

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中国平安保险(集团)股份有限公司

Ping An Insurance (Group) Company of China, Ltd.

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

(Stock Code: 2318)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

“The Announcement of Ping An Insurance (Group) Company of China, Ltd. regarding the Changes in Accounting Estimates”, which is published by Ping An Insurance (Group) Company of China, Ltd. on the website of Shanghai Stock Exchange, is reproduced herein for your reference.

By order of the Board
Sheng Ruisheng
Joint Company Secretary

Shenzhen, PRC, February 20, 2020

As at the date of this announcement, the executive directors of the Company are Ma Mingzhe, Ren Huichuan, Yao Jason Bo and Cai Fangfang; the non-executive directors of the Company are Soopakij Chearavanont, Yang Xiaoping, Liu Chong and Wang Yongjian; the independent non-executive directors of the Company are Ge Ming, Ouyang Hui, Ng Sing Yip, Chu Yiyun and Liu Hong.

**THE ANNOUNCEMENT OF
PING AN INSURANCE (GROUP) COMPANY OF CHINA, LTD.
REGARDING THE CHANGES IN ACCOUNTING ESTIMATES**

The board of directors (the "Board") and all directors of Ping An Insurance (Group) Company of China, Ltd. (the "Company") confirm that there are no false representations and misleading statements contained in, or material omissions from this announcement, and severally and jointly accept the responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

• **Important Notice:**

As a result of changes in accounting estimates on insurance contract liabilities (the "Changes in Accounting Estimates") involved in the 2019 Annual Report of Ping An Insurance (Group) Company of China, Ltd. due to the application of relevant requirements in "No. 2 Interpretation of Accounting Standards for Business Enterprises" issued by the Ministry of Finance of the People's Republic of China, the profit before tax of the Company for the year 2019 was decreased by RMB20,774 million.

I. Overview

The 11th meeting of the 11th Session of the Board held on February 20, 2020 considered and approved the relevant matters of the Changes in Accounting Estimates. As a result of the Changes in Accounting Estimates, long-term life insurance and long-term health insurance policyholders' reserves of the Company were increased by RMB20,774 million as at December 31, 2019 and the profit before tax of the Company for the year 2019 was decreased by RMB20,774 million.

II. Details of the Changes in Accounting Estimates and the effect on the Company

Significant judgment is required in determining long-term insurance contract liabilities and in choosing discount rates/investment return, mortality, morbidity, lapse rates, policy dividend, and expenses assumptions relating to long-term life insurance contracts of the Company. Such assumptions should be determined based on the current information available at the end of the reporting period. The Company has changed the above assumptions based on the current information available as at December 31, 2019 (mainly due to change of the benchmarking yield curve for the measurement of insurance contract liabilities and adjustments of the comprehensive premium) and updated estimate for future cash flows, with the corresponding impact on insurance contract liabilities taken into the current year's statement of income. As a result of such changes in assumptions, long-term life insurance and long-term health insurance policyholders' reserves of the Company were increased by RMB20,774 million as at December 31, 2019 and the profit before tax of the Company for the year 2019 was decreased by RMB20,774 million.

The Company adopted the prospective application method to deal with the Changes in Accounting Estimates.

III. Opinions of Independent Directors and Supervisory Committee on the Changes in Accounting Estimates

The Independent Directors and the Supervisory Committee of the Company considered the relevant matters of Changes in Accounting Estimates, with the opinion that the Changes in Accounting Estimates made by the Company in accordance with "No. 2 Interpretation of Accounting Standards for Business Enterprises" and based on information available at the end of the reporting period are reasonable, and approved the accounting treatment on Changes in Accounting Estimates made by the Company.

IV. Opinion of accounting firm on the Changes in Accounting Estimates

PricewaterhouseCoopers Zhong Tian LLP, the Company's auditor, had a full understanding on the reasons of the Changes in Accounting Estimates and the effect on the operating results of the Company, and issued the Special Report on the Changes in Accounting Estimates for 2019 of Ping An Insurance (Group) Company of China, Ltd.

V. Appendices of the announcement published on the website

- (i) Independent Opinion from Independent Directors of the Company
- (ii) Special Statement of the Board on the Changes in Accounting Estimates
- (iii) Special Statement of the Supervisory Committee of the Company on the Changes in Accounting Estimates
- (iv) Special Report issued by PricewaterhouseCoopers Zhong Tian LLP on the Changes in Accounting Estimates for 2019 of Ping An Insurance (Group) Company of China, Ltd.
- (v) Audited Financial Statements for 2019 of the Company

The Board of Directors
Ping An Insurance (Group) Company of China, Ltd.
February 20, 2020