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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)**

**VOLUNTARY ANNOUNCEMENT  
TERMINATION OF THE PARTICIPATION OF A HOLDING  
SUBSIDIARY IN THE ESTABLISHMENT OF AN INSURANCE  
COMPANY**

This is a voluntary announcement made by the Board of Directors (the “**Board**”) of China Pacific Insurance (Group) Co., Ltd. (the “**Company**”).

References are made to announcements of the Company dated 8 June 2016 and 13 June 2016.

On 7 June 2016, China Pacific Property Insurance Co., Ltd. (“**CPIC P/C**”), a subsidiary of the Company, entered into a promoters agreement (the “**Promoters Agreement**”) with Baidu Penghuan Asset Management (Beijing) Co., Ltd. ( 百度鵬寰資產管理(北京)有限公司), pursuant to which, CPIC P/C intended to establish a joint stock property insurance company with Baidu Penghuan Asset Management (Beijing) Co., Ltd. (the “**Property Insurance Company**”).

The Board hereby announces that as the application for establishing the Property Insurance Company has not been approved by China Banking and Insurance Regulatory Commission, CPIC P/C and Baidu Penghuan Asset Management (Beijing) Co., Ltd. decide, by virtue of amicable negotiation and thorough communication between the Promoters, to terminate the proposal for establishing the Property Insurance Company, and recently, both parties have signed the Promoters Agreement – Termination Agreement.

As at the date when this announcement is disclosed, the Property Insurance Company has not yet entered into the preparation and establishment stage, and CPIC P/C has not made any actual contributions. The termination executed by CPIC P/C will not have substantial impact on the Company's overall business development, operation and management, and will cause no damage to the interest of the Company and all shareholders.

By Order of the Board  
**China Pacific Insurance (Group) Co., Ltd.**  
**KONG Qingwei**  
*Chairman*

Shanghai, the PRC, 13 October 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. HUANG Dinan, Mr. WANG Tayu, Mr. KONG Xiangqing, 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.*

\* *Note:* The appointment qualification of Mr. Huang Dinan is subject to approval by China Banking and Insurance Regulatory Commission.