

CPIC (SH601601, HK02601, LSE CPIC)
Stock Data (ending Jul. 31, 2022)

Total equity base (in million)	9, 620
A-share	6, 845
H-share	2, 775
Total Cap (in RMB million)	178, 165
A-share	138, 201
H-share (in HKD million)	46, 514
6-month highest/lowest	
A-share (in RMB)	27. 57/19. 18
H-share (in HKD)	23. 94/15. 66
GDR (in USD)	20. 43/14. 22

IR Calendar

August 29, 2022

2022 Interim Results Announcement

Online Conference

Contents
● Regulatory Updates

Insurance firms allowed to issue perpetual capital bonds

CBIRC issues regulations on insurance AMCs

PBoC and CBIRC solicit public opinions on assessment of Domestic Systemically Important Insurer

● Company News

Deployment in elderly care gains momentum

CPIC and Guangci Memorial Hospital boost integration of insurance and medical service

Investor Relations Department

Tel: 021-58767282

Fax: 021-68870791

E-MAIL: ir@cpic.com.cn

Add: 15F, 1 Zhongshan Rd. S.

Shanghai, P.R. China, 200010

Contact: GONG Zheng

Tel:021-33968661

E-MAIL: gongzheng-001@cpic.com.cn

Premium Income (Unit: in RMB million)

	Jan.- Jul.	Changes	Jul.	Changes
P&C	105, 027	12. 06%	13, 201	10. 80%
Life	159, 595	5. 51%	10, 542	6. 64%

Disclaimer:

China Pacific Insurance Company (the "Company") abides by the disclosure obligations by securities regulators and stock exchanges in accordance with the law. The newsletter is for information purpose only and do not constitute investment suggestion in any circumstances. The Company nor has any liability for any loss howsoever arising from any information contained in the newsletter. All copyrights are reserved by the Company. The newsletter belongs to non-public information. Without written authorization by the Company, none part of the newsletter could be copied or substituted to others in any circumstance

Regulatory Updates

● Insurance firms allowed to issue perpetual capital bonds

Recently, PBoC and CBIRC jointly issued The Circular on Issuance of Perpetual Capital Bonds by Insurance Companies. Such bonds can be used to replenish tier-2 core capital, and shall not exceed 30% of total core capital. Insurance groups (holding companies) cannot issue the bond.

The bond shall contain terms on write-offs or share conversion in case of trigger events, which include “triggers of going-concern” and “triggers of non-survival”. The former refers to the fact that insurance firms' core solvency margin ratio falls below 30%, and the latter refers to the following circumstances: (1) CBIRC is of the view that insurance firms will be unable to continue their business operation without write-offs or conversion; (2) Competent authorities are of the view that insurance firms will be unable to continue their business operation without capital injection from public sector departments or bail-out to the same effect.

● CBIRC issues regulations on insurance AMCs

The document seeks to boost operational independence of insurance asset management companies and safeguard long-term safety of insurance funds. It abolishes the caps on foreign shareholding and strictly prohibits “channel business”, i.e., business nominally managed by AMCs to bypass regulatory restrictions.

First, it lowers the limits on total shareholding of insurance companies, both domestic and foreign, to 50%.

Second, it clarifies the business scope of insurance AMCs. In addition to insurance money, they may also engage in insurance asset management products, management of other long-term funds or funds of eligible investors. They may establish specialised asset management subsidiaries in wealth management, mutual funds management, PE, real estate and infrastructure.

Third, it seeks to discipline conduct of shareholders. Promoters, majority shareholders and de facto shareholders are required to commit, in writing, to long-term shareholding.

Fourth, it optimises business rules, banning external guarantees or using assets or products under management to further illegitimate interests of third parties.

● PBoC and CBIRC solicit public opinions on assessment of Domestic Systemically Important Insurer

The assessment will cover the top 10 of insurance groups, life/health insurance companies, property and casualty insurance companies, reinsurance companies in term of asset scale, and entities previously recognised as being systemically important. The document clarifies the metrics and weighting for assessment, including scale, relevance, asset liquidation and how replaceable the company is. It also sets out the

procedures of assessment, whereby the PBoC and CBIRC will collect data from companies under coverage annually, and those scoring over 1,000 points on a weighted basis will be designated as D-SII, and those below 1,000 will be subject to further evaluation of regulators.

Company News

● Deployment in elderly care gains momentum

On July 24, the experience centres of CPIC Home retirement communities in Putuo of Shanghai and Xiamen of Fujian opened for visits. The Putuo facility specialises in both long-term care and short stay, and is scheduled for opening by the end of the year; while the Xiamen community, due to open for business next year, caters for more diverse needs, such as holiday-making, health regimen and rehab nursing.

On July 30, the retirement community in Hangzhou opened for business, being the 3rd facility in operation after those in Chengdu and Dali, and the 1st one in the Yangtse River Delta. For the first phase, a total of 827 units were launched in Hangzhou, which consisted of 640 independent living spaces and 187 care units.

So far, there are 12 projects under CPIC Home in 11 cities, with the experience centres for Chongming of Shanghai and Nanjing of Jiangsu scheduled for opening in the second half of the year, and the projects in Wuhan, Qingdao, Beijing and Zhengzhou either under construction or about to break ground.

● CPIC and Guangci Memorial Hospital boost integration of insurance and medical service

On July 28, CPIC Health launched a health management programme for high net-worth customers in collaboration with Guangci Memorial Hospital. The programme features “full-cycle health management, high-level insurance protection and access to premium medical care”. It explores the model of managed care, providing special “chaperone” service throughout hospital visits, with dedicated medical files and special intervention plans in the event of conditions and potential health risks.