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**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)**

## **ANNOUNCEMENT IN RELATION TO PROVISION FOR ASSET IMPAIRMENT**

This announcement is made by Ping An Insurance (Group) Company of China, Ltd. (the **“Company”**) pursuant to Rule 13.10B of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The 4<sup>th</sup> meeting of the 12<sup>th</sup> session of the board of directors (**“Directors”**) of the Company (the **“Board”**) and the 3<sup>rd</sup> meeting of the 10<sup>th</sup> session of the supervisory committee of the Company (the **“Supervisory Committee”**) were convened on August 26, 2021, at which, among other things, the *Resolution regarding provision for asset impairment in relation to China Fortune Land Development Co., Ltd.* was considered and approved. In accordance with the relevant requirements under the International Financial Reporting Standards (the **“IFRSs”**) and the accounting policies of the Company, and to truly and fairly reflect the financial position of the Company as of June 30, 2021 and the operating results for the first half of 2021, the Company made accounting treatment on provision for impairment on assets, adjustment to the valuation of investments and equity method adjustment with respect to the investment assets related to China Fortune Land Development Co., Ltd. (**“China Fortune”**) as of June 30, 2021 for the first half of 2021 (the **“Provision for Asset Impairment”**). The details are set out as follows:

### **1 OVERVIEW ON THE PROVISION FOR ASSET IMPAIRMENT**

The Company has made provision for impairment on assets, adjustment to the valuation and equity method adjustment with respect to the investment assets related to China Fortune for the first half of 2021 in a total amount of RMB35.9 billion, including a total of RMB 18.2 billion of the provision for impairment losses and adjustment to the valuations of investments related to China Fortune which has been disclosed in the announcement of unaudited results for the three months ended March 31, 2021 of the Company.

The details of the Provision for Asset Impairment are as follows:

*Currency: RMB in billion*

<b>Types of Assets</b>	<b>Items</b>	<b>Amount</b>
Equity Investments	Investments in associates and jointly controlled entities	14.4
Debt Investments	Financial assets at amortized cost	10.1
	Debt financial assets at fair value through other comprehensive income	2.6
	Financial assets at fair value through profit or loss	8.8
<b>Total</b>		<b>35.9</b>

## **2 IMPACT OF THE PROVISION FOR ASSET IMPAIRMENT ON THE PROFITABILITY OF THE COMPANY**

The impact of the Provision for Asset Impairment on the consolidated financial statements of the Company is that, the Company's net profit attributable to shareholders of the parent company for the first half of 2021 decreased by RMB20.8 billion, and the Company's operating profit attributable to shareholders of the parent company for the first half of 2021 decreased by RMB6.1 billion.

The Provision for Asset Impairment has been disclosed in the Company's 2021 interim report, and the profit figures disclosed in the Company's 2021 interim report have reflected the impact of the Provision for Asset Impairment.

## **3 OPINIONS OF INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE COMPANY AND THE BOARD ON THE PROVISION FOR ASSET IMPAIRMENT**

Independent non-executive directors of the Company and the Board are of the view that the Provision for Asset Impairment is made in accordance with the principle of prudence and the provisions under the IFRSs. After the Provision for Asset Impairment being made, the relevant financial statements could reflect the financial position, the asset value and the operating results of the Company more truly and fairly, which will provide the investors with more true, reliable and accurate accounting information. Independent non-executive directors of the Company and the Board approved the Provision for Asset Impairment.

## **4 OPINIONS OF THE SUPERVISORY COMMITTEE ON THE PROVISION FOR ASSET IMPAIRMENT**

The Supervisory Committee is of the view that the Provision for Asset Impairment is made in accordance with the principle of prudence and the provisions under the IFRSs. After the Provision for Asset Impairment is made, the relevant financial statements could reflect the financial position, the asset value and the operating results of the Company more truly and fairly. The Supervisory Committee approved the Provision for Asset Impairment.

**Investors are advised to take note that the abovementioned information has not been audited. Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Sheng Ruisheng**  
*Joint Company Secretary*

Shenzhen, the PRC, August 26, 2021

*As at the date of this announcement, the executive directors of the Company are Ma Mingzhe, Xie Yonglin, Tan Sin Yin, Yao Jason Bo and Cai Fangfang; the non-executive directors of the Company are Soopakij Chearavanont, Yang Xiaoping and Huang Wei; the independent non-executive directors of the Company are Ouyang Hui, Ng Sing Yip, Chu Yiyun, Liu Hong, Ng Kong Ping Albert and Jin Li.*