

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 Policies”, 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
Yao Jun
Company Secretary

Shenzhen, PRC, March 20, 2018

As at the date of this announcement, the Executive Directors of the Company are Ma Mingzhe, Sun Jianyi, Ren Huichuan, Yao Jason Bo, Lee Yuansiong and Cai Fangfang; the Non-executive Directors are Lin Lijun, Soopakij Chearavanont, Yang Xiaoping, Xiong Peijin and Liu Chong; the Independent Non-executive Directors are Stephen Thomas Meldrum, Yip Dicky Peter, Wong Oscar Sai Hung, Sun Dongdong, Ge Ming and Ouyang Hui.

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

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

• **Important Notice:**

Changes in accounting policies for financial instruments will have an effect on the Company's financial reports on and after January 1, 2018.

I. Overview

In 2017, the Ministry of Finance of the People's Republic of China amended certain accounting standards for enterprises, including:

- (i) the Accounting Standards for Enterprises No. 22 - Recognition and Measurement of Financial Instruments;
- (ii) the Accounting Standards for Enterprises No. 23 - Transfer of Financial Assets;
- (iii) the Accounting Standards for Enterprises No. 24 – Hedge Accounting;
- (iv) the Circular on Transitional Measures for Implementation of New Accounting Standards for Financial Instruments by Insurers; and
- (v) the Accounting Standards for Enterprises No. 37 - Presentation and Reporting of Financial Instruments.

The 17th meeting of the 10th Session of the Board held on March 20, 2018 deliberated and approved the Proposal of Ping An Insurance (Group) Company of China, Ltd. on the Changes in Accounting Policies (the "Proposal"), agreeing the Company to change accounting policies in line with the above accounting standards. There is no need to submit the Proposal to the Company's General Meeting of Shareholders for deliberation.

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

As per the Accounting Standards for Enterprises No. 22 - Recognition and Measurement of Financial Instruments, No. 23 - Transfer of Financial Assets, No. 24 – Hedge Accounting, and No. 37 - Presentation and Reporting of Financial Instruments amended by the Ministry of Finance, enterprises need to classify their financial assets into amortized cost, fair value through other comprehensive income, and fair value through profit or loss based on their business models and the contractual cash flow characteristics of financial assets. The incurred loss impairment model under the old standards is replaced by the expected credit losses model under the new standards. For financial liabilities, there were no changes to classification and measurement

except for the recognition of changes in own credit risk in other comprehensive income for liabilities measured at fair value through profit or loss. The new accounting standards on hedge accounting raise the principle-oriented philosophy, relax the requirements for hedge accounting effectiveness, and still require contemporaneous documentation. The new standards maintain convergence with IFRS 9 “Financial instruments”.

According to the rules, companies dual-listed domestically and abroad should implement the new standards from January 1, 2018. For an insurer that meets specific criteria, the implementation of the new standards may be postponed until January 1, 2021. There is no need for enterprises to restate the previous comparable figures. The differences and adjustments between implementation of the new standards and the old standards as at the first day of implementation should be reflected in opening retained earnings or other comprehensive income.

On January 1, 2018, the Company changed its accounting policies, as it is not qualified for the temporary exemption. Implementation of the new standards will have an effect on the Company's financial reports on and after January 1, 2018. The Company will release its accounting statements in accordance with the new standards from its first quarterly report for 2018. The Company will adjust the opening retained earnings and other comprehensive income for 2018 to reflect impacts of the new standards without restating the previous comparable figures.

III. Conclusive Opinions of Independent Directors and the Supervisory Committee

The Independent Directors and the Supervisory Committee of the Company deliberated the changes in accounting policies, with the opinion that the changes in accounting policies made by the Company in accordance with relevant documents of the Ministry of Finance are reasonable, and comply with the rules of the Ministry of Finance, China Securities Regulatory Commission, Shanghai Stock Exchange and other regulatory authorities. Moreover, the changes can help reflect the Company's financial conditions and operating results in a more objective and fair manner, and are in line with the interests of the Company and all of its shareholders. The procedures for deliberation of the changes in accounting policies are in compliance with relevant laws and regulations and the Articles of Association of Ping An Insurance (Group) Company of China, Ltd.

IV. Documents for Reference

- (i) Resolution of the 17th Meeting of the 10th Session of the Board
- (ii) Resolution of the 13th Meeting of the 8th Session of the Supervisory Committee
- (iii) Independent Opinions from Independent Directors of the Company

The Board of Directors
Ping An Insurance (Group) Company of China, Ltd.
March 20, 2018