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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)

**CONNECTED TRANSACTION
SUBSCRIPTION FOR FUND SHARES
BY CONNECTED PERSONS**

SUBSCRIPTION FOR SHARES IN HEALTH CARE PHASE I FUND BY INTERNATIONAL GROUP

On 20 July 2021, the Company established Health Care Phase I Fund with CPIC Capital and CPIC Life, of which the Company and CPIC Life (as limited partners) contributed RMB1.5 billion and RMB7.5 billion, respectively, and CPIC Capital (as a general partner, executive partner and manager) contributed RMB1 million. On 23 December 2022 (after trading hours), the Company entered into the Partnership Agreement of Health Care Phase I Fund with CPIC Capital, CPIC Life, Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund to introduce new limited partners. Pursuant to the Partnership Agreement of Health Care Phase I Fund, Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund, as limited partners, will contribute RMB1 million, RMB500 million, RMB200 million and RMB200 million, respectively, to Health Care Phase I Fund.

SUBSCRIPTION FOR SHARES IN HEALTH CARE PHASE II FUND BY SCIENCE & TECHNOLOGY INNOVATION FUND

On 7 December 2022, the Company and CPIC Capital jointly established Health Care Phase II Fund, in which the Company (as a limited partner) subscribed for a capital contribution of RMB1.2 billion and CPIC Capital (as a general partner, executive partner and manager) subscribed for a capital contribution of RMB1 million. On 23 December 2022 (after trading hours), the Company entered into the Partnership Agreement of Health Care Phase II Fund with Science & Technology Innovation Fund and CPIC Capital, pursuant to which, Science & Technology Innovation Fund will contribute RMB300 million to Health Care Phase II Fund.

IMPLICATIONS OF HONG KONG LISTING RULES

After completion of the transactions under the Partnership Agreement of Health Care Phase I Fund, the Group's share in Health Care Phase I Fund will be diluted from 100% to 90.9%. After completion of the transactions under the Partnership Agreement of Health Care Phase II Fund, the Group's share in Health Care Phase II Fund will be diluted from 100% to 80%. According to Rule 14.29 of the Hong Kong Listing Rules, the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund will constitute deemed disposals of the Group's shares in Health Care Phase I Fund and Health Care Phase II Fund.

As at the date of this announcement, International Group holds approximately 10.57% equity interest in the Company and is a substantial shareholder of the Company. As such, International Group constitutes a connected person of the Company. As International Group holds 31.5% of the shares of the general partner of Science & Technology Innovation Fund, which is its single largest shareholder, and International Group holds approximately 33.33% of the shares of Science & Technology Innovation Fund as a limited partner, Science & Technology Innovation Fund also constitutes a connected person of the Company. Therefore, the transaction of International Group subscribing for the shares of Health Care Phase I Fund and the transaction of Science & Innovation Fund subscribing for the shares of Health Care Phase II Fund constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules.

Pursuant to Rule 14A.81 of the Hong Kong Listing Rules, the transaction of International Group subscribing for the shares of Health Care Phase I Fund and the transaction of Science and Technology Fund subscribing for the fund shares of Health Care Phase II Fund shall be calculated on an aggregate basis. As the highest applicable percentage ratio applicable to such transactions exceeds 0.1% but is less than 5%, and the applicable percentage ratios in respect of the subscription transactions of Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund under the Partnership Agreement of Health Care Phase I Fund and the subscription transactions of Science & Innovation Fund under the Partnership Agreement of Health Care Phase II Fund are less than 5%, the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund are only subject to the announcement and reporting requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

On 23 December 2022 (after trading hours), the Company entered into the Partnership Agreement of Health Care Phase I Fund with CPIC Capital, CPIC Life, Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund, and the Company entered into the Partnership Agreement of Health Care Phase II Fund with Science & Technology Innovation Fund and CPIC Capital. Details of the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund are as follows:

1. Subscription for Shares in Health Care Phase I Fund by International Group

On 20 July 2021, the Company established Health Care Phase I Fund with CPIC Capital and CPIC Life, of which the Company and CPIC Life (as limited partners) contributed RMB1.5 billion and RMB7.5 billion, respectively, and CPIC Capital (as a general partner, executive partner and manager) contributed RMB1 million. On 23 December 2022 (after trading hours), the Company entered into the Partnership Agreement of Health Care Phase I Fund with CPIC Capital, CPIC Life, Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund to introduce new limited partners. Pursuant to the Partnership Agreement of Health Care Phase I Fund, Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund, as limited partners, will contribute RMB1 million, RMB500 million, RMB200 million and RMB200 million, respectively, to Health Care Phase I Fund.

The principal terms of the Partnership Agreement of Health Care Phase I Fund are as follows:

Signing Date	23 December 2022
Parties	(1) The Company, as a limited partner; (2) CPIC Life, as a limited partner; (3) Shanghai Yukang, as a limited partner; (4) International Group, as a limited partner; (5) Shanghai Pharmaceutical, as a limited partner; (6) Shanghai Lingang Fund, as a limited partner; (7) CPIC Capital, as a general partner, executive partner and manager.
Partnership	CPIC Health Care Private Investment Fund (Shanghai) Partnership (Limited Partnership).

Investment Objectives Mainly investing in the health care industry (including biomedicine, device and diagnostics, medical services, innovative medical care and other fields) and other strategic emerging industries (including new generation information technology industry, semi-conductor industry, new energy automobile industry, new energy industry, energy conservation and environmental protection industry, related services and other fields).

Proposed Capital Contribution Details of the proposed capital contribution of the partners of Health Care Phase I Fund are as follows:

No.	Name of partner	Type of partner	Capital contribution (RMB'0000)	Percentage(%)
1.	CPIC Capital	General Partner	100	0.01
2.	The Company	Limited partner	150,000	15.15
3.	CPIC Life	Limited partner	750,000	75.74
4.	Shanghai Yukang	Limited partner	100	0.01
5.	International Group	Limited partner	50,000	5.05
6.	Shanghai Pharmaceutical	Limited partner	20,000	2.02
7.	Shanghai Lingang Fund	Limited partner	20,000	2.02

The proposed capital contribution of Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund to Health Care Phase I Fund in this round is determined by the parties through arm's length negotiations.

Term The term of Health Care Phase I Fund shall be 20 years, which includes a 10-year investment management period, and the investment management period includes a 5-year investment period and a 5-year exit period. Upon the expiry of the exit period, the exit period may be extended by 2 years upon the proposal of the general partner and with the consent of the investment advisory committee. The exit period may be further extended upon the proposal of the general partner and with the consent of the resolution of the partners' meeting.

Manager CPIC Capital

Management Fees During the investment period, Health Care Phase I Fund shall pay CPIC Capital a management fee equivalent to 1% per annum of the paid-in capital of the limited partners;

During the exit period, Health Care Phase I Fund shall pay CPIC Capital a management fee equivalent to the aggregation amount of 1% per annum of the investment costs of the projects (which have not been sold out) of each limited partner.

Profit Sharing

The distributable income of the partnership from an investment in a project shall be initially divided among the partners in proportion to their paid-in capital contribution in the investment, the portion allocated to the general partner in accordance with the foregoing agreement shall be allocated directly to the general partner or its designated subject, the portion allocated to the special limited partners shall be allocated directly to the special limited partners, and the portion allocated to each of the other limited partners other than the special limited partners shall be distributed among such limited partner, the general partner and the special limited partners in the following principles and order:

- (1) The distributable income shall be allocated to such limited partner until the cumulative amount of distribution received by such limited partner in the current round equals the cumulative total of its paid-in capital contributions to the partnership up to the point of such distribution;
- (2) The distributable income shall be allocated to such limited partner until its cumulative distributions result in a preferred return of 8% per annum (365 days per year) on each of its paid-in capital contribution up to the point of such distribution, as otherwise agreed between the general partner and such limited partner;
- (3) The distributable income shall be allocated to the general partner and the special limited partners until the aggregate amount of the general partners' and the special limited partners' aggregate income in accordance with this paragraph (3) equals to such limited partner's aggregate preferential return in accordance with the above paragraph (2)/90%*10%;
- (4) If there is any remaining distributable income, 90% shall be allocated to such limited partner and 10% shall be allocated to the general partner and the special limited partners.

**Management
Style of the
Partnership**

Investment Decision-making Committee

- The Investment Decision-making Committee is responsible for considering the project investment (and its exit) of the partnership and has ultimate decision-making power;
- The Investment Decision-making Committee shall be composed of three to five members, all of whom are determined by the general partner. Each member of the Investment Decision-making Committee has the right to vote on a one-person-one-vote basis, and all investment decisions of the partnership shall be approved by more than two-thirds of all members of the Investment Decision-making Committee.

2. Subscription for Shares in Health Care Phase II Fund by Science & Technology Innovation Fund

On 7 December 2022, the Company and CPIC Capital jointly established Health Care Phase II Fund, in which the Company (as a limited partner) subscribed for a capital contribution of RMB1.2 billion and CPIC Capital (as a general partner, executive partner and manager) subscribed for a capital contribution of RMB1 million. On 23 December 2022 (after trading hours), the Company entered into the Partnership Agreement of Health Care Phase II Fund with Science & Technology Innovation Fund and CPIC Capital, pursuant to which, Science & Technology Innovation Fund will contribute RMB300 million to Health Care Phase II Fund.

The principal terms of the Partnership Agreement of Health Care Phase II Fund are set out as follows:

Signing Date 23 December 2022

Parties

- (1) the Company, as a limited partner;
- (2) Science & Technology Innovation Fund, as a limited partner; and
- (3) CPIC Capital, as a general partner, executive partner and manager.

Partnership

Nanjing CPIC Phase II Health Care Industry Fund Management Partnership (Limited Partnership).

Investment Objectives	The Partnership Agreement of Health Care Phase II Fund focuses on the health ecological cooperative enterprises, including investment opportunities in the fields of internet management medical treatment, high-end medical treatment, health management, etc. and mainly invests in the relevant enterprises in the growing industry that have obvious synergistic effect with the insurance business, are important links in the insurance + health service ecosystem, and can continuously energize the insurance value chain.
Scale and Amount of Investment	<p>The target total subscribed capital contribution of the partnership is RMB1,501 million. The Company subscribed for partnership shares of RMB1.2 billion, CPIC Capital subscribed for partnership shares of RMB1 million, and Science & Technology Innovation Fund subscribed for partnership shares of RMB300 million.</p> <p>The subscribed capital contribution of this round of Science & Technology Innovation Fund to Health Care Phase II Fund is determined by the parties through arm's length negotiations.</p>
Term	The term of Health Care Phase II Fund shall be 15 years. The initial term of the exit closing period shall be 7 years, of which the first 4 years shall be the investment period, and the period after the expiry of the investment period until the expiry of the exit closing period shall be the exit period. The exit period may be extended at the discretion of the general partner for a maximum of 3 years. With the consent of the investment advisory committee, the exit period can be further extended for a maximum of 2 years.
Manager	CPIC Capital
Management Fees	<p>During the investment period, Health Care Phase II Fund shall pay CPIC Capital a management fee equivalent to 1% per annum of the paid-in capital commitment subscribed for by all the limited partners.</p> <p>During the exit period, Health Care Phase II Fund shall pay CPIC Capital a management fee equivalent to 1% per annum of the corresponding participation amount subscribed for by such limited partner in the investment costs of the project which have not been sold out on the first day of the charging period.</p>

Profit Sharing

For the distributable cash income of the partnership, the distributable cash income from any investment project shall be initially divided among the partners in accordance with the project participation ratio, and the portion allocated to the general partner as agreed in the partnership agreement shall be directly distributed to the general partner; the portion allocated to other limited partners shall be distributed between the limited partners and the general partner in the following principles and order:

- (1) First round: shall be allocated one hundred percent (100%) to the limited partners until the accumulated allocation to such partners in this round equals the total accumulative paid-in capital contribution as of the time of allocation;
- (2) Second round: the remaining distributable profits after the first round allocation shall be allocated to all the limited partners until such limited partners have achieved an annualized return of 8% on their paid-in capital contribution. The distributable profits allocated to the limited partners for this round shall be referred to as the “Priority Return”;
- (3) Third round: if there is remaining distributable cash income after the second round allocation, 100% of which shall be distributed to the general partner until the total accumulative income obtained by the general partner in accordance with this paragraph (3) is equivalent to the accumulative Priority Return of such limited partners in accordance with the above paragraph (2)/90%*10%;
- (4) Fourth round: the remaining (i) ninety percent (90%) shall be allocated to such limited partners, and (ii) ten percent (10%) shall be allocated to the general partner.

Management Style

Investment Decision-making Committee

- The Investment Decision-making Committee is responsible for considering the project investment (and its exit) of the partnership and has the final decision-making power;

- The Investment Decision-making Committee shall be composed of four to five members, all of whom shall be appointed by the manager, of which two to three members shall be nominated by the manager, and the remaining two members shall be nominated by each of the top two limited partners in descending order of their capital contribution to the limited partnership. Each member of the Investment Decision-making Committee shall have the voting right on a one-person-one-vote basis. All investment decisions of the investment fund, except those involving related party transactions, shall be approved by more than two-thirds of all members of the Investment Decision-making Committee.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PARTNERSHIP AGREEMENTS

Health Care Phase I Fund mainly invests in the health care industry and other strategic emerging industries, while Health Care Phase II Fund mainly focuses on health ecological collaboration enterprises, including investment opportunities in Internet medical treatment, high-end medical treatment, health management and other fields. The introduction of Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund to increase the capital of Health Care Phase I Fund and the introduction of Science & Technology Innovation Fund to increase the capital of Health Care Phase II Fund are conducive to the expansion of the capital source of funds, further benefiting from the industrial influence and brand effect of co-investors, and attracting more high-quality project resources. Through equity investment in high-quality enterprises with good development prospects and exit channels, the Company makes effective use of existing funds to obtain good investment returns and seek new profit growth points of the Company. The introduction of new investors into Health Care Phase I Fund and Health Care Phase II Fund is conducive to giving full play to the function of the capital operation platform, meeting the strategic development direction of the Company and creating long-term value.

In respect of the connected transactions in relation to the subscription for shares in Health Care Phase I Fund by International Group and the subscription for shares in Health Care Phase II Fund by Science & Technology Innovation Fund, all Directors (including the independent non-executive Directors) of the Company are of the view that the terms of the above transactions are fair and reasonable, are on normal commercial terms, and are in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE FUNDS

Health Care Phase I Fund is a limited partnership established in the PRC on 20 July 2021. As at the date of this announcement, CPIC Capital is the general partner, executive partner and manager of Health Care Phase I Fund, and the Company and CPIC Life are the limited partners of Health Care Phase I Fund.

According to the China Accounting Standards for Business Enterprises, the audited net loss before and after taxation of Health Care Phase I Fund for the financial year ended 31 December 2021 was RMB1,870,882.82, and the revenue was RMB6,061,662.79. According to the consolidated management accounts of Health Care Phase I Fund, the unaudited net profit before and after taxation of Health Care Phase I Fund for the nine months ended 30 September 2022 was RMB81,538,251.32, the revenue was RMB100,370,298.63, and the total value of its consolidated unaudited assets as at 30 September 2022 was RMB3,051,101,101.37.

Health Care Phase II Fund is a limited partnership established in the PRC on 7 December 2022. As at the date of this announcement, CPIC Capital is a general partner, executive partner and manager of Health Care Phase II Fund, and the Company is the sole limited partner of Health Care Phase II Fund. As Health Care Phase II Fund has not made any investment, there is no financial information on its past performance available for disclosure in this announcement.

INFORMATION ABOUT THE GENERAL PARTNER

CPIC Capital is a company incorporated in the PRC with limited liability in accordance with the PRC laws, and is principally engaged in the business of private equity investment funds management. As at the date of this announcement, CPIC Capital is a subsidiary of the Company. CPIC Capital is the fund manager of Health Care Phase I Fund and Health Care Phase II Fund, and the core management team of such two funds is Mr. Fu Fan (“**Mr. Fu**”), an executive Director and the president of the Company, Mr. Liu Long and Mr. Liu Zengbo. Mr. Fu served as deputy general manager of Shanghai Investment Corporation (上投實業投資公司), deputy general manager of China International Fund Management Co., Ltd. (上投摩根基金管理有限公司), general manager and vice chairman of Shanghai International Trust Co., Ltd., (上海國際信託有限公司), chairman of Shanghai State-owned Assets Operation Co., Ltd. (上海國有資產經營有限公司), and director and general manager of International Group. Mr. Liu Long served as the senior manager of the Investor Relations Department, the senior manager of the Administrative Personnel Department of the Company, the deputy general manager of the Alternative Investment Management Department and the general manager of the Direct Investment Department of CPIC Life Asset Management Center. Mr. Liu Zengbo served as the director of the Planning and Financial Department, the deputy general manager of the Strategic Planning Department/Investor Relations Department, and the general manager of the Investment Audit Department of the Company. The core management team of Health Care Phase I

Fund and Health Care Phase II Fund has profound first-line operation and management experience in financial and insurance institutions and market-oriented fund investment management capability.

INFORMATION ABOUT LIMITED PARTNERS

The Group is a leading integrated insurance group in the PRC, providing, through its nationwide marketing network and diversified service platform, a broad range of risk solutions, wealth management and asset management services to over 170 million customers throughout the country.

CPIC Life is a joint stock company incorporated in the PRC with limited liability in accordance with PRC laws, and is principally engaged in providing a wide variety of personal insurance coverages, including life insurance, health insurance, accident insurance, etc. As at the date of this announcement, CPIC Life is a subsidiary of the Company.

International Group is a limited liability company incorporated under the laws of the PRC and is primarily engaged in financial-oriented investment, capital operation and asset management and other relevant financial business. Its main business scope involves financial-oriented investment with non-financial investment as supplementary, capital operation and asset management, financial research and social economic consultation. As at the date of this announcement, International Group is the substantial shareholder of the Company, holding approximately 10.57% of the issued shares of the Company. The ultimate beneficial owner of International Group is Shanghai State-owned Assets Supervision and Administration Commission (上海市國有資產監督管理委員會). International Group is a connected person of the Company.

Shanghai Yukang is a limited partnership incorporated under the laws of the PRC and is principally engaged in the enterprise management consultation; information consultation services; market research; financial consultation; marketing planning; corporate image planning; conference and exhibition services. Shanghai Yukang is the investment follow-up platform for the investment team of CPIC Capital, and as at the date of this announcement, its ultimate beneficial owner is the employees of the Group. The Directors, after making all reasonable inquiries, to the best of their knowledge and belief, Shanghai Yukang and its ultimate beneficial owner are independent third parties of the Company and its connected persons.

Shanghai Pharmaceutical is a company incorporated under the laws of the PRC with limited liability, and is principally engaged in the scientific research of pharmaceutical products, medical device and related products, manufacture, sales and engineering installation, maintenance of pharmaceutical equipment, industrial investment, import and export business approved by the state. As at the date of this announcement, the ultimate beneficial owner of Shanghai Pharmaceutical is Shanghai State-owned Assets Management Office (上海市國有資產管理辦公室) and Shangshi Yangtze River Delta Ecological Development Limited (上實長三角生態發展有限公司). The Directors, after making all reasonable inquiries, to the best of their knowledge and belief, Shanghai Pharmaceutical and its ultimate beneficial owner are independent third parties of the Company and its connected persons.

Shanghai Lingang Fund is a limited partnership incorporated under the laws of the PRC, and is principally engaged in equity investment, industrial investment and asset management. As at the date of this announcement, the general partner of Shanghai Lingang Fund is Shanghai Linchuang Investment Management Company Limited (上海臨創投資管理有限公司), and the ultimate beneficial owner is Shanghai State-owned Assets Supervision and Administration Commission. Among the limited partners of Shanghai Lingang Fund, Shanghai Lingang Special Area Investment Fund Management Limited (上海臨港新片區私募基金管理有限公司) holds 50% of its shares, and the ultimate beneficial owner is the Financial Settlement and State-owned Assets Affairs Center of Lingang Special Area of China (Shanghai) Pilot Free Trade Zone (中國(上海)自由貿易試驗區臨港新片區管理委員會財務結算和國有資產事務中心); Shanghai Lingang Economic Development Group Technology Investment Company Limited (上海臨港經濟發展集團科技投資有限公司) holds 49.9% of its shares, and the ultimate beneficial owner is Shanghai State-owned Assets Supervision and Administration Commission. Except for the above limited partners, there are no other limited partners holding 10% or more shares of Shanghai Lingang Fund. The Directors, after making all reasonable inquiries, to the best of their knowledge and belief, Shanghai Lingang Fund and its ultimate beneficial owner are independent third parties of the Company and its connected persons.

Science & Technology Innovation Fund is a partnership incorporated under the laws of the PRC and is principally engaged in the private equity investment, investment management, asset management and other activities. As at the date of this announcement, the general partner of Science & Technology Innovation Fund is Shanghai Science and Technology Innovation Center Equity Investment Fund Management Co., Ltd. (上海科創中心股權投資基金管理有限公司), and International Group holds 31.5% of its shares, being its single largest shareholder. Its ultimate beneficial owner is Shanghai State-owned Assets Supervision and Administration Commission. Among the limited partners of Science & Innovation Fund, International Group holds approximately 33.33% of its shares, and CPIC Life holds approximately 25.9% of its shares. Except for the above limited partners, no other limited partners hold 10% or more of the shares of Science & Technology Innovation Fund. Science & Technology Innovation Fund is a connected person of the Company.

FINANCIAL EFFECT OF THE DEEMED DISPOSALS ON THE GROUP

Upon completion of the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund, the Group's share in Health Care Phase I Fund is expected to decrease from 100% to 90.9%, and the Group's share in Health Care Phase II Fund is expected to decrease from 100% to 80%. The financial performance of Health Care Phase I Fund and Health Care Phase II Fund will continue to be consolidated into the Group's financial accounts. The Group is not expected to record any gain or loss due to the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund.

As set out in the section headed "REASONS FOR AND BENEFITS OF ENTERING INTO THE PARTNERSHIP AGREEMENT" of this announcement, Health Care Phase I Fund and Health Care Phase II Fund proposed to stick to their respective investment objectives. Health Care Phase I Fund will continue to invest in the health care industry and other strategic emerging industries with the contributions from Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund; Health Care Phase II Fund will continue to focus on the investment opportunities in the fields of Internet medical treatment, high-end medical treatment, health management and other fields of health ecological collaboration enterprises with the contributions from Science & Technology Innovation Fund.

IMPLICATIONS OF HONG KONG LISTING RULES

After completion of the transactions under the Partnership Agreement of Health Care Phase I Fund, the Group's share in Health Care Phase I Fund will be diluted from 100% to 90.9%. After the completion of the transactions under the Partnership Agreement of Health Care Phase II Fund, the Group's share in Health Care Phase II Fund will be diluted from 100% to 80%. According to Rule 14.29 of the Hong Kong Listing Rules, the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund will constitute deemed disposals of the Group's shares in Health Care Phase I Fund and Health Care Phase II Fund. As at the date of this announcement, International Group holds approximately 10.57% equity interest in the Company and is a substantial shareholder of the Company. As such, International Group constitutes a connected person of the Company. As International Group holds 31.5% of the shares of the general partner of Science & Technology Innovation Fund, which is its single largest shareholder, and International Group holds approximately 33.33% of the shares of Science & Technology Innovation Fund as a limited partner, Science & Technology Innovation Fund also constitutes a connected person of the Company. Therefore, the transaction of International Group subscribing for the shares of Health Care Phase I Fund and the transaction of Science & Innovation Fund subscribing for the shares of Health Care Phase II Fund constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules.

Pursuant to Rule 14A.81 of the Hong Kong Listing Rules, the transaction of International Group subscribing for the shares of Health Care Phase I Fund and the transaction of Science and Technology Fund subscribing for the fund shares of Health Care Phase II Fund shall be calculated on an aggregate basis. As the highest applicable percentage ratio applicable to such transactions exceeds 0.1% but is less than 5%, and the applicable percentage ratios in respect of the subscription transactions of Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund under the Partnership Agreement of Health Care Phase I Fund and the subscription transactions of Science & Innovation Fund under the Partnership Agreement of Health Care Phase II Fund are less than 5%, the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund are only subject to the announcement and reporting requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As Mr. Wang Tayu, a non-executive Director of the Company, is the investment director of International Group, Mr. Wang Tayu is deemed to have material interests in the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund. According to the relevant requirements of the Hong Kong Listing Rules, Mr. Wang Tayu has abstained from voting on the board resolutions regarding the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund. Saved as disclosed above, no other Director is deemed to have a material interest in the transactions under the Partnership Agreement of Health Care Phase I Fund and the Partnership Agreement of Health Care Phase II Fund.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of directors of the Company;
“Company”	China Pacific Insurance (Group) Co., Ltd., a joint stock company incorporated in the PRC with limited liability in accordance with PRC laws, with A Shares listed on the Shanghai Stock Exchange and H Shares listed on the Hong Kong Stock Exchange;
“connected person”	has the meaning ascribed to it under the Hong Kong Listing Rules;
“CPIC Capital”	CPIC Capital Company Limited;
“CPIC Life”	China Pacific Life Insurance Co., Ltd.;

“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Health Care Phase I Fund”	CPIC Health Care Private Investment Fund (Shanghai) Partnership (Limited Partnership);
“Health Care Phase II Fund”	Nanjing CPIC Phase II Health Care Industry Fund Management Partnership (Limited Partnership);
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“H Share(s)”	overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars;
“International Group”	Shanghai International Group Co., Ltd., the substantial shareholder of the Company, holds approximately 10.57% of the issued shares of the Company;
“Partnership Agreement of Health Care Phase I Fund”	the partnership agreement of CPIC Health Care Private Investment Fund (Shanghai) Partnership (Limited Partnership) entered into by the Company, CPIC Capital, CPIC Life, Shanghai Yukang, International Group, Shanghai Pharmaceutical and Shanghai Lingang Fund on 23 December 2022 (after trading hours);
“Partnership Agreement of Health Care Phase II Fund”	the partnership agreement of Nanjing CPIC Phase II Health Care Industry Fund Management Partnership (Limited Partnership) entered into by the Company, Science & Technology Innovation Fund and CPIC Capital on 23 December 2022 (after trading hours);
“percentage ratio”	has the meaning ascribed to it under the Hong Kong Listing Rules;
“PRC” or “China”	the People’s Republic of China, excluding, for the purposes of this announcement only, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan region;

“RMB”	Renminbi, the lawful currency of the PRC;
“Science & Technology Innovation Fund”	Shanghai Science & Technology Innovation Centre Phase II Private Investment Fund Partnership (Limited Partnership);
“Shanghai Lingang Fund”	Shanghai Lingang Advanced Business Equity Investment Fund Partnership (Limited Partnership);
“Shanghai Pharmaceutical”	Shanghai Pharmaceutical (Group) Co., Ltd.;
“Shanghai Yukang”	Shanghai Yukang Enterprise Management Consultation Partnership (Limited Partnership);
“Shareholders”	shareholders of the Company;
“subsidiary(ies)”	has the meaning ascribed to it under the Hong Kong Listing Rules;
“substantial shareholder”	has the meaning ascribed to it under the Hong Kong Listing Rules;
“%”	per cent.

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

Hong Kong, 23 December 2022

As at the date of this announcement, the Executive Directors of the Company are Mr. KONG Qingwei and Mr. FU Fan; the Non-executive Directors are Mr. HUANG Dinan, Mr. WANG Tayu, Mr. WU Junhao, Mr. CHEN Ran, Mr. ZHOU Donghui, Ms. LU Qiaoling and Mr. John Robert DACEY; and the Independent Non-executive Directors are Ms. LIU Xiaodan, Mr. CHEN Jizhong, Ms. LAM Tyng Yih, Elizabeth, Mr. WOO Ka Biu, Jackson and Mr. JIANG Xuping.