	59,039.72

**III. Actual capital**

Items	As at the end of this quarter	As at the end of last quarter
Admitted assets (10K RMB)	294,026.23	253,315.99
Admitted liabilities (10K RMB)	177,414.45	200,872.79
Actual capital (10K RMB)	116,612.17	52,443.20
Tier 1 core capital (10K RMB)	116,612.17	52,443.20
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)	29,880.47	24,991.26
Required capital for quantitative risks (10K RMB)	29,725.89	24,862.47

1) Required capital for insurance risk (10K RMB)	28,557.15	23,499.96
2) Required capital for market risk (10K RMB)	2,111.76	2,265.86
3) Required capital for credit risk (10K RMB)	1,374.21	1,553.01
Required capital for control risk (10K RMB)	154.57	128.79
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)	-	-

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## V. Comprehensive risk assessment

Comprehensive risk assessment rating for Q3 2017: A; for Q4 2017: A.

## VI. Risk management status

### (I). The latest CIRC solvency risk management assessment of the company

In 2017, the Company scored 78.96 points during the SARMRA risk assessment conducted by the CIRC. To be specific, it received 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 (if any) and the latest results in the reporting period

As per the requirements of the Implementation Guidelines for Comprehensive Risk Management of Personal Insurance Companies and the Supervisory Rules for Solvency Risk Management (No. 1-17), the Company made plan for the optimization of its solvency risk management system in the 1st quarter of 2017 in accordance with the Letter on the 2017 CPIC Allianz SARMRA Supervision and Assessment issued by CIRC Hebei bureau, reviewed and analyzed the implementation of the risk appetite system for 2017, formulated the 2018 risk appetite declaration renewal proposal, carried out the annual of assessment of the soundness, applicability, effectiveness of the risk management system, and updated the system.

## VII. Liquidity risk

### (I) Liquidity risk management indicators

#### 1. Net cash flow

Items	During/as at the end of this quarter
Net cash flow (10K RMB)	2,933.08

#### 2. Comprehensive current ratio

Items	Within 3 months	Within one year	1-3 years	3-5 years	Above 5 years
Comprehensive current ratio	192	46	257	4,078	-

#### 3. Liquidity coverage ratio

Item	Stress scenario 1	Stress scenario 2
Liquidity coverage ratio (%)	5,072	4,874

### (II) Liquidity risk analysis and countermeasures

The Company generates positive net cash flows 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 CIRC

CIRC has not taken any regulatory measures against the Company.

### (II) Corrective measures taken by the Company

None.