新華人壽保險股份有限公司

NEW CHINA LIFE INSURANCE COMPANY LTD.

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

(Stock Code: 01336)

FIRST QUARTER REPORT 2021

This announcement is made by New China Life Insurance Company Ltd. (the "**Company**") pursuant to the provisions regarding disclosure of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial data in the First Quarter Report 2021 of the Company have been prepared in accordance with the PRC Accounting Standards for Business Enterprises and are unaudited.

§1 IMPORTANT INFORMATION

1.1 The board of directors (the "**Board**"), the board of supervisors and directors, supervisors, and members of senior management of the Company warrant the truthfulness, accuracy and completeness of the contents of this report, and that there are no false representations, misleading statements or material omissions in this report, and are legally liable for this report jointly and severally.

1.2 The First Quarter Report 2021 of the Company was considered and approved at the 20th meeting of the seventh session of the Board on 29 April 2021, which 12 directors were required to attend and 12 of them attended in person.

1.3 The financial statements for the first quarter of 2021 of the Company have been prepared in accordance with the PRC Accounting Standards for Business Enterprises and are unaudited.

1.4 Mr. LI Quan, the chief executive officer and president of the Company, Mr. YANG Zheng, the chief financial officer (financial principal) of the Company, Mr. GONG Xingfeng, the chief actuary of the Company and Mr. ZHANG Tao, the officer in charge of the Accounting Department of the Company warrant the truthfulness, accuracy and completeness of the financial statements in the First Quarter Report 2021.

§2 BASIC INFORMATION OF THE COMPANY

2.1 Key accounting data and financial indicators

Unit: RMB in millions

	As at 31 March 2021	As at 31 December 2020	Change
Total assets	**998,897**	1,004,376	-0.5%
Equity attributable to shareholders of the Company	**103,763**	101,667	2.1%
Net assets per share attributable to shareholders of the Company (RMB)	**33.26**	32.59	2.1%

For the three months ended 31 March	**2021**	2020	Change
Net cash flows from operating activities	**26,043**	28,697	-9.2%
Weighted average net cash flows per share from operating activities (RMB)	**8.35**	9.20	-9.2%

For the three months ended 31 March	**2021**	2020	Change
Operating revenue	**81,365**	68,148	19.4%
Net profit attributable to shareholders of the Company	**6,305**	4,635	36.0%
Net profit attributable to shareholders of the Company after deducting non-recurring items	**6,311**	4,644	35.9%
Basic/diluted earnings per share (RMB)	**2.02**	1.49	35.6%
Basic earnings per share after deducting non-recurring items (RMB)	**2.02**	1.49	35.6%
Weighted average return on equity	**6.14%**	5.39%	Increasing by 0.75 percentage point
Weighted average return on equity after deducting non-recurring items	**6.14%**	5.40%	Increasing by 0.74 percentage point

Note: Data and indicators of shareholders' equity refer to shareholders' equity attributable to shareholders of the Company, while those of net profit refer to net profit attributable to shareholders of the Company.

2.2 Non-recurring items and amount

Unit: RMB in millions

Non-recurring items	For the three months ended 31 March 2021	For the three months ended 31 March 2020
Gains/(Losses) on disposal of fixed assets, intangible assets and other long-term investment assets	**(1)**	–
Gains/(Losses) on other non-recurring items	**(7)**	(12)
Effect on the amount of income tax expenses of non-recurring items	**2**	3
Attribute to minority shareholders	**–**	–
Total	**(6)**	(9)

2.3 Other key indicators

Unit: RMB in millions

	As at 31 March 2021/ For the three months ended 31 March 2021	As at 31 December 2020/ For the three months ended 31 March 2020	Change
Investment assets [1]	**957,425**	965,653	-0.9%
Premium income	**63,392**	58,245	8.8%
Premiums earned	**62,093**	56,919	9.1%
Growth rate of earned premiums	**9.1%**	35.5%	Decreasing by 26.4 percentage points
Net claims expense	**15,818**	17,060	-7.3%
In: Claims and death, invalid and medical benefits	**3,183**	1,864	70.8%
Maturity benefits and annuity paid	**13,038**	15,431	-15.5%
Less: Claims recoverable from reinsurers	**(403)**	(235)	71.5%
Surrender rate [2]	**0.5%**	0.3%	Increasing by 0.2 percentage point

Notes:

1. Investment assets of unit-linked contracts account are included in investment assets.

2. Surrender rate = surrenders/(balance of life insurance and long-term health insurance contract liabilities at the beginning of the period + premium income of long-term insurance contracts).

2.4 Solvency

New China Life Insurance Company Ltd. calculated and disclosed core capital, actual capital, minimum capital, core solvency margin ratio and comprehensive solvency margin ratio according to the *Solvency Regulatory Rules (No. 1-17) for Insurance Companies*. As required by the China Banking and Insurance Regulatory Commission, solvency margin ratios of a domestic insurance company in the PRC must meet the prescribed thresholds.

Unit: RMB in millions

	As at 31 March 2021	As at 31 December 2020
Core capital	**283,731**	280,817
Actual capital	**293,731**	290,817
Minimum capital	**107,093**	104,672
Core solvency margin ratio [(1)]	**264.94%**	268.28%
Comprehensive solvency margin ratio [(1)]	**274.28%**	277.84%

Note:

1. Core solvency margin ratio = core capital/minimum capital; comprehensive solvency margin ratio = actual capital/minimum capital.

2.5 Total number of shareholders and their shareholdings

Unit: Share

Total number of shareholders	98,550 (including 98,270 A Share shareholders and 280 H Share shareholders)						
Shares held by top ten shareholders							
				Shares pledged or frozen			
Names of the shareholders	**Total number of shares held**	**Percentage of the shareholding (%)**	**Number of shares held with selling restrictions** (1)	**Status**	**Number of shares**	**Character of the shareholders**	**Types of shares**
HKSCC Nominees Limited (2)	1,033,360,831	33.13	–	unknown	unknown	Overseas legal person shares	H
Central Huijin Investment Ltd.	977,530,534	31.34	–	–	–	State-owned shares	A
China Baowu Steel Group Corporation	377,162,581	12.09	–	–	–	State-owned legal person shares	A
China Securities Finance Corporation Limited	93,339,003	2.99	–	–	–	State-owned legal person shares	A
Hong Kong Securities Clearing Company Limited (3)	39,495,614	1.27	–	–	–	Overseas legal person shares	A
Central Huijin Asset Management Ltd.	28,249,200	0.91	–	–	–	State-owned legal person shares	A
National Social Security Fund 110 Combination	21,199,696	0.68	–	–	–	State-owned legal person shares	A
Kehua Tianyuan (Tianjin) Business Operation Management Company Limited	17,500,000	0.56	–	–	–	Domestic legal person shares	A
National Social Security Fund 114 Combination	10,199,921	0.33	–	–	–	State-owned legal person shares	A
Dacheng Fund-ABC-Dacheng China Securities Financial Asset Management Plan	8,713,289	0.28	–	–	–	Others	A
Description of related-party relations or concerted action among the aforesaid shareholders	Central Huijin Asset Management Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd. Save for the above, the Company is not aware of any related-party relationship among the shareholders or whether they are parties acting in concert.						

Notes:

1. As at the end of the reporting period, none of the Company's A Shares or H Shares was subject to selling restrictions.

2. HKSCC Nominees Limited is a company that holds shares on behalf of the clients of the Hong Kong stock brokers and other participants of CCASS system. The relevant regulations of The Stock Exchange of Hong Kong Limited do not require such persons to declare whether their shareholdings are pledged or frozen. Therefore, HKSCC Nominees Limited is unable to calculate or provide the number of shares pledged or frozen.

3. Hong Kong Securities Clearing Company Limited ("**HKSCC**") is the nominee holder for investors of Shanghai-Hong Kong Stock Connect programme.

§3 QUARTERLY BUSINESS ANALYSIS

3.1 Insurance business

As of 31 March 2021, the Company achieved gross written premiums of RMB63,392 million, representing a year-on-year increase of 8.8%. First year premiums from long-term insurance business amounted to RMB21,716 million, rising by 10.5% year on year. Renewal premiums reached RMB39,235 million, increasing by 8.4% year on year. Premiums from short-term insurance business amounted to RMB2,441 million, increasing by 1.7% year on year.

The individual insurance channel realized total premiums of RMB45,209 million, representing a year-on-year increase of 17.6%. First year premiums from long-term insurance business reached RMB7,495 million, rising by 13.7% year on year. Renewal premiums amounted to RMB36,414 million, increasing by 19.6% year on year. Premiums from short-term insurance business amounted to RMB1,300 million, reducing by 7.7% year on year.

The bancassurance channel achieved total premiums of RMB16,901 million, representing a year-on-year decrease of 10.1%. First year premiums from long-term insurance business reached RMB14,068 million, growing by 7.9% year on year. Renewal premiums amounted to RMB2,820 million, reducing by 50.9% year on year.

The group insurance realized premiums of RMB1,282 million, increasing by 29.8% year on year.

Unit: RMB in millions

	For the three months ended 31 March		
	2021	2020	Change
Gross written premiums	**63,392**	58,245	8.8%
First year premiums from long-term insurance business	**21,716**	19,645	10.5%
Regular premiums	**10,480**	8,112	29.2%
Regular premiums with payment periods of ten years or more	**2,399**	2,021	18.7%
Single premiums	**11,236**	11,533	-2.6%
Renewal premiums	**39,235**	36,199	8.4%
Premiums from short-term insurance business	**2,441**	2,401	1.7%

Unit: RMB in millions

	For the three months ended 31 March		
	2021	2020	Change
Individual insurance channel			
First year premiums from long-term insurance business	**7,495**	6,592	13.7%
Regular premiums	**7,051**	6,192	13.9%
Single premiums	**444**	400	11.0%
Renewal premiums	**36,414**	30,455	19.6%
Premiums from short-term insurance business	**1,300**	1,408	-7.7%
Total	**45,209**	38,455	17.6%
Bancassurance channel			
First year premiums from long-term insurance business	**14,068**	13,036	7.9%
Regular premiums	**3,418**	1,920	78.0%
Single premiums	**10,650**	11,116	-4.2%
Renewal premiums	**2,820**	5,742	-50.9%
Premiums from short-term insurance business	**13**	24	-45.8%
Total	**16,901**	18,802	-10.1%
Group insurance			
First year premiums from long-term insurance business	**153**	17	800.0%
Renewal premiums	**1**	2	-50.0%
Premiums from short-term insurance business	**1,128**	969	16.4%
Total	**1,282**	988	29.8%
Gross written premiums	**63,392**	58,245	8.8%

3.2 Asset management business

As at 31 March 2021, the investment assets of the Company amounted to RMB957,425 million, decreasing by 0.9% compared with the end of 2020. The annualized total investment yield [(1)] was 7.9% in the first quarter of 2021, increasing by 2.8 percentage points year on year.

Note:

1. The annualized total investment yield = (investment income + fair value gains/(losses) – impairment losses on investment assets – interest expense of financial assets sold under agreements to repurchase)/(monthly average investment assets – monthly average financial assets sold under agreements to repurchase – monthly average interest receivables) ×365/90.

§4 SIGNIFICANT EVENTS

4.1 Significant changes in key financial statements items and financial indicators and reasons for the changes

✓Applicable ☐Not applicable

Unit: RMB in millions

Balance sheet	As at 31 March 2021	As at 31 December 2020	Change	Main reasons for the changes
Cash and bank deposits	**18,000**	13,002	38.4%	The requirement of liquidity management
Financial assets purchased under agreements to resell	**7,257**	1,832	296.1%	The allocation of investment assets and the requirement of liquidity management
Premiums receivables	**5,131**	2,312	121.9%	Accumulated increase of insurance business and uneven distribution among quarters
Financial assets sold under agreements to repurchase	**4,833**	41,888	-88.5%	The allocation of investment assets and the requirement of liquidity management
Premiums received in advance	**296**	6,458	-95.4%	The impact of business development pace
Taxes payable	**734**	170	331.8%	Increase of corporate income taxes payable at the end of the period
Deferred tax liabilities	**1,119**	2,673	-58.1%	Increase in taxable temporary differences
Other comprehensive income	**7,032**	11,250	-37.5%	The effect of change in fair value of available-for-sale financial assets due to the fluctuation of capital market

Unit: RMB in millions

Income statement	For the three months ended 31 March 2021	For the three months ended 31 March 2020	Change	Main reasons for the changes
Investment income	**19,558**	12,392	57.8%	Increase in net realized gains on investment assets
Fair value gains/(losses)	**(618)**	(1,512)	-59.1%	The fluctuation of the market value of trading financial assets
Surrenders	**(4,330)**	(2,288)	89.2%	Increase of part of income products in stock
Policyholder dividends	**(488)**	(141)	246.1%	Increase of participating business
Income tax expenses	**(1,238)**	(933)	32.7%	Increase in profit
Other comprehensive income, net of tax	**(4,218)**	(1,526)	176.4%	The effect of change in fair value of available-for-sale financial assets due to the fluctuation of capital market

4.2 Explanation and analysis of significant events and their impacts and solutions

☐Applicable ✓Not applicable

4.3 Disclosable unfulfilled undertaking during the reporting period

☐Applicable ✓Not applicable

4.4 Warnings and explanation for negative cumulative net profit or significant changes in cumulative net profit from the beginning of the year to the end of the next reporting period as compared to the same period of last year

☐Applicable ✓Not applicable

By Order of the Board
New China Life Insurance Company Ltd.
LI Quan
Executive Director

Beijing, China, 29 April 2021

As at the date of this announcement, the executive director of the Company is LI Quan; the non-executive directors are YANG Yi, GUO Ruixiang, HU Aimin, LI Qiqiang, PENG Yulong and Edouard SCHMID; and the independent non-executive directors are LI Xianglu, ZHENG Wei, CHENG Lie, GENG Jianxin and MA Yiu Tim.

§5 APPENDIX

Statement of Financial Position (unaudited)
31 March 2021
(All amounts in RMB million unless otherwise stated)

Assets	**As at 31 March 2021 Group**	As at 31 December 2020 Group	**As at 31 March 2021 Company**	As at 31 December 2020 Company
Assets				
Cash and bank deposits	**18,000**	13,002	**15,429**	11,220
Financial assets measured at fair value through profit or loss	**32,087**	32,095	**13,588**	10,270
Financial assets purchased under agreements to resell	**7,257**	1,832	**5,275**	1,000
Interest receivables	**12,024**	10,303	**11,426**	9,685
Premiums receivables	**5,131**	2,312	**5,131**	2,312
Receivables from reinsurers	**47**	246	**47**	246
Unearned premium reserves receivables from reinsurers	**229**	217	**229**	217
Claim reserves receivable from reinsurers	**101**	83	**101**	83
Reserves for life insurance receivables from reinsurers	**1,560**	1,519	**1,560**	1,519
Reserves for long-term health insurance receivables from reinsurance	**1,631**	1,601	**1,631**	1,601
Policy loans	**38,565**	37,732	**38,565**	37,732
Other receivables	**2,042**	2,097	**1,755**	1,623
Term deposits	**116,740**	122,640	**93,680**	93,680
Available-for-sale financial assets	**408,454**	426,703	**401,042**	419,311
Held-to-maturity investments	**272,119**	273,076	**271,916**	272,874
Investments classified as loans and receivables	**45,410**	41,384	**43,654**	39,627
Long-term equity investments	**4,842**	4,967	**51,914**	55,262
Statutory deposits	**1,715**	1,715	**715**	715
Investment properties	**8,581**	8,857	**8,619**	8,895
Fixed assets	**12,077**	11,633	**9,752**	9,279
Constructions in process	**4,168**	4,059	**1,751**	1,869
Right-of-use assets	**1,246**	1,243	**1,223**	1,222
Intangible assets	**3,700**	3,753	**1,760**	1,796
Deferred tax assets	**179**	153	**–**	–
Other assets	**790**	940	**495**	661
Separate account assets	**202**	214	**202**	214
Total assets	**998,897**	1,004,376	**981,460**	982,913

Statement of Financial Position (unaudited) (continued)
31 March 2021
(All amounts in RMB million unless otherwise stated)

Liabilities and Equity	As at 31 March 2021 Group	As at 31 December 2020 Group	As at 31 March 2021 Company	As at 31 December 2020 Company
Liabilities				
Financial liabilities measured at fair value through profit or loss	**10,588**	14,837	**–**	–
Financial assets sold under agreements to repurchase	**4,833**	41,888	**2,943**	40,374
Premiums received in advance	**296**	6,458	**296**	6,458
Brokerage and commission payable	**2,646**	2,358	**2,646**	2,358
Reinsurance payable	**333**	297	**333**	297
Salary and welfare payable	**3,588**	4,404	**3,218**	3,745
Taxes payable	**734**	170	**672**	89
Claims payable	**6,793**	6,445	**6,793**	6,445
Policyholder dividends payable	**484**	3	**484**	3
Other payable	**4,049**	4,847	**3,443**	4,623
Policyholder deposits	**53,951**	51,476	**53,951**	51,476
Unearned premiums liabilities	**2,962**	2,349	**2,962**	2,349
Outstanding claims liabilities	**1,772**	1,802	**1,772**	1,802
Reserves for life insurance	**664,557**	634,501	**664,557**	634,501
Reserves for long-term health insurance	**123,875**	115,757	**123,875**	115,757
Borrowings	**10,000**	10,000	**10,000**	10,000
Lease liabilities	**1,068**	1,064	**1,045**	1,044
Deferred income	**500**	504	**–**	–
Deferred tax liabilities	**1,119**	2,673	**692**	2,152
Other liabilities	**779**	667	**446**	335
Separate account liabilities	**193**	196	**193**	196
Total liabilities	**895,120**	902,696	**880,321**	884,004
Shareholders' equity				
Share capital	**3,120**	3,120	**3,120**	3,120
Capital reserve	**23,910**	23,901	**23,908**	23,899
Other comprehensive income	**7,032**	11,250	**6,952**	11,190
Surplus reserve	**10,039**	10,039	**10,039**	10,039
General reserve	**7,414**	7,414	**7,389**	7,389
Retained earnings	**52,248**	45,943	**49,731**	43,272
Total equity attributable to shareholders of the company	**103,763**	101,667	**101,139**	98,909
Non-controlling interests	**14**	13	**–**	–
Total shareholders' equity	**103,777**	101,680	**101,139**	98,909
Total liabilities and shareholders' equity	**998,897**	1,004,376	**981,460**	982,913

LI Quan	**YANG Zheng**	**GONG Xingfeng**	**ZHANG Tao**
President	*Chief Financial Officer*	*Chief Actuary*	*Head of Accounting Department*

Statement of Income (unaudited)
For the three months ended 31 March 2021
(All amounts in RMB million unless otherwise stated)

For the three months ended 31 March	2021 Group	2020 Group	2021 Company	2020 Company
1. Operating Income	**81,365**	68,148	**81,505**	68,321
Premiums earned	**62,093**	56,919	**62,093**	56,919
Premium income	**63,392**	58,245	**63,392**	58,245
Less: Premiums ceded out	**(698)**	(738)	**(698)**	(738)
Net change in unearned premiums liabilities	**(601)**	(588)	**(601)**	(588)
Investment income	**19,558**	12,392	**19,273**	12,593
In: Share of profit of associates	**(65)**	34	**(80)**	29
Fair value gains/(losses)	**(618)**	(1,512)	**(70)**	(1,454)
Foreign exchange gains/(losses)	**51**	104	**51**	105
Other gains	**26**	16	**18**	12
Other operating income	**255**	229	**140**	146
2. Operating expenses	**(73,813)**	(62,567)	**(73,723)**	(62,496)
Surrenders	**(4,330)**	(2,288)	**(4,330)**	(2,288)
Claims expense	**(16,221)**	(17,295)	**(16,221)**	(17,295)
Less: claims recoverable from reinsurers	**403**	235	**403**	235
Increase in insurance contracts reserve	**(43,172)**	(34,184)	**(43,172)**	(34,184)
Less: insurance reserves recoverable from reinsurers	**89**	111	**89**	111
Policyholder Dividends	**(488)**	(141)	**(488)**	(141)
Business tax and surcharges expenses	**(81)**	(39)	**(74)**	(35)
Commission and brokerage expenses	**(5,735)**	(4,812)	**(5,735)**	(4,812)
Administrative expenses	**(3,154)**	(2,730)	**(3,121)**	(2,686)
Less: expenses recoverable from reinsurers	**146**	160	**146**	160
Other operating expenses	**(873)**	(1,012)	**(828)**	(989)
Impairment losses	**(397)**	(572)	**(392)**	(572)
3. Operating profit	**7,552**	5,581	**7,782**	5,825
Add: Non-operating income	**12**	4	**2**	4
Less: Non-operating expenses	**(20)**	(16)	**(20)**	(16)
4. Net profit before income tax expenses	**7,544**	5,569	**7,764**	5,813
Less: Income tax expenses	**(1,238)**	(933)	**(1,305)**	(916)
5. Net profit	**6,306**	4,636	**6,459**	4,897
(1) Classification of net profit:				
Net profit from continuing operation	**6,306**	4,636	**6,459**	4,897
Net profit from discontinued operation	**–**	–	**–**	–
(2) Attributable to:				
Shareholders of the Company	**6,305**	4,635		
Non-controlling interests	**1**	1		

Statement of Income (unaudited) (continued)
For the three months ended 31 March 2021
(All amounts in RMB million unless otherwise stated)

For the three months ended 31 March	2021 Group	2020 Group	2021 Company	2020 Company
6. Other Comprehensive income, net of tax	**(4,218)**	(1,526)	**(4,238)**	(1,545)
Total other comprehensive income attribute to shareholders of the company, net of tax	**(4,218)**	(1,526)	**(4,238)**	(1,545)
Other comprehensive income to be reclassified to profit or loss in subsequent periods	**(4,218)**	(1,526)	**(4,238)**	(1,545)
Available-for-sale financial assets changes in fair value	**(2,338)**	(694)	**(2,362)**	(715)
Less: (Gains)/losses transferred to profit or loss from other comprehensive income	**(8,301)**	(1,956)	**(8,298)**	(1,948)
Changes in liabilities for insurance and investment contracts arising from net unrealized gains	**5,060**	695	**5,060**	695
Share of other comprehensive income of associates and joint ventures under the equity method and the effect on liabilities for insurance and investment contracts	**(51)**	(94)	**(51)**	(94)
Currency translation differences	**(4)**	6	**–**	–
Income tax relating to components of other comprehensive income	**1,416**	517	**1,413**	517
Total other comprehensive income attribute to non-controlling interests, net of tax	**–**	–	**–**	–
7. Total Comprehensive income	**2,088**	3,110	**2,221**	3,352
Attributable to shareholders of the Company	**2,087**	3,109		
Attributable to non-controlling interests	**1**	1		
8. Earnings per share				
Basic earnings per share	**RMB2.02**	RMB1.49		
Diluted earnings per share	**RMB2.02**	RMB1.49		

LI Quan	**YANG Zheng**	**GONG Xingfeng**	**ZHANG Tao**
President	*Chief Financial Officer*	*Chief Actuary*	*Head of Accounting Department*

Statement of Cash Flows (unaudited)
For the three months ended 31 March 2021
(All amounts in RMB million unless otherwise stated)

For the three months ended 31 March	2021 Group	2020 Group	2021 Company	2020 Company
1. Cash flows from operating activities				
Premium received	**54,443**	51,406	**54,443**	51,406
Reinsurance received	**85**	–	**85**	–
Net increase in policyholder deposits	**1,883**	2,988	**1,883**	2,988
Cash received from other operating activities	**401**	232	**224**	113
Sub-total of cash inflows from operating activities	**56,812**	54,626	**56,635**	54,507
Cash paid for claims	**(20,203)**	(17,417)	**(20,203)**	(17,417)
Net cash paid for reinsurance business	**–**	(28)	**–**	(28)
Cash paid for policyholder dividends	**(7)**	–	**(7)**	–
Cash paid for brokerage and commission fees	**(5,447)**	(4,460)	**(5,447)**	(4,460)
Cash paid to and for employees	**(3,155)**	(3,104)	**(2,723)**	(2,729)
Cash paid for taxes and surcharges	**(1,249)**	(422)	**(1,159)**	(338)
Cash paid for other operating activities	**(708)**	(498)	**(689)**	(445)
Sub-total of cash outflows from operating activities	**(30,769)**	(25,929)	**(30,228)**	(25,417)
Net cash flows from operating activities	**26,043**	28,697	**26,407**	29,090
2. Cash flows from investing activities				
Cash received from investments	**94,314**	66,753	**86,900**	61,101
Cash received from investment income	**7,363**	9,996	**7,323**	10,157
Net cash received from sales of fixed assets, intangible assets and other long-term assets	**–**	1	**–**	–
Net cash received from financial assets purchased under agreements to resell	**–**	4,476	**–**	4,645
Net cash received from acquisition of structured entities	**15**	–	**–**	–
Sub-total of cash inflows from investing activities	**101,692**	81,226	**94,223**	75,903
Cash paid for investment	**(88,239)**	(111,080)	**(73,623)**	(116,339)
Net increase in policy loans	**(833)**	(243)	**(833)**	(243)
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**(467)**	(572)	**(272)**	(448)
Net cash paid for financial assets purchased under agreements to resell	**(5,553)**	–	**(3,770)**	–
Net cash generated from the disposal of structured entities	**(82)**	(21)	**–**	–
Cash paid for other investing activities	**(113)**	(34)	**(327)**	(327)
Sub-total of cash outflows from investing activities	**(95,287)**	(111,950)	**(78,825)**	(117,357)
Net cash flows from investing activities	**6,405**	(30,724)	**15,398**	(41,454)

Statement of Cash Flows (unaudited) (continued)
For the three months ended 31 March 2021
(All amounts in RMB million unless otherwise stated)

For the three months ended 31 March	2021 Group	2020 Group	2021 Company	2020 Company
3. Cash flows from financing activities				
Cash received from investors	**18,840**	37	**–**	–
In: Capital injected into structured entities by non-controlling interests	**18,840**	37	**–**	–
Net cash received from financial assets sold under agreements to repurchase	**–**	21,177	**–**	21,293
Sub-total of cash inflows from financing activities	**18,840**	21,214	**–**	21,293
Cash paid for dividends, profits and interests	**(71)**	(18)	**–**	–
Net cash paid from financial assets sold under agreements to repurchase	**(37,225)**	–	**(37,484)**	–
Cash paid for principal and interest of lease liabilities	**(153)**	(145)	**(150)**	(137)
Cash paid for other financing activities	**(8,894)**	(2)	**–**	–
Sub-total of cash outflows from financing activities	**(46,343)**	(165)	**(37,634)**	(137)
Net cash flows from financing activities	**(27,503)**	21,049	**(37,634)**	21,156
4. Effect of foreign exchange rate changes	**58**	95	**44**	89
5. Net increase/(decrease) in cash and cash equivalents	**5,003**	19,117	**4,215**	8,881
Add: Opening balance of cash and cash equivalents	**12,993**	11,765	**11,233**	10,988
6. Closing balance of cash and cash equivalents	**17,996**	30,882	**15,448**	19,869

LI Quan	**YANG Zheng**	**GONG Xingfeng**	**ZHANG Tao**
President	*Chief Financial Officer*	*Chief Actuary*	*Head of Accounting Department*