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中國人壽保險股份有限公司

CHINA LIFE INSURANCE COMPANY LIMITED

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

(Stock Code: 2628)

**ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED
31 DECEMBER 2024**

CHAIRMAN'S STATEMENT

2024 was the critical year for implementing the “14th Five-Year Plan”. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, China Life deeply implemented the guiding principles of the 20th CPC National Congress, and the second and third plenary sessions of the 20th CPC Central Committee, as well as the deployments of the Central Financial Work Conference and the Central Economic Work Conference. With a focus on the goal of contributing to building the country into a financial powerhouse, the Company adhered to the “people-centric” approach, firmly fulfilling its functions as a “shock absorber” for economic operation and a “stabiliser” for social development. By prioritising high-quality development, the Company steadfastly pushed forward its development in finance with Chinese characteristics, serving the overall interests of Chinese-style modernisation.

Over the past year, the external environment was complex and severe. As a series of policies that significantly influenced the industry were implemented, the challenge of balancing multiple objectives was unprecedented. The Company made proactive and pioneering efforts, and achieved comprehensive improvements in the scale, value, growth, quality, structure, efficiency and safety of its business and operations. Key performance indicators reached record highs, operational quality and efficiency were significantly enhanced, comprehensive strength was continuously bolstered, and market leading position was further solidified, which represented an impressive performance report brought by high-quality development. During the Reporting Period, total assets and investment assets experienced rapid growth, reaching RMB6.77 trillion and RMB6.61 trillion, respectively. Gross written premiums¹ amounted to RMB671,457 million, and embedded value surpassed RMB1.4 trillion, maintaining industry leadership positions in both business scale and value. Net profit attributable to equity holders of the Company exceeded RMB100 billion, reaching RMB106,935 million. Solvency adequacy remained at a relatively high level. The Company was honored with over 40 awards, including the “14th China Securities Golden Bauhinia Awards – Excellent Listed Company”, the “Ark Prize for Insurance Company with High-quality Development in 2024”, and the “Investment Golden Bull Award for the Insurance Industry”. It has consistently received a Grade A rating in the evaluation of operations of insurance companies by the Insurance Association of China for nine consecutive years, with top rankings in asset-liability management capability assessments. We kept sharing the benefits of the high-quality development with investors, and implemented interim dividends for the first time. Together with the proposed 2024 final cash dividends, total annual dividends amounted to RMB18,372 million, maintaining a high and stable level of dividend payouts.

We strengthened our functional roles and effectively served the overall interests of national development.

With a profound understanding of the due role of the insurance industry, we remained committed to the political and people-centric nature of insurance, aiming to balance the functional value and social value. We deeply served the multi-tiered social security system, continuously supported the enhancement of the national governance system, and actively facilitated the construction of a modern industrial system. We diligently fulfilled our commitments to supporting livelihood protection, with the new insurance coverage exceeding RMB200 trillion for the year and nearly 25 million claims settled, thereby significantly boosting resilience to social risks. Our efforts to improve the “third-pillar” service quality positioned our third-pillar private pension and commercial annuity insurance businesses ranking first in the industry. Inclusive insurance benefited a wider range of groups, with the scale of supplementary major medical expenses insurance and long-term care insurance businesses steadily expanding, and agricultural-related insurance providing insurance protection for 270 million rural residents. As the practitioner of “long-term capital” and “patient capital”, we remained committed to our core mission, serving the real economy more comprehensively and precisely and fostering the development of new quality productive forces. In 2024, our investments in the real economy surpassed RMB4.62 trillion, investments contributing to the construction of a modern industrial system and serving the national and regional strategies amounted to RMB2.37 trillion and RMB3.03 trillion, respectively. We explored long-term investment models for insurance funds and pioneered the establishment of a private securities investment fund, further underscoring our roles as the main force for serving the real economy and maintaining financial stability. Due to our commitment to green development, and notable achievements in environmental, social and governance practices, our MSCI ESG rating advanced to Grade A.

¹ The data regarding premiums (including gross written premiums, premiums from new policies, first-year regular premiums, first-year regular premiums with a payment duration of ten years or longer, renewal premiums, single premiums and short-term insurance business premiums, etc.) in this annual results are relevant data under *Accounting Standards for Business Enterprises (“ASBE”) No. 25 – Direct Insurance Contracts* (Caikuai [2006] No. 3), *ASBE No. 26 – Reinsurance Contracts* (Caikuai [2006] No. 3) and the *Regulations regarding the Accounting Treatment of Insurance Contracts* (Caikuai [2009] No. 15).

We deepened our asset-liability management and significantly enhanced business value and profitability. We advanced boldly with the times, prioritising business development and focusing on value creation and profitability improvement. We continuously enhanced the systematic, forward-looking and proactive aspects of asset-liability management, actively implemented the rules on “aligning sales practices with regulatory filings”, strengthened cost control and refined management, and further diversified our products and businesses. As a result, the liability quality of new business was consistently improved, product structure was more balanced, remarkable results in cost reduction and efficiency improvement were achieved, and the efficiency in resource allocation was further improved. Our capabilities for sustainable operations and value creation became stronger, demonstrating new resilience and vitality, with our market-leading competitive edge becoming more prominent. During the Reporting Period, we solidified our development foundation, with gross written premiums reaching a new height from a high base, and the value of one year’s sales growing rapidly, up by 24.3% year on year. By adhering to the principle of asset-liability matching and the philosophy of long-term investment, value investment and prudent investment, and maintaining strategic consistency, we seized market opportunities for cross-cycle fund allocation and actively engaged in counter-cyclical equity investments and medium- to long-term deployment, thus achieving satisfactory investment results, with gross investment income reaching RMB308,251 million and the gross investment yield reaching 5.50%. The synergy and alignment between assets and liabilities significantly enhanced operational quality and efficiency, which brought about the significant increase in our net profit attributable to equity holders of the Company.

We prioritised integrity while driving innovation, and accelerated our transformation and development. Capitalising on prevailing trends and integrating into the financial reform landscape, we persistently pursued innovation and continuously evolved our business models, expedited product innovation and services optimisation, so as to enhance our insurance protection capabilities and service quality, further strengthen our core competitiveness, and lift the Company’s high-quality development to a new level. To better meet the growing needs of the public for insurance protection and wealth management, we stepped up our efforts in the development of old-age finance, accelerated the growth of commercial annuity insurance, and achieved promising results in diversifying our health insurance business. Our health service management model has taken shape, and the three senior-care product lines, namely retirement communities, retirement apartments, and healthcare and senior-care sojourn facilities, have gone into operation. The synergy between the healthcare and senior-care ecosystem, integrated finance and our principal insurance business gained momentum, with significant ecological empowerment on the business value growth. Our sales system reforms progressed as planned. With the largest sales force in the industry, we accelerated the transformation towards a specialised, professional and integrated individual agent team. Indicators such as new agent development, retention and productivity of the sales force were consistently improved, and the deployment of new sales models advanced steadily. We cultivated new development momentums with a digital engine, strengthened the foundation of digital empowerment, and deepened the application of big data and artificial intelligence, steadily enhancing our digital operational capabilities. As a life insurance company processing over 20 million claims annually, we made substantial strides in advancing digitalisation of operations and maintained a leading position in claims settlement efficiency. The brand influence of “China Life Good Services”, known for “convenient, quality and caring”, continued to grow. We have ranked first in the industry for two consecutive years in life insurance service quality index, and consistently achieved the highest level in the industry in the assessment of consumer protection conducted by industry regulator.

We coordinated business development and risk control, and our risk prevention and control measures were robust and effective. By embedding risk prevention and control into our overall development strategy, we proactively adapted to stringent regulatory trend, and further enhanced our internal control, compliance and risk management systems to fortify an effective security net against systemic risks, thereby ensuring high-quality development with high-level security. Our digital transformation in risk control yielded positive results, enhancing the quality and efficiency of risk prevention and control through real-time, centralised and intelligent approaches. As a result, our multi-dimensional risk analysis model became more efficient, the risk monitoring network and early warning system became more responsive, and the full-coverage and penetrating risk perception system was further refined, with strengthened risk prevention across key areas. We embedded compliance management into all levels and aspects of our business operations and management, and successfully passed the domestic and international dual-standard certification and supervision audit of our compliance management system. Our integrated risk rating under “C-ROSS” and Solvency Aligned Risk Management Requirements and Assessment (SARMRA) scores remained among the top of the industry.

With ambitious aspirations, we are to embark on a challenging but lofty journey ahead. 2025 marks the final year of the “14th Five-Year Plan” and is also a crucial year for further deepening reforms comprehensively. As we navigate this new journey in the new era, we will fully implement the decisions and strategies of the CPC Central Committee, position ourselves as effective executors, action-takers, and hard-workers for further deepening reforms. We will be deeply engaged in the “Five Priorities” of finance, hold on to our primary responsibilities and principal business, with a sharper focus on core functions, value creation, reforms and transformation, and consolidation of foundation, so as to expedite high-quality development of the Company, and strive towards the goal of building the Company into a world-class life insurance company with Chinese characteristics, distinguished by “exceptional business development, innovation-driven growth, efficient coordination, and modern governance”.

FINANCIAL SUMMARY

I. Major Financial Data and Indicators for the Past Five Years¹

RMB million

Major financial data	Under International Financial Reporting Standards (“IFRSs”)					
	2024	2023	Change	2022	2021	2020
For the year ended						
Total revenues	528,627	344,746	53.3%	370,861	824,933	805,049
Profit before income tax	115,213	44,576	158.5%	70,060	50,340	54,440
Net profit attributable to equity holders of the Company	106,935	46,181	131.6%	66,680	50,766	50,221
Net profit attributable to ordinary share holders of the Company	106,935	46,181	131.6%	66,680	50,766	50,020
Net cash inflow/(outflow) from operating activities	378,795	384,366	-1.4%	345,284	286,446	303,990
As at 31 December						
Total assets	6,769,546	5,802,086	16.7%	5,010,068	4,892,480	4,253,544
Including: Investment assets ²	6,611,071	5,659,250	16.8%	4,811,893	4,716,420	4,095,541
Total liabilities	6,248,298	5,315,052	17.6%	4,635,095	4,405,346	3,795,975
Including: Insurance contract liabilities	5,825,026	4,859,175	19.9%	4,266,947	N/A	N/A
Equity holders’ equity	509,675	477,093	6.8%	366,021	479,061	450,688
Per share (RMB)						
Earnings per share (basic and diluted) ³	3.78	1.63	131.6%	2.36	1.80	1.77
Equity holders’ equity per share ³	18.03	16.88	6.8%	12.95	16.95	15.95
Ordinary share holders’ equity per share ³	18.03	16.88	6.8%	12.95	16.95	15.95
Net cash inflow/(outflow) from operating activities per share ³	13.40	13.60	-1.4%	12.22	10.13	10.76
Major financial ratios (%)						
Weighted average ROE	21.59	9.65	An increase of 11.94 percentage points	17.26	10.92	11.81
Gearing ratio ⁴	92.30	91.61	An increase of 0.69 percentage point	92.52	90.04	89.24
Gross investment yield ⁵	5.50	2.43	An increase of 3.07 percentage points	3.90	4.98	5.30

Notes:

1. Since 1 January 2023, the Company has adopted *IFRS 9 – Financial Instruments* and *IFRS 17 – Insurance Contracts*. The Company has restated and presented the comparative information for the year 2022 associated with insurance contracts in accordance with *IFRS 17 – Insurance Contracts*, and there is no need for the Company to restate and present the comparative information for the year 2022 associated with financial instruments in accordance with *IFRS 9 – Financial Instruments*. There is no need for the Company to restate and present any comparative information for the years 2020 and 2021 in accordance with *IFRS 9 – Financial Instruments* and *IFRS 17 – Insurance Contracts*.
2. As at 31 December 2023 and 31 December 2024, Investment assets = Cash and cash equivalents + Financial assets at fair value through profit or loss + Investment in debt instruments at fair value through other comprehensive income + Investment in equity instruments at fair value through other comprehensive income + Investment in debt instruments at amortised cost + Term deposits + Financial assets purchased under agreements to resell + Statutory deposits-restricted + Investment properties + Investments in associates and joint ventures. As at 31 December 2022, Investment assets = Cash and cash equivalents + Securities at fair value through profit or loss + Available-for-sale securities + Held-to-maturity securities + Term deposits + Financial assets purchased under agreements to resell + Loans (excluding policy loans) + Statutory deposits-restricted + Investment properties + Investments in associates and joint ventures
3. In calculating the percentage changes of the “Earnings per share (basic and diluted)”, “Equity holders’ equity per share”, “Ordinary share holders’ equity per share” and “Net cash inflow/(outflow) from operating activities per share”, the tail differences of the basic figures have been taken into account.
4. Gearing ratio = Total liabilities/Total assets
5. In the calculation of the investment yield of the years 2023 and 2024, the average investment assets as the denominator exclude the fair value changes of investment in debt instruments at fair value through other comprehensive income, so as to reflect the strategic intention of the Company for the management of assets and liabilities. In the calculation of the investment yield of the year 2022, the data of investment businesses related to *IFRS 17 – Insurance Contracts* has been restated, while the data of investment businesses related to *IFRS 9 – Financial Instruments* has not been restated. The formula used for calculating the investment yield of the year 2022 is the same as that of previous years.

II. Information on the Difference between the Financial Statements Prepared under Accounting Standards for Business Enterprises and International Financial Reporting Standards

Under ASBE, the Company has implemented *ASBE No. 25 – Insurance Contracts* (Caikuai [2020] No. 20), *ASBE No. 22 – Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7) and other standards on financial instruments since 1 January 2024. The Company has restated and presented the comparative information associated with insurance contracts in accordance with *ASBE No. 25 – Insurance Contracts* (Caikuai [2020] No. 20), and there is no need for the Company to restate and present the comparative information associated with financial instruments in accordance with *ASBE No. 22 – Recognition and Measurement of Financial Instruments* (Caikuai [2017] No. 7) and other standards on financial instruments.

The net profit attributable to equity holders of the Company of the year 2024 and the equity holders' equity as at 31 December 2024 prepared under ASBE are the same as those under IFRSs. For the comparative data, the financial statements under ASBE were prepared in accordance with *ASBE No. 25 – Insurance Contracts* (Caikuai [2020] No. 20), *ASBE No. 22 – Recognition and Measurement of Financial Instruments* (Caikuai [2006] No. 3) and other standards on financial instruments, the net profit attributable to equity holders of the Company of the year 2023 was RMB51,184 million, and the equity holders' equity as at 31 December 2023 was RMB327,784 million; the financial statements under IFRSs were prepared in accordance with *IFRS 17 – Insurance Contracts* and *IFRS 9 – Financial Instruments*, the net profit attributable to equity holders of the Company of the year 2023 was RMB46,181 million, and the equity holders' equity as at 31 December 2023 was RMB477,093 million.

III. Major Items of the Consolidated Financial Statements with Change of over 30% and the Reasons for Change

RMB million

Items of the consolidated statement of financial position	As at 31 December 2024	As at 31 December 2023	Change	Main reasons for change
Cash and cash equivalents	85,505	149,305	-42.7%	The needs for liquidity management
Financial assets sold under agreements to repurchase	151,564	216,851	-30.1%	The needs for liquidity management
Items of the consolidated statement of comprehensive income	2024	2023	Change	Main reasons for change
Investment income	176,461	(9,375)	N/A	Market value fluctuations of financial assets and proactive investment operations
Investment income from associates and joint ventures	12,077	8,079	49.5%	An increase in the net profits of associates and joint ventures
Insurance finance income/ (expenses) from insurance contracts issued	209,952	127,923	64.1%	An increase in returns on investment assets related to business measured by the variable fee approach and an increase in the insurance business scale of the Company
Income tax	6,273	(2,971)	N/A	Due to the combined impact of income tax payable and deferred income tax
Net profit attributable to equity holders of the Company	106,935	46,181	131.6%	By adhering to the principle of asset-liability matching and the philosophy of long-term investment, value investment and prudent investment, the Company seized market opportunities for cross-cycle fund allocation, and continuously optimised the structure of equity investments. The stock market rebounded rapidly after experiencing low-level fluctuations in 2024, leading to a substantial year-on-year increase in the Company's gross investment income.

MANAGEMENT DISCUSSION AND ANALYSIS

I. Review of Business Operations

In 2024, the Company pursued its original aspiration and mission of providing insurance services for the people and concentrated on its primary responsibilities and principal business. Following the main guideline of high-quality development, it upheld the business philosophy of the “three consistencies” (strengthening Party building, promoting reforms and guarding against risks), the “three enhancements” (stabilising business growth, increasing business value and emphasising on sales force), and the “three breakthroughs” (optimising services, facilitating integration and cutting costs), and prioritised the “Five Priorities” of finance, to further advance reforms and innovations, leading to comprehensive improvements in multiple objectives including scale, value, growth, quality, structure, efficiency and safety of its business and operations. The Company has received a Grade A rating in the evaluation of operations of insurance companies by the Insurance Association of China for nine consecutive years, and ranked first in the industry for two consecutive years in life insurance service quality index. In the integrated risk rating for insurance companies, it has maintained a Class A rating for 26 consecutive quarters.

The Company achieved new breakthroughs in its operational performance. By incorporating the concept of asset-liability management into every aspect of its business operations and management, it strengthened cost reduction and efficiency improvement, and strived to improve resource allocation efficiency, thus attaining remarkable achievements in its business development. During the Reporting Period, the Company’s gross written premiums amounted to RMB671,457 million, reaching a new height from a high base, with a year-on-year increase of 4.7%, and its leading advantage remaining solidified. In 2024, the Company stepped up on cost control and underwriting management, continued to strengthen the allocation of underlying positions in fixed-income investments, and properly navigated the equity market dynamics, with gross investment income reaching RMB308,251 million, a significant increase of 150.4% compared to the corresponding period of last year. With effective synergy between assets and liabilities, the net profit attributable to equity holders of the Company surpassed RMB100 billion, achieving the best performance in history, reaching RMB106,935 million, a substantial year-on-year increase of 131.6%.

The Company actively pursued high-quality development. By remaining committed to the diversification in products and businesses, it maintained balanced business development, further optimised its business structure, and significantly reduced the guarantee rates associated with new business liabilities. During the Reporting Period, first-year regular premiums reached RMB119,077 million, sustaining steady growth from the high base of the previous year. In particular, first-year regular premiums with a payment duration of ten years or longer amounted to RMB56,603 million, a year-on-year increase of 14.3%, achieving rapid growth, and its proportion in the first-year regular premiums rose by 3.54 percentage points year on year, continuously strengthening the Company's long-term competitive advantage. Renewal premiums grew by 6.2% year on year, further solidifying the development foundation. The policy persistency rate of 14 months reached 91.60%, an increase of 1.20 percentage points year on year. The Company owned the largest sales force in the industry. As at the end of the Reporting Period, the number of its total sales force was 666,000. With an increase in both the scale of high-performance agents and the productivity per agent, the Company achieved remarkable results in enhancing the quality and efficiency of its sales force. The value of one year's sales achieved rapid growth, marking a year-on-year increase of 24.3% based on the 2023 economic assumptions, and reaching RMB33,709 million under the 2024 economic assumptions, which continued to lead the industry.

The Company further enhanced its comprehensive strengths. As at the end of the Reporting Period, the Company's total assets and investment assets both surpassed RMB6 trillion, reaching RMB6.77 trillion and RMB6.61 trillion, respectively. Equity holders' equity exceeded RMB500 billion for the first time, amounting to RMB509,675 million, a year-on-year increase of 6.8%. The comprehensive solvency ratio was 207.76%, and the core solvency ratio was 153.34%, both maintaining at relatively high levels. Its embedded value exceeded RMB1.4 trillion, consistently leading the industry. The number of long-term in-force policies held by the Company was 326 million.

Key Performance Indicators

RMB million

	2024	2023
Gross written premiums	671,457	641,380
Premiums from new policies	214,172	210,813
Including: First-year regular premiums	119,077	112,573
First-year regular premiums with a payment duration of ten years or longer	56,603	49,522
Renewal premiums	457,285	430,567
Gross investment income	308,251	123,082
Net profit attributable to equity holders of the Company	106,935	46,181
Value of one year's sales (using 2024 economic assumptions)	33,709	–
Including: Individual agent channel	31,313	–
Value of one year's sales (using 2023 economic assumptions)	45,805	36,860
Including: Individual agent channel	41,016	34,646
Policy persistency rate (14 months) ¹ (%)	91.60	90.40
Policy persistency rate (26 months) ¹ (%)	85.60	79.10
Surrender rate ² (%)	1.01	1.11
	As at	As at
	31 December	31 December
	2024	2023
Embedded value	1,401,146	1,260,567
Number of long-term in-force policies (hundred million)	3.26	3.28

Notes:

1. The persistency rate for long-term individual life insurance policy is an important operating performance indicator for life insurance companies. It measures the ratio of in-force policies in a pool of policies after a certain period of time. It refers to the proportion of policies that are still effective during the designated month in the pool of policies whose issue date was 14 or 26 months ago.
2. Surrender rate, which is for long-term insurance business, is the proportion of the surrender payment to the sum of the reserves at the beginning of the period and the premiums. Items such as surrender payment, reserves and premiums are relevant data under *ASBE No. 25 – Direct Insurance Contracts* (Caikuai [2006] No. 3), *ASBE No. 26 – Reinsurance Contracts* (Caikuai [2006] No. 3) and the *Regulations regarding the Accounting Treatment of Insurance Contracts* (Caikuai [2009] No. 15).

II. Business Analysis

(I) Figures of Gross Written Premiums

1. Gross Written Premiums Categorised by Business

	<i>RMB million</i>	
	<u>2024</u>	<u>2023</u>
Life insurance business	538,711	512,622
First-year business	129,683	130,839
First-year regular	116,557	109,112
Single	13,126	21,727
Renewal business	409,028	381,783
Health insurance business	119,136	114,023
First-year business	71,198	65,655
First-year regular	2,520	3,460
Single	68,678	62,195
Renewal business	47,938	48,368
Accident insurance business	13,610	14,735
First-year business	13,291	14,319
First-year regular	–	1
Single	13,291	14,318
Renewal business	319	416
Total	<u>671,457</u>	<u>641,380</u>

Note: Single premiums in the above table include premiums from short-term insurance business.

During the Reporting Period, gross written premiums from the life insurance business of the Company amounted to RMB538,711 million, a year-on-year increase of 5.1%. Gross written premiums from the health insurance business were RMB119,136 million, a year-on-year increase of 4.5%. Gross written premiums from the accident insurance business were RMB13,610 million, a year-on-year decrease of 7.6%.

2. Gross Written Premiums Categorised by Channel

	<i>RMB million</i>	
	2024	2023
Individual agent channel¹	529,033	501,580
First-year business of long-term insurance	100,683	92,127
First-year regular	100,248	91,807
Single	435	320
Renewal business	409,823	391,218
Short-term insurance business	18,527	18,235
Bancassurance channel	76,201	78,748
First-year business of long-term insurance	29,476	40,191
First-year regular	18,776	20,735
Single	10,700	19,456
Renewal business	46,299	38,112
Short-term insurance business	426	445
Group insurance channel	27,625	28,154
First-year business of long-term insurance	1,742	1,946
First-year regular	10	15
Single	1,732	1,931
Renewal business	1,149	1,234
Short-term insurance business	24,734	24,974
Other channels²	38,598	32,898
First-year business of long-term insurance	305	46
First-year regular	43	16
Single	262	30
Renewal business	14	3
Short-term insurance business	38,279	32,849
Total	671,457	641,380

Notes:

1. Gross written premiums of individual agent channel mainly include premiums of the general sales team and the upsales team, etc.
2. Gross written premiums of other channels mainly include premiums of government-sponsored health insurance business and online sales, etc.

(II) Insurance Business

1. Analysis of Insurance Business

Individual Agent Channel

Aiming at high-quality development, the individual agent channel focused on value creation and deeply promoted channel transformation. A steady growth was achieved on a high base in all business performance indicators, and the business structure was significantly optimised. During the Reporting Period, gross written premiums from the individual agent channel were RMB529,033 million, a year-on-year increase of 5.5%. In particular, renewal premiums were RMB409,823 million, a year-on-year increase of 4.8%. First-year regular premiums were RMB100,248 million, a year-on-year increase of 9.2%. First-year regular premiums with a payment duration of ten years or longer were RMB56,564 million, a year-on-year increase of 14.3%, and its proportion in the first-year regular premiums was 56.42%, an increase of 2.50 percentage points year on year. The value of one year's sales of the individual agent channel rose by 18.4% year on year based on the 2023 economic assumptions.

In 2024, the individual agent channel pushed forward its sales system reforms in greater depth. The existing sales force consistently pursued the concept of “team buildup based on customer resources” to further refine the customer-centric business operation and management system of the channel, thereby facilitating a steady transformation towards a specialised, professional, and integrated sales force. With a focus on optimising agent recruitment and development and increasing productivity, the “6+1” key initiatives for the individual agent channel were fully advanced, which continuously promoted the iterative upgrade of key technologies for team buildup. The “Seed Program”, launched under the deployment of new sales model, progressed as planned, with the pilot program being initiated in 24 cities, carrying out effective exploration of new models, new tracks and new future opportunities. As at the end of the Reporting Period, the number of agents of the channel was 615,000, which remained relatively stable, including 394,000 agents from the general sales team and 221,000 agents from the upsales team. The quality of the sales force sustained the positive trend of improvement over the years, with a gradual increase in both the scale and proportion of high-performance agents. The productivity of the sales force was steadily increased from a high base, and the monthly average first-year regular premiums per agent rose by 15.0% year on year.

Bancassurance Channel

The bancassurance channel seized the opportunities of high-quality development, optimised the business operation and management system, and actively pushed forward the channel transformation. With effective implementation of the rules on “aligning sales practices with regulatory filings”, the Company strengthened commission and expenses control, achieving remarkable results in cost reduction and efficiency improvement, which led to a significant increase in both new business margin of one year’s sales and contribution of value of one year’s sales of the channel. Meanwhile, the Company vigorously expanded its distribution network, with a continuous increase in the number of cooperative banks. It also consistently enhanced the professional development of its sales force, and further enriched bancassurance products. The business scale of the channel remained stable due to the above-mentioned measures. During the Reporting Period, gross written premiums from the bancassurance channel were RMB76,201 million, first-year regular premiums were RMB18,776 million, and the proportion of renewal premiums in the gross written premiums from the channel was 60.76%. The number of account managers of the bancassurance channel was 19,000.

Group Insurance Channel

The group insurance channel maintained a focus on profitability and consistently implemented a “diversified development” strategy with targeted measures to expand key segments, so as to facilitate steady development across all business lines. During the Reporting Period, gross written premiums from the group insurance channel were RMB27,625 million, a year-on-year decrease of 1.9%. In particular, short-term insurance premiums were RMB24,734 million, a year-on-year decrease of 1.0%. As at the end of the Reporting Period, the number of direct sales representatives of the group insurance channel was 32,000, with per-capita productivity increasing by 8.2% compared to the corresponding period of last year, achieving steady improvement.

Other Channels

During the Reporting Period, gross written premiums from other channels amounted to RMB38,598 million, an increase of 17.3% year on year. The Company proactively participated in a variety of government-sponsored health insurance businesses and supported the construction of a multi-tiered medical security system. As at the end of the Reporting Period, the Company participated in undertaking over 200 supplementary major medical expenses insurance programs, 80 long-term care insurance programs and over 130 city-customised commercial medical insurance projects.

Online Insurance Business

The Company continued to promote the development of the online insurance business by optimising its online insurance business operation system featuring centralised operations and unified management, so as to provide customers with a quality service experience. In 2024, the online insurance business recorded total premiums² of RMB82,620 million, a year-on-year increase of 8.7%. Specifically, the Company’s online insurance business which integrated online and offline sales remained stable, and the online exclusive business³ showing a rapid development trend. The Company took the “Zhen E Plan” (振E計劃) as a key initiative to drive the redesign and upgrade of the “China Life Insurance Mall”, offering internet users a “China Life proprietary online flagship store” with rich content, diversified products, easy navigation and attentive service, which further enhanced the channel’s independent operations and improved the customers’ online experience.

Integrated Financial Business

The Company consistently engaged in the construction of a “life insurance +” integrated financial ecosystem, with a view to empowering its high-quality development. With a focus on satisfying the diverse needs of its customers, the Company has offered a variety of products and services in conjunction with China Life group members, so as to provide customers with one-stop and all-round solutions of high-quality financial and insurance services. In 2024, premiums of China Life Property and Casualty Insurance Company Limited cross-sold by the Company through collaboration were RMB24,688 million, with the number of insurance policies increasing by 5.2% year on year. The scale of business of China Life Pension Company Limited cross-sold by the Company through collaboration was RMB23,829 million. The Company entrusted China Guangfa Bank Co., Ltd. to sell its bancassurance products, with the first-year regular premiums amounting to RMB1,442 million. The Company also actively explored the synergy between insurance and investment businesses, continuously deepened its cooperation with China Life Asset Management Company Limited and China Life Investment Management Company Limited, etc., and further innovated and explored new insurance-investment interactive models.

² Including premiums from online insurance business acquired by different sales channels of the Company.

³ The online life insurance business under the regulator caliber.

Inclusive Healthcare and Integrated Senior-care Service System

In 2024, the Company adhered to the “customer-centric” approach, actively engaging in the construction of a multi-tiered social security system. It pursued ongoing exploration and innovation in the fields of inclusive healthcare and integrated senior-care services and steadily advanced system construction, with the objective of creating a comprehensive and multi-tiered ecosystem for healthcare and senior-care services.

With respect to the “insurance + healthcare services”, the Company focused on customers’ health needs to continuously enrich its health services. It launched inclusive services such as AI-driven health reports interpretation and VIP value-added services, providing customers with nearly a million health management service benefits and convenient medical healthcare access to promote their health. The Company developed and promoted insurance products that integrated health protection with health management, incorporating health management services into certain mid-to-high-end medical insurance products. It offered health management services across more than a hundred city-customised commercial health insurance programs. The Company strengthened the standardised management of health management services, continuously enhanced its capabilities in this area, and developed a standardised and professional health management service system. With respect to the “insurance + senior-care services”, the Company adhered to the philosophy of building a senior-care ecosystem that “gives children peace of mind, and reassures the senior people”. By leveraging the long-term and stable advantages of insurance funds, it steadily advanced the diversified supply of senior-care services and accelerated the deployment of such services in key strategic regions, endeavouring to construct a senior-care ecosystem with China Life characteristics. The Company promoted the deployment of three major senior-care product lines, namely continuing care retirement communities (CCRC), “city center” retirement apartments, and healthcare and senior-care sojourn facilities. As at the end of the Reporting Period, the Company had launched 17 residential senior-care services projects in a total of 14 cities and introduced three “Sui Xin Ju” (随心居) sojourn products. It also researched and explored the home-based senior-care services to address the diversified senior-care needs of customers, thereby empowering the growth of principal insurance business. The Company consistently advanced the buildup of its exclusive team of China Life senior-care services planners, aiming to further satisfy the demands of its customers for the comprehensive senior-care and insurance protection services.

2. Analysis of Insurance Products

By diligently implementing the requirements of the new “Ten National Guidelines” and proactively addressing the “Five Priorities” of finance, the Company captured the essence of high-quality development, strengthened the coordinated management of assets and liabilities, so as to adapt to evolving market conditions, and enhance its ability in market perception and product innovation. In 2024, the Company newly developed and upgraded over a hundred products, continuously meeting the growing needs of the public for insurance protection and wealth management.

Serving the national economy and people’s livelihood, the Company remained steadfast in implementing national strategies. It effectively implemented the “Five Priorities” of finance, offering protection for people’s livelihood. In relation to old-age finance, the Company adapted to demographic trends in population age structure and proactively responded to the demands of the silver economy by vigorously developing commercial annuity insurance, and continuously enriching the third-pillar private pension insurance product portfolios across all channels. The scale of third-pillar private pension business and the number of customers served continued to grow accordingly, with the number of new products of third-pillar private pension, premiums from new policies, number of insurance policies, and number of customers served all ranking first in the industry. In relation to inclusive finance, the Company continuously enriched its high-quality inclusive insurance system, bolstering supply of insurance protection for specific groups such as farmers, low-income individuals, new industry practitioners and new urban residents, students and children, and specific professions. It expanded its service reach on an ongoing basis, broadened the coverage of the inclusive insurance system, and simplified product terms to facilitate customers to better understand the functions of insurance products, thereby enhancing the accessibility of insurance services. In relation to digital finance, the Company achieved new breakthroughs in the provision of diverse online products designed to meet the protection needs of online customers concerning senior-care, death and accidents, while considering the payment preferences of young online customers. In relation to science and technology finance and green finance, the Company actively contributed to the advancement of solutions for technology insurance and green insurance protection.

Remaining committed to innovation-driven growth, the Company enriched its diverse product offerings. It continued to advance product innovation, actively researched evolving trends of market demands, and enhanced product development agility, with an aim to build a high-quality product supply system. Firstly, the Company further enriched the product system for various customer groups. By aligning with the protection needs of individuals at different life cycles, including children, young adults, and the senior people, it optimised insurance coverage and enhanced insurance protection functions. Secondly, the Company promoted the development of health insurance across multiple areas through innovative approaches, and offered comprehensive health insurance products that offer general or specialised options. The Company introduced its first critical illness product with simplified underwriting, gender-specific disease products, brain disease-specific products, and lifelong long-term care products, thereby broadening the coverage of health insurance products and services. It improved health protection for substandard groups, covering malignant tumors,

actively incorporated innovative drugs into protection coverage, and provided solutions for different health protections, including cardiovascular and cancer diseases. Thirdly, the Company promoted the positive functions of products in effective asset-liability interaction, consistently enriching the supply of semi-priced products such as participating insurance product for different customer groups.

(III) Investment Business

In 2024, bond market interest rates declined significantly, and quality assets were scarce. The stock market rebounded rapidly after experiencing low-level fluctuations, with significant structural differentiation. Under the complicated market environment, the Company maintained strategic consistency by adhering to the principle of asset-liability matching and the philosophy of long-term investment, value investment and prudent investment, and seized market opportunities for cross-cycle fund allocation, resulting in a substantial year-on-year increase in investment income. In respect of fixed-income investments, the Company flexibly adjusted its allocation pace and product strategies, and continued to strengthen the allocation of underlying positions. In respect of equity investments, it capitalised on market opportunities to engage in counter-cyclical investments and medium- to long-term deployment, consistently advancing balanced allocations and optimised structure. In respect of alternative investments, the Company concentrated on high-quality entities as well as core assets, and made innovation in investment models, for the purpose of stabilising the size of allocations in this regard. As a whole, the Company maintained a stable portfolio with high-quality assets.

1. Investment Portfolios

Items	<i>RMB million</i>			
	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage	Amount	Percentage
Categorised by investment object				
Fixed-maturity financial assets	4,911,524	74.29%	4,119,072	72.78%
Term deposits	438,455	6.63%	413,255	7.30%
Bonds	3,903,074	59.04%	3,159,774	55.83%
Debt-type financial products ¹	523,721	7.92%	484,828	8.57%
Other fixed-maturity investments ²	46,274	0.70%	61,215	1.08%
Equity financial assets	1,269,086	19.19%	1,099,601	19.43%
Common stocks	501,083	7.58%	430,200	7.60%
Funds ³	306,551	4.64%	206,963	3.66%
Other equity investments ⁴	461,452	6.97%	462,438	8.17%
Investment properties	12,319	0.19%	12,753	0.23%
Cash and others⁵	116,065	1.76%	169,064	2.99%
Investments in associates and joint ventures	302,077	4.57%	258,760	4.57%
Total	<u>6,611,071</u>	<u>100.00%</u>	<u>5,659,250</u>	<u>100.00%</u>

Items	<i>RMB million</i>			
	As at 31 December 2024		As at 31 December 2023	
	Amount	Percentage	Amount	Percentage
Categorised by accounting method				
Financial assets at fair value through profit or loss	1,908,098	28.86%	1,705,375	30.13%
Investment in debt instruments at amortised cost	196,754	2.98%	211,349	3.74%
Investment in debt instruments at fair value through other comprehensive income	3,458,895	52.32%	2,744,169	48.49%
Investment in equity instruments at fair value through other comprehensive income	171,817	2.60%	138,005	2.44%
Investments in associates and joint ventures	302,077	4.57%	258,760	4.57%
Others	573,430	8.67%	601,592	10.63%
Total	<u>6,611,071</u>	<u>100.00%</u>	<u>5,659,250</u>	<u>100.00%</u>

Notes:

1. Debt-type financial products include debt investment schemes, trust schemes, asset-backed plans, credit asset-backed securities, specialised asset management plans, and asset management products, etc.
2. Other fixed-maturity investments include statutory deposits-restricted and interbank certificates of deposits, etc.
3. Funds include equity funds, bond funds and money market funds, etc. In particular, the balances of money market funds as at 31 December 2024 was RMB2,095 million.
4. Other equity investments include private equity funds, unlisted equities, preference shares and equity investment plans, etc.
5. Cash and others include cash, cash at banks, short-term deposits, and financial assets purchased under agreements to resell, etc.

As at the end of the Reporting Period, the Company's investment assets reached RMB6,611,071 million, an increase of 16.8% from the end of 2023. The percentage of investment in major assets categories remained stable. Among the major types of investments, the percentage of investment in bonds increased to 59.04% from 55.83% as at the end of 2023, the percentage of term deposits decreased to 6.63% from 7.30% as at the end of 2023, the percentage of investment in debt-type financial products decreased to 7.92% from 8.57% as at the end of 2023, and the percentage of investment in stocks and funds (excluding money market funds) increased to 12.18% from 11.23% as at the end of 2023.

2. Investment Income

	<i>RMB million</i>	
	2024	2023
Gross investment income	308,251	123,082
Net investment income	195,674	185,866
Net income from fixed-maturity investments	146,587	144,216
Net income from equity investments	34,489	29,117
Net income from investment properties	93	102
Investment income from cash and others	2,428	4,352
Share of profit of associates and joint ventures	12,077	8,079
+ Realised disposal gains	(4,245)	(31,280)
+ Unrealised gains or losses	118,160	(32,786)
– Expected credit losses of investment assets	(264)	(1,282)
– Impairment losses of investment assets	1,602	–
Net investment yield	3.47%	3.70%
Gross investment yield	5.50%	2.43%

Note: In the calculation of the investment yield, the average investment assets as the denominator exclude the fair value changes of investment in debt instruments at fair value through other comprehensive income, so as to reflect the strategic intention of the Company for the management of assets and liabilities.

In 2024, the Company's net investment income was RMB195,674 million, an increase of RMB9,808 million from the corresponding period of 2023, and the net investment yield was 3.47%, down by 23 basis points from the corresponding period of 2023. In 2024, the gross investment income was RMB308,251 million, an increase of RMB185,169 million from the corresponding period of 2023, and the gross investment yield was 5.50%, up by 307 basis points from the corresponding period of 2023.

3. Credit Risk Management

The Company's credit asset investments mainly included credit bonds and debt-type financial products, which concentrated on sectors such as banking, transportation, non-banking finance, public utilities, and energy. As at the end of the Reporting Period, over 98% of the credit bonds held by the Company were rated AAA by external rating institutions, whereas over 99% of the debt-type financial products were rated AAA by external rating institutions. In general, the asset quality of the Company's credit investment products was in good condition, and the credit risks were well controlled.

The Company insisted on a prudent investment philosophy. Based on a disciplined and scientific internal rating system and a multi-dimensional management mechanism of risk limits, the Company prudently scrutinised credit profiles of targets and risk exposure concentration before investing and carried out ongoing tracking after investment, effectively controlling credit risks through early identification, early warning, early exposure and early disposal.

4. Major Investments

During the Reporting Period, there was no material equity investment or non-equity investment of the Company that was subject to disclosure requirements.

III. Analysis of Specific Items

(I) Insurance Revenue

Insurance revenue primarily includes expected insurance service expenses incurred in the current period, amortisation of contractual service margin, changes in the risk adjustment for non-financial risk, amortisation of insurance acquisition cash flows, and allocations using the premium allocation approach, etc., all recognised within the insurance period.

	<i>RMB million</i>		
	2024	2023	Change
Insurance revenue	208,161	212,445	-2.0%
Contracts measured using the premium allocation approach	51,286	52,147	-1.7%
Contracts not measured using the premium allocation approach	156,875	160,298	-2.1%

(II) Insurance Service Expenses

Insurance service expenses primarily include incurred claims and other expenses, amortisation of insurance acquisition cash flows, and losses and reversals of losses on onerous contracts, etc.

	<i>RMB million</i>		
	2024	2023	Change
Insurance service expenses	180,544	150,353	20.1%
Contracts measured using the premium allocation approach	51,873	51,331	1.1%
Contracts not measured using the premium allocation approach	128,671	99,022	29.9%

(III) Insurance Finance Income/(expenses) from Insurance Contracts Issued

Insurance finance income/(expenses) from insurance contracts issued refers to the profit or loss arising from insurance contracts relating to the effect of time value of money and financial risk, of which the amount for contracts measured using the variable fee approach is the amount recognised in profit or loss arising from the corresponding investment assets.

	<i>RMB million</i>		
	2024	2023	Change
Insurance finance income/(expenses) from insurance contracts issued	209,952	127,923	64.1%

(IV) Insurance Contract Liabilities

	<i>RMB million</i>		
	As at 31 December 2024	As at 31 December 2023	Change
Contracts measured using the premium allocation approach	35,570	33,770	5.3%
Contracts not measured using the premium allocation approach	5,789,456	4,825,405	20.0%
Total of insurance contract liabilities	5,825,026	4,859,175	19.9%
Liabilities for incurred claims	64,339	62,108	3.6%
Liabilities for remaining coverage	5,760,687	4,797,067	20.1%
Total of insurance contract liabilities	5,825,026	4,859,175	19.9%
Including: Contractual service margin	742,488	769,137	-3.5%

As at the end of the Reporting Period, the insurance contract liabilities of the Company were RMB5,825,026 million, an increase of 19.9% from the end of 2023, primarily due to the combined impacts of the accumulation of insurance liabilities from new policies and renewals and the change in market interest rates.

The contractual service margin of insurance contracts was RMB742,488 million, a year-on-year decrease of 3.5%. The contractual service margin for insurance contracts initially recognised in the current period was RMB57,708 million, a year-on-year increase of 12.9%.

(V) Analysis of Cash Flows

1. Liquidity Sources

The Company's cash inflows mainly come from insurance premiums received, interest, dividend and bonus, and proceeds from sale and maturity of investment assets. The primary liquidity risks with respect to these cash inflows are the risk of surrender by contract holders and policyholders, as well as the risks of default by debtors, interest rate fluctuations and other market volatilities. The Company closely monitors and manages these risks.

The Company's cash and bank deposits can provide it with a source of liquidity to meet normal cash outflows. As at the end of the Reporting Period, the balance of cash and cash equivalents was RMB85,505 million. In addition, the vast majority of its term deposits in banks allow it to withdraw funds on deposits, subject to a penalty interest charge. As at the end of the Reporting Period, the amount of term deposits was RMB438,455 million.

The Company's investment portfolio also provides it with a source of liquidity to meet unexpected cash outflows. The Company is also subject to market liquidity risk due to the large size of its investments in some of the markets in which it invests. In some circumstances, some of its holdings of investment securities may be large enough to have an influence on the market value. These factors may adversely affect its ability to sell these investments or sell them at a fair price.

2. Liquidity Uses

The Company's principal cash outflows primarily relate to the payables for the liabilities associated with its various life insurance, annuity, accident insurance and health insurance products, operating expenses, income taxes and dividends that may be declared and paid to its equity holders. Cash outflows arising from the Company's insurance activities primarily relate to benefit payments under these insurance products, as well as payments for policy surrenders, withdrawals and policy loans.

The Company believes that its sources of liquidity are sufficient to meet its current cash requirements.

3. Consolidated Cash Flows

The Company has established a cash flow testing system, and conducts regular tests to monitor the cash inflows and outflows under various scenarios and adjusts the asset portfolio accordingly to ensure sufficient sources of liquidity.

	<i>RMB million</i>			
	2024	2023	Change	Main reasons for change
Net cash inflow/(outflow) from operating activities	378,795	384,366	-1.4%	–
Net cash inflow/(outflow) from investing activities	(354,620)	(424,236)	-16.4%	The needs for investment management
Net cash inflow/(outflow) from financing activities	(86,759)	60,273	N/A	The needs for liquidity management
Foreign exchange gains/(losses) on cash and cash equivalents	28	64	-56.3%	–
Net increase/(decrease) in cash and cash equivalents	(62,556)	20,467	N/A	–

(VI) Solvency Ratio

An insurance company shall have the capital commensurate with its risks and business scale. According to the nature and capacity of loss absorption by capital, the capital of an insurance company is classified into the core capital and the supplementary capital. The core solvency ratio is the ratio of core capital to minimum capital, which reflects the adequacy of the core capital of an insurance company. The comprehensive solvency ratio is the ratio of the sum of core capital and supplementary capital to minimum capital, which reflects the overall capital adequacy of an insurance company.

	<i>RMB million</i>	
	As at 31 December 2024	As at 31 December 2023
Core capital	767,446	710,527
Actual capital	1,039,821	981,594
Minimum capital	500,489	449,160
Core solvency ratio	153.34%	158.19%
Comprehensive solvency ratio	207.76%	218.54%

As at the end of the Reporting Period, the Company's comprehensive solvency ratio was 207.76%, a decrease of 10.78 percentage points from the end of 2023, and the Company's core solvency ratio was 153.34%, a decrease of 4.85 percentage points from the end of 2023, all continuing to stay at relatively high levels. Due to the impacts of the downward trend in solvency reserve assessment interest rates, business development, investment assets allocation, and dividends to shareholders, the solvency ratios decreased compared to those at the end of 2023.

(VII) Sale of Material Assets and Equity

During the Reporting Period, there was no sale of material assets and equity of the Company.

IV. Future Prospect

(I) Industry Landscape and Development Trends

The third plenary session of the 20th CPC Central Committee and the Central Financial Work Conference have provided guidance for the development of the insurance industry. The insurance industry has increasingly become a key participant and contributor to the national governance and social security systems. In 2025, China will support sustained economic recovery and improvement by implementing more proactive fiscal policies and moderately accommodative monetary policies, enhancing the people's livelihood-oriented approach of macroeconomic policies, and executing a coordinated "policy toolkit", which provides a solid foundation for the long-term and continuous growth of the industry. The people's aspirations for a better life are continuously evolving, accelerating the release of their demands for insurance protection, wealth management, and

healthcare and senior-care services. The role of insurance funds as “long-term capital” and “patient capital” will become increasingly significant, with vast potential for leveraging functions as a “shock absorber” for economic operation and a “stabiliser” for social development. The industry is entering a new era of strategic development opportunities. The main themes of stringent regulation, risk prevention, and high-quality development in the industry are becoming clearer, with the ongoing implementation of a series of policies such as the dynamic adjustment mechanism for the product’s guaranteed return and the rules on “aligning sales practices with regulatory filings”, creating a more secure and orderly development environment for the industry.

(II) Development Strategies and Business Plans of the Company

In 2025, the Company will continue to adhere to the overall principle of seeking progress while maintaining stability, and firmly uphold the core philosophy of “three consistencies”, “three enhancements” and “three breakthroughs” for high-quality development. It will focus on core functions to strengthen, optimise, and expand its primary responsibilities and principal business, and prioritise value creation by upgrading its development model. It will emphasise on transformation and reforms to continuously cultivate new momentums for business development, and also concentrate on consolidating its foundation to comprehensively lead and ensure high-quality development. The Company aims to achieve stable and healthy development across all business sectors, consolidate its market-leading position in business scale and value, and ensure a steady improvement of its sales force in both quantity and quality.

(III) Potential Risks

At present, the external environment remains complex and volatile, with profound changes in demographic and economic structures, as well as the interest rate environment. The insurance industry of China is at a pivotal stage of overcoming challenges while pursuing transformation and upgrading. The asset-liability interaction management needs to be strengthened urgently, the benefits of sales system reforms will take time to be realised, and the foundation for cost reduction, efficiency improvement, and sustainable development requires further reinforcement. In the forthcoming period, the Company will prioritise high-quality development as its primary objective, take deepening reforms as the fundamental approach, further enhance its capability to address risks, and make great efforts to build a world-class life insurance company with Chinese characteristics.

The Company anticipates that it will have sufficient capital to meet its insurance business expenditures and new general investment needs in 2025. At the same time, the Company will make corresponding financing arrangements based on capital market conditions if it plans to implement any business development strategies in the future.

ANNUAL RESULTS⁴

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

		2024	2023
	<i>Notes</i>	<i>RMB million</i>	<i>RMB million</i>
Insurance revenue	1	208,161	212,445
Interest income	2	120,958	122,994
Investment income	3	176,461	(9,375)
Investment income from associates and joint ventures	4	12,077	8,079
Other income		<u>10,970</u>	<u>10,603</u>
Total revenues		<u>528,627</u>	<u>344,746</u>
Insurance service expenses	5	(180,544)	(150,353)
Allocation of reinsurance premiums paid		(5,071)	(4,726)
Less: Amounts recovered from reinsurers		5,449	4,438
Insurance finance income/(expenses) from insurance contracts issued	6	(209,952)	(127,923)
Less: Reinsurance finance income/(expenses) from reinsurance contracts held		671	616
Finance costs		(4,200)	(5,308)
Expected credit losses	7	207	1,217
Other impairment losses		(1,611)	–
Other expenses		<u>(18,363)</u>	<u>(18,131)</u>
Profit before income tax	8	115,213	44,576
Income tax	9	<u>(6,273)</u>	<u>2,971</u>
Net profit		<u>108,940</u>	<u>47,547</u>
Attributable to:			
– Equity holders of the Company		106,935	46,181
– Non-controlling interests		<u>2,005</u>	<u>1,366</u>
Basic and diluted earnings per share	10	<u>RMB3.78</u>	<u>RMB1.63</u>

⁴ The “Group” refers to China Life Insurance Company Limited and its subsidiaries in this part.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)*For the year ended 31 December 2024*

	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Other comprehensive income	<u>(56,687)</u>	<u>(21,699)</u>
Other comprehensive income attributable to equity holders of the Company (net of tax)	<u>(56,770)</u>	<u>(21,741)</u>
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Changes in fair value of investment in debt instruments at fair value through other comprehensive income	219,720	74,843
Allowance for credit losses on investment in debt instruments at fair value through other comprehensive income	(378)	(892)
Share of other comprehensive income of associates and joint ventures under the equity method	3,287	(51)
Exchange differences on translating foreign operations	(66)	325
Financial changes in insurance contracts	(288,811)	(97,940)
Financial changes in reinsurance contracts	<u>2,667</u>	<u>679</u>
Other comprehensive income that may not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of investment in equity instruments at fair value through other comprehensive income	6,266	1,122
Share of other comprehensive income of associates and joint ventures under the equity method	554	660
Financial changes in insurance contracts	<u>(9)</u>	<u>(487)</u>
Non-controlling interests	<u>83</u>	<u>42</u>
Total comprehensive income for the year, net of tax	<u>52,253</u>	<u>25,848</u>
Attributable to:		
– Equity holders of the Company	50,165	24,440
– Non-controlling interests	<u>2,088</u>	<u>1,408</u>

1 INSURANCE REVENUE

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Contracts not measured using the premium allocation approach		
Amounts relating to the changes in the liabilities for remaining coverage		
Expected incurred claims and other expenses	45,571	50,712
Change in the risk adjustment for non-financial risk	2,011	1,779
Contractual service margin recognised for the service provided	64,126	65,689
Amortisation of insurance acquisition cash flows	45,167	42,118
	<u>156,875</u>	<u>160,298</u>
Sub-total	156,875	160,298
Contracts measured using the premium allocation approach	<u>51,286</u>	<u>52,147</u>
Total	<u>208,161</u>	<u>212,445</u>

2 INTEREST INCOME

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Financial assets measured at amortised cost (i)	26,332	33,908
Investment in debt instruments at fair value through other comprehensive income	<u>94,626</u>	<u>89,086</u>
Total	<u>120,958</u>	<u>122,994</u>

- (i) Interest income from financial assets measured at amortised cost mainly includes interest income arising from cash and cash equivalents, financial assets purchased under agreements to resell, investment in debt instruments at amortised cost and term deposits.

3 INVESTMENT INCOME

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Dividends and interest income		
Dividends		
Financial assets at fair value through profit or loss	27,607	23,893
Investment in equity instruments at fair value through other comprehensive income	6,882	5,224
Interest income		
Financial assets at fair value through profit or loss	<u>28,057</u>	<u>25,574</u>
Sub-total	<u>62,546</u>	<u>54,691</u>
Realised gains/(losses)		
Financial assets at fair value through profit or loss	(28,443)	(41,676)
Investment in debt instruments at fair value through other comprehensive income	24,166	10,396
Investment in associates and joint ventures	<u>32</u>	<u>–</u>
Sub-total	<u>(4,245)</u>	<u>(31,280)</u>
Unrealised gains/(losses)		
Financial assets at fair value through profit or loss	119,063	(33,074)
Financial liabilities at fair value through profit or loss	(663)	129
Stock appreciation rights	<u>(240)</u>	<u>159</u>
Sub-total	<u>118,160</u>	<u>(32,786)</u>
Total	<u>176,461</u>	<u>(9,375)</u>

4 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Opening balance	258,760	262,485
Change of the cost	34,175	(8,252)
Share of profit or loss	12,077	8,079
Dividends declared	(5,328)	(4,854)
Other equity movements	3,995	1,302
Provision for impairment	<u>(1,602)</u>	<u>–</u>
Closing balance	<u>302,077</u>	<u>258,760</u>

	Accounting method	Investment cost	Movements in the current year					Provision for impairment	As at 31 December 2024	Percentage of equity interest	Accumulated amount of impairment RMB million
			As at 31 December 2023	Change of the cost	Share of profit or loss	Dividends declared	Other equity movements				
<i>RMB million</i>											
Associates											
China Guangfa Bank Co., Ltd. (“CGB”) (i)	Equity method	53,201	104,645	-	5,745	(765)	2,411	-	112,036	43.686%	-
COFCO Futures Company Limited (“COFCO Futures”)	Equity method	1,339	1,795	-	91	(30)	244	-	2,100	29.58%	-
China Pipe Group Sichuan to East China Gas Pipeline Co., Ltd. (“Pipeline Company”)	Equity method	10,000	12,104	-	790	(1,063)	9	-	11,840	43.86%	-
China United Network Communications Limited (“China Unicom”) (ii)	Equity method	21,801	23,052	-	854	(473)	51	-	23,484	10.03%	-
Others (iii)	Equity method	71,407	62,683	1,107	2,381	(1,478)	269	(313)	64,649		(6,680)
Sub-total		<u>157,748</u>	<u>204,279</u>	<u>1,107</u>	<u>9,861</u>	<u>(3,809)</u>	<u>2,984</u>	<u>(313)</u>	<u>214,109</u>		<u>(6,680)</u>
Joint ventures											
Joy City Commercial Property Fund L.P. (“Joy City”)	Equity method	6,281	5,414	-	270	(549)	-	-	5,135	66.67%	-
Mapleleaf Century Limited (“MCL”)	Equity method	7,656	3,025	-	(489)	-	100	-	2,636	75.00%	-
Others (iii)	Equity method	83,177	46,042	33,068	2,435	(970)	911	(1,289)	80,197		(1,289)
Sub-total		<u>97,114</u>	<u>54,481</u>	<u>33,068</u>	<u>2,216</u>	<u>(1,519)</u>	<u>1,011</u>	<u>(1,289)</u>	<u>87,968</u>		<u>(1,289)</u>
Total		<u>254,862</u>	<u>258,760</u>	<u>34,175</u>	<u>12,077</u>	<u>(5,328)</u>	<u>3,995</u>	<u>(1,602)</u>	<u>302,077</u>		<u>(7,969)</u>

(i) The 2023 final dividend of RMB0.0804 in cash per ordinary share was approved and declared in the Annual General Meeting of CGB on 20 June 2024. The Company received a cash dividend of RMB765 million.

(ii) The 2023 final dividend of RMB0.0524 in cash per ordinary share was approved and declared in the Annual General Meeting of China Unicom on 11 July 2024. The Company received a cash dividend of RMB167 million. The 2024 interim dividend of RMB0.0959 in cash per ordinary share was approved and declared in the Annual General Meeting of China Unicom on 15 August 2024. The Company received a cash dividend of RMB306 million.

On 31 December 2024, the stock price of China Unicom was RMB5.31 per share.

(iii) The Group invested in real estate, industrial logistics assets and other industries through these enterprises.

(iv) There is no significant restriction for the Group to dispose of its associates and joint ventures.

As at 31 December 2024, the major associates and joint ventures of the Group are as follows:

Name	Place of incorporation	Percentage of equity interest held
Associates		
CGB	PRC	43.686%
COFCO Futures	PRC	29.58%
Pipeline Company	PRC	43.86%
China Unicom	PRC	10.03%
Joint ventures		
Joy City	The British Cayman Islands	66.67%
MCL	The British Virgin Islands	75.00%

As at 31 December 2023, the major associates and joint ventures of the Group are as follows:

Name	Place of incorporation	Percentage of equity interest held
Associates		
CGB	PRC	43.686%
COFCO Futures	PRC	35.00%
Pipeline Company	PRC	43.86%
China Unicom	PRC	10.03%
Joint ventures		
Joy City	The British Cayman Islands	66.67%
MCL	The British Virgin Islands	75.00%

The following table illustrates the financial information of the Group's major associates and joint ventures as at 31 December 2024 and for the year ended 31 December 2024:

	CGB	COFCO	Pipeline	China	Joy City	MCL
	RMB million	Futures	Company	Unicom	RMB million	RMB million
		RMB million	RMB million	RMB million		
Total assets	3,644,993	26,518	21,099	672,837	9,530	24,865
Total liabilities	3,345,982	21,787	7,261	304,048	7	13,140
Total equity	299,011	4,731	13,838	368,789	9,523	11,725
Total equity attributable to equity holders of the associates and joint ventures	249,012	4,713	13,838	164,847	9,523	11,725
Total adjustments (i)	150	-	340	15,093	(1,821)	(8,210)
Total equity attributable to equity holders of the associates and joint ventures after adjustments	249,162	4,713	14,178	179,940	7,702	3,515
Proportion of the Group's ownership	43.686%	29.58%	43.86%	10.03%	66.67%	75.00%
Book balance of the investments	112,036	2,100	11,840	23,484	5,135	2,636
Impairment	-	-	-	-	-	-
Net carrying value of the investments	112,036	2,100	11,840	23,484	5,135	2,636
Total revenues	69,237	1,218	4,474	399,008	310	769
Net profit/(loss)	15,284	265	1,860	20,601	296	30
Other comprehensive income	5,520	17	-	263	-	223
Total comprehensive income	20,804	282	1,860	20,864	296	253

The following table illustrates the financial information of the Group's major associates and joint ventures as at 31 December 2023 and for the year ended 31 December 2023:

	CGB	COFCO	Pipeline	China	Joy City	MCL
	RMB million	Futures	Company	Unicom	RMB million	RMB million
		RMB million	RMB million	RMB million		
Total assets	3,509,522	26,169	21,814	662,845	9,629	24,127
Total liabilities	3,232,537	22,585	7,430	304,910	7	12,826
Total equity	276,985	3,584	14,384	357,935	9,622	11,301
Total equity attributable to equity holders of the associates and joint ventures	231,993	3,571	14,384	159,241	9,622	11,301
Total adjustments (i)	251	-	362	15,565	(1,501)	(7,267)
Total equity attributable to equity holders of the associates and joint ventures after adjustments	232,244	3,571	14,746	174,806	8,121	4,034
Proportion of the Group's ownership	43.686%	35.00%	43.86%	10.03%	66.67%	75.00%
Book balance of the investments	104,645	1,795	12,104	23,052	5,414	3,025
Impairment	-	-	-	-	-	-
Net carrying value of the investments	104,645	1,795	12,104	23,052	5,414	3,025
Total revenues	69,678	3,779	6,213	379,643	155	973
Net profit/(loss)	16,019	239	3,030	18,713	141	371
Other comprehensive income	2,841	3	-	319	-	(444)
Total comprehensive income	18,860	242	3,030	19,032	141	(73)

(i) Total adjustments include accounting policy difference adjustments, fair value adjustments and other adjustments.

The Group had no contingent liabilities with the associates and joint ventures as at 31 December 2024 (as at 31 December 2023: same). The Group had a capital contribution commitment of RMB18,970 million with associates and joint ventures as at 31 December 2024 (as at 31 December 2023: RMB13,638 million).

5 INSURANCE SERVICE EXPENSES

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Contracts not measured using the premium allocation approach		
Incurred claims and other expenses	43,810	44,062
Amortisation of insurance acquisition cash flows	45,167	42,118
Losses and reversals of losses on onerous contracts	39,044	12,595
Changes to liabilities for incurred claims	650	247
Sub-total	128,671	99,022
Contracts measured using the premium allocation approach	51,873	51,331
Total	180,544	150,353

6 NET INVESTMENT RETURN AND FINANCIAL CHANGES IN INSURANCE CONTRACTS

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Net investment returns		
Returns on investment recognised in profit or loss		
Interest income	120,958	122,994
Investment income	176,461	(9,375)
Investment income from associates and joint ventures	12,077	8,079
Net expected credit losses	207	1,217
Other impairment losses	(1,611)	–
Sub-total	308,092	122,915
Returns on investment recognised in other comprehensive income	305,932	100,909
Total	614,024	223,824

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Financial changes in insurance contracts		
Changes in fair value of underlying items of insurance contracts with direct participation features	193,129	66,193
Interest expense	101,019	88,070
Changes in interest rates and other financial assumptions	300,897	104,897
Total financial changes in insurance contracts	595,045	259,160
Recognised in profit or loss	209,952	127,923
Recognised in other comprehensive income	385,093	131,237
Total	595,045	259,160

7 EXPECTED CREDIT LOSSES

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Investment in debt instruments at fair value through other comprehensive income	(456)	(1,107)
Investment in debt instruments at amortised cost	167	(59)
Term deposits	24	(115)
Statutory deposits – restricted	1	(1)
Other receivables	57	65
Total	(207)	(1,217)

8 PROFIT BEFORE INCOME TAX

Profit before income tax is stated after charging the following:

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Salary and bonus	18,357	15,105
Social security and other benefits	8,021	7,471
Depreciation and amortisation	5,029	5,016
Remuneration in respect of audit services provided by auditors	54	65
Others	24,760	27,013
Less: Expenses directly attributable to insurance contracts		
Insurance acquisition cash flows recognised in liabilities for remaining coverage	(19,674)	(19,151)
Amounts recognised in insurance service expenses	(18,184)	(17,388)
	18,363	18,131

The disclosure above does not include underwriting and policy acquisition costs in the fulfilment cash flows.

9 TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same tax authority.

- (a) The amount of taxation charged to net profit represents:

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Current taxation – enterprise income tax	1,566	1,241
Deferred taxation	4,707	(4,212)
	<hr/>	<hr/>
Taxation charges	<u>6,273</u>	<u>(2,971)</u>

- (b) The reconciliation between the Group's effective tax rate and the statutory tax rate of 25% in the PRC (2023: same) is as follows:

	For the year ended 31 December	
	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
Profit before income tax	115,213	44,576
Income tax computed at the statutory tax rate	28,803	11,144
Effect of utilising previously unrecognised deferred tax assets attributable to deductible tax losses from prior periods	(4,291)	–
Adjustment on current income tax of previous period	–	(10)
Non-taxable income (i)	(19,388)	(18,522)
Expenses not deductible for tax purposes (i)	610	171
Deductible tax losses for which no deferred tax asset was recognised	77	4,034
Others	462	212
	<hr/>	<hr/>
Income tax at the effective tax rate	<u>6,273</u>	<u>(2,971)</u>

- (i) Non-taxable income mainly includes interest income from government bonds, and dividend income from applicable equity investments.
- (ii) The amendments to IAS 12 introduce a temporary mandatory exemption from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two Model Rules published by the Organization for Economic Co-operation and Development. According to the rules of Pillar Two legislation, low-tax jurisdictions with effective tax rate below 15% may have a top-up tax impact. There are differences in the computation of effective tax rate between Pillar Two legislation and IFRS Accounting Standards. The Group evaluates that the Pillar Two legislation has no significant impact on the Group's consolidated financial statements for the year 2024.

(c) As at 31 December 2024 and 31 December 2023, the amounts of deferred tax assets and liabilities were as follows:

	As at 31 December 2024 RMB million	As at 31 December 2023 RMB million
Deferred tax assets	187,950	86,971
Deferred tax liabilities	(148,071)	(62,540)
Net deferred tax assets	40,026	24,431
Net deferred tax liabilities	(147)	–

As at 31 December 2024, the deferred taxation was calculated in full on temporary differences under the statement of financial position liability method using the principal tax rate of 25% (As at 31 December 2023: same). The movements in deferred tax assets and liabilities during the year are as follows:

	As at 1 January 2024	Recognised in profit or loss in the current year	Recognised in other comprehensive income in the current year	As at 31 December 2024 RMB million
Provision for asset impairment	1,909	168	126	2,203
Accrued payroll	49,671	(2,261)	95,384	142,794
Insurance contract liabilities	1,863	408	–	2,271
Deductible losses	12,355	26,099	–	38,454
Changes in fair value of the financial assets at fair value through profit or loss	19,503	(29,823)	–	(10,320)
Changes in fair value of the financial assets at fair value through other comprehensive income	(62,540)	–	(74,788)	(137,328)
Others	1,670	702	(567)	1,805
Net value	24,431	(4,707)	20,155	39,879

	As at 1 January 2023	Recognised in profit or loss in the current year	Recognised in other comprehensive income in the current year	As at 31 December 2023 <i>RMB million</i>
Provision for asset impairment	1,935	(324)	298	1,909
Accrued payroll	26,545	(9,457)	32,583	49,671
Insurance contract liabilities	2,714	(851)	–	1,863
Deductible losses	7,185	5,170	–	12,355
Changes in fair value of the financial assets at fair value through profit or loss	10,356	9,147	–	19,503
Changes in fair value of the financial assets at fair value through other comprehensive income	(37,052)	–	(25,488)	(62,540)
Others	1,147	527	(4)	1,670
Net value	<u>12,830</u>	<u>4,212</u>	<u>7,389</u>	<u>24,431</u>

Unrecognised deductible tax losses of the Group amounted to RMB2,248 million as at 31 December 2024 (as at 31 December 2023: RMB7,116 million), expected to mature within 5 years.

10 EARNINGS PER SHARE

There is no difference between the basic and diluted earnings per share. The basic and diluted earnings per share for the year ended 31 December 2024 are calculated based on the net profit for the year attributable to ordinary equity holders of the Company and the weighted average of 28,264,705,000 ordinary shares (2023: same).

11 DIVIDENDS

Pursuant to the shareholders' approval at the Annual General Meeting on 27 June 2024, a final dividend of RMB0.43 (inclusive of tax) per ordinary share totalling RMB12,154 million in the respect of the year ended 31 December 2023 was declared and paid in 2024. The dividend has been reflected in the consolidated financial statements for the year ended 31 December 2024.

Pursuant to the shareholders' approval at the Extraordinary General Meeting on 30 October 2024, an interim dividend of RMB0.20 (inclusive of tax) per ordinary share totalling RMB5,653 million in the respect of the six months ended 30 June 2024 was declared and paid in 2024. The dividend has been reflected in the consolidated financial statements for the year ended 31 December 2024.

Pursuant to a resolution passed at the meeting of the Board of Directors on 26 March 2025, a final dividend of RMB0.45 (inclusive of tax) per ordinary share totalling approximately RMB12,719 million for the year ended 31 December 2024 was proposed for shareholders' approval at the forthcoming Annual General Meeting. The dividend has not been recorded in the consolidated financial statements for the year ended 31 December 2024.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	As at 31 December 2024 <i>RMB million</i>	As at 31 December 2023 <i>RMB million</i>
ASSETS		
Property, plant and equipment	54,030	53,710
Right-of-use assets	1,557	1,480
Investment properties	12,319	12,753
Investments in associates and joint ventures	302,077	258,760
Term deposits	438,455	413,255
Statutory deposits – restricted	6,591	6,520
Investment in debt instruments at amortised cost	196,754	211,349
Investment in debt instruments at fair value through other comprehensive income	3,458,895	2,744,169
Investment in equity instruments at fair value through other comprehensive income	171,817	138,005
Financial assets at fair value through profit or loss	1,908,098	1,705,375
Reinsurance contract assets	30,738	25,846
Other assets	31,712	37,318
Deferred tax assets	40,026	24,431
Financial assets purchased under agreements to resell	30,560	19,759
Accrued investment income	412	51
Cash and cash equivalents	85,505	149,305
Total assets	<u>6,769,546</u>	<u>5,802,086</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)*As at 31 December 2024*

	As at 31 December 2024 <i>RMB million</i>	As at 31 December 2023 <i>RMB million</i>
LIABILITIES AND EQUITY		
Liabilities		
Insurance contract liabilities	5,825,026	4,859,175
Reinsurance contract liabilities	160	188
Interest-bearing loans and other borrowings	12,758	12,857
Bonds payable	35,194	36,166
Other liabilities	140,931	126,750
Deferred tax liabilities	147	–
Current tax liabilities	237	309
Premiums received in advance	28,760	48,878
Financial assets sold under agreements to repurchase	151,564	216,851
Financial liabilities at fair value through profit or loss	<u>53,521</u>	<u>13,878</u>
Total liabilities	<u>6,248,298</u>	<u>5,315,052</u>
Equity		
Share capital	28,265	28,265
Reserves	119,033	145,933
Retained earnings	<u>362,377</u>	<u>302,895</u>
Attributable to equity holders of the Company	<u>509,675</u>	<u>477,093</u>
Non-controlling interests	<u>11,573</u>	<u>9,941</u>
Total equity	<u>521,248</u>	<u>487,034</u>
Total liabilities and equity	<u>6,769,546</u>	<u>5,802,086</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Attributable to equity holders of the Company			Non-controlling interests	Total
	Share capital	Reserves	Retained earnings <i>RMB million</i>		
As at 1 January 2023	28,265	159,784	278,074	8,958	475,081
Net profit	–	–	46,181	1,366	47,547
Other comprehensive income	–	(21,741)	–	42	(21,699)
Total comprehensive income	–	(21,741)	46,181	1,408	25,848
Transactions with shareholders					
Appropriation to reserves	–	7,604	(7,604)	–	–
Dividends declared	–	–	(13,850)	–	(13,850)
Dividends to non-controlling interests	–	–	–	(425)	(425)
Reserves to retained earnings	–	(94)	94	–	–
Others	–	380	–	–	380
Total transactions with shareholders	–	7,890	(21,360)	(425)	(13,895)
As at 31 December 2023	28,265	145,933	302,895	9,941	487,034
Appropriation to reserves	–	19,762	(19,762)	–	–
As at 1 January 2024	28,265	165,695	283,133	9,941	487,034
Net profit	–	–	106,935	2,005	108,940
Other comprehensive income	–	(56,770)	–	83	(56,687)
Total comprehensive income	–	(56,770)	106,935	2,088	52,253
Transactions with shareholders					
Appropriation to reserves	–	11,889	(11,889)	–	–
Dividends declared	–	–	(17,807)	–	(17,807)
Dividends to non-controlling interests	–	–	–	(463)	(463)
Reserves to retained earnings	–	(2,005)	2,005	–	–
Others	–	224	–	7	231
Total transactions with shareholders	–	10,108	(27,691)	(456)	(18,039)
As at 31 December 2024	28,265	119,033	362,377	11,573	521,248

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	2024 <i>RMB million</i>	2023 <i>RMB million</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	115,213	44,576
Adjustments for:		
Investment income	(176,461)	9,375
Interest income	(120,958)	(122,994)
Expected credit losses	(207)	(1,217)
Other impairment losses	1,611	–
Insurance contracts and reinsurance contracts held	580,024	460,499
Depreciation and amortisation	5,029	5,016
Foreign exchange gains/(losses)	25	381
Investment income from associates and joint ventures	(12,077)	(8,079)
Decrease/(increase) in financial assets at fair value through profit or loss, net	–	(13,777)
Increase/(decrease) in financial liabilities at fair value through profit or loss, net	–	(2,187)
Receivables and payables	(11,751)	5,877
Income tax paid	(1,653)	(1,036)
Interest received – financial assets at fair value through profit or loss	–	7,317
Dividends received – financial assets at fair value through profit or loss	–	615
	<u>378,795</u>	<u>384,366</u>
Net cash inflow/(outflow) from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposals and maturities	2,029,653	1,019,894
Purchases	(2,503,459)	(1,721,536)
Investments in associates and joint ventures	(37,955)	(4,217)
Decrease/(increase) in term deposits, net	(24,551)	80,787
Decrease/(increase) in financial assets purchased under agreements to resell, net	(8,417)	21,837
Interest received	151,721	145,824
Dividends received	38,388	33,373
Cash paid related to other investing activities	–	(198)
	<u>(354,620)</u>	<u>(424,236)</u>
Net cash inflow/(outflow) from investing activities		

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)*For the year ended 31 December 2024*

	2024	2023
	<i>RMB million</i>	<i>RMB million</i>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in financial assets sold under agreements to repurchase, net	(65,875)	67,129
Cash received from borrowings	65	43
Interest paid	(8,650)	(7,921)
Repayment of borrowings and bonds	(35,138)	(577)
Dividends paid to equity holders of the Company	(17,807)	(13,850)
Dividends paid to non-controlling interests	(458)	(418)
Proceeds from issue of bonds	35,000	–
Payment of lease liabilities	(1,074)	(1,149)
Capital injected into subsidiaries by non-controlling interests, net	7,178	18,035
Cash received related to other financing activities	–	750
Cash paid related to other financing activities	–	(1,769)
Net cash inflow/(outflow) from financing activities	(86,759)	60,273
Foreign exchange gains/(losses) on cash and cash equivalents	28	64
Net increase/(decrease) in cash and cash equivalents	(62,556)	20,467
Cash and cash equivalents		
Beginning of the period	148,061	127,594
End of the period	85,505	148,061
Analysis of balances of cash and cash equivalents		
Cash at banks and in hand	85,118	147,453
Short-term bank deposits	387	608

SEGMENT INFORMATION

1 Operating segments

The Group operates in life insurance business segment, the health insurance business segment, the accident insurance business segment and the other business segment:

(i) *Life insurance business (Life)*

Life insurance business relates primarily to the sale of life insurance policies, including those life insurance policies without significant insurance risk transferred.

(ii) *Health insurance business (Health)*

Health insurance business relates primarily to the sale of health insurance policies, including those health insurance policies without significant insurance risk transferred.

(iii) *Accident insurance business (Accident)*

Accident insurance business relates primarily to the sale of accident insurance policies.

(iv) *Other businesses (Others)*

Other businesses relate primarily to income and cost of the agency business in respect of transactions with China Life Insurance (Group) Company, etc., and the income and expenses of subsidiaries, as well as related consolidation offsets, etc.

2 Allocation basis of income and expenses

Insurance service income and expenses directly related to the segments are directly recognised in each insurance segment. Interest income, investment income etc., are allocated to each segment by systematic and reasonable method. Other expenses that are not directly attributable to the portfolio of insurance contracts are not allocated and are directly recognised in other business segment.

3 Allocation basis of assets and liabilities

Insurance service assets and liabilities directly related to the segments are directly recognised in each insurance segment. Other assets and other liabilities are allocated to each segment by systematic and reasonable method.

	For the year ended 31 December 2023					
	Life	Health	Accident	Others	Elimination	Total
	RMB million					
I. Operating income	695,053	119,459	14,424	12,655	(3,732)	837,859
Premiums earned	511,355	106,757	14,029	–	–	632,141
Premium income	512,622	114,023	14,735	–	–	641,380
Less: Premiums ceded to reinsurers	(1,267)	(6,110)	(618)	–	–	(7,995)
Change in unearned premium reserves	–	(1,156)	(88)	–	–	(1,244)
Investment income	177,373	12,287	386	581	–	190,627
Including: Share of profit of associates and joint ventures	8,816	607	19	(916)	–	8,526
Other gains	87	6	–	51	–	144
Fair value gains/(losses)	3,894	268	8	(1)	–	4,169
Foreign exchange gains/(losses)	165	11	–	(557)	–	(381)
Other operating income	2,110	125	1	12,582	(3,732)	11,086
Including: inter-segment transactions	–	–	–	3,732	(3,732)	–
Gains/(losses) on disposal of assets	69	5	–	(1)	–	73
II. Operating expenses	(689,444)	(117,405)	(13,625)	(8,876)	3,732	(825,618)
Surrenders	(46,383)	(2,335)	(22)	–	–	(48,740)
Claims expense	(103,907)	(63,894)	(7,018)	–	–	(174,819)
Less: Claims recoverable from reinsurers	506	6,164	339	–	–	7,009
Increase in insurance contracts reserve	(375,952)	(31,089)	(170)	–	–	(407,211)
Less: Insurance reserves recoverable from reinsurers	97	151	39	–	–	287
Policyholder dividends resulting from participation in profits	(11,614)	(81)	–	–	–	(11,695)
Tax and surcharges	(889)	(202)	(21)	(305)	–	(1,417)
Underwriting and policy acquisition costs	(47,281)	(9,833)	(4,260)	(1,718)	–	(63,092)
Administrative expenses	(24,825)	(10,592)	(2,059)	(3,600)	–	(41,076)
Less: Expenses recoverable from reinsurers	376	342	10	–	–	728
Other operating expenses	(30,238)	(2,629)	(353)	(3,103)	3,732	(32,591)
Including: inter-segment transactions	(3,484)	(240)	(8)	–	3,732	–
Impairment losses	(49,334)	(3,407)	(110)	(150)	–	(53,001)
III. Operating profit	5,609	2,054	799	3,779	–	12,241
Add: Non-operating income	81	6	–	7	–	94
Less: Non-operating expenses	(425)	(29)	(1)	(2)	–	(457)
IV. Net profit before income tax	5,265	2,031	798	3,784	–	11,878
Supplementary Information:						
Depreciation and amortisation expenses	2,804	1,118	233	861	–	5,016

The reconciliation of segment information to the consolidated statement of comprehensive income is as follows:

	For the year ended 31 December 2023		
Segment information	Adjustment		Consolidated statement of comprehensive income
	IFRS 9	IFRS 17	
Operating income: 837,859	(60,745)	(432,368)	Total revenue: 344,746
Net profit before income tax: 11,878	(6,895)	39,593	Profit before income tax: 44,576

	As at 31 December 2023					
	Life	Health	Accident	Others	Elimination	Total
	<i>RMB million</i>					
I. Assets						
Cash fund	132,636	9,135	289	7,506	–	149,566
Financial assets at fair value through profit or loss	235,852	16,244	513	1,270	–	253,879
Financial assets purchased under agreements to resell	16,213	1,117	35	122	–	17,487
Interest receivable	47,248	3,254	103	274	–	50,879
Premiums receivable	8,119	12,939	463	–	–	21,521
Unearned premium reserves receivable from reinsurers	–	586	56	–	–	642
Claim reserves receivable from reinsurers	–	313	334	–	–	647
Reserves for life insurance receivable from reinsurers	700	–	–	–	–	700
Reserves for long-term health insurance receivable from reinsurers	–	4,573	–	–	–	4,573
Loans	570,812	30,172	673	1,982	–	603,639
Term deposits	371,105	25,560	808	6,658	–	404,131
Available-for-sale financial assets	2,099,921	144,633	4,569	13,924	–	2,263,047
Held-to-maturity investments	1,591,004	109,581	3,462	2,394	–	1,706,441
Long-term equity investments	215,217	14,823	468	27,098	–	257,606
Statutory deposits	5,278	364	11	680	–	6,333
Separate account assets	7	–	–	8,409	–	8,416
Total distributable assets	5,294,112	373,294	11,784	70,317	–	5,749,507
Undistributable assets						
Other assets						138,972
Total						5,888,479
II. Liabilities						
Financial liabilities at fair value through profit or loss	5,106	352	11	–	–	5,469
Financial assets sold under agreements to repurchase	200,368	13,800	436	2,100	–	216,704
Claims payable	60,979	5,302	311	–	–	66,592
Policyholder deposits	466,619	19,864	–	–	–	486,483
Unearned premium reserve	–	10,490	3,730	–	–	14,220
Claim reserve	–	20,608	3,853	–	–	24,461
Reserves for life insurance	3,981,728	–	1,705	–	–	3,983,433
Reserves for long-term health insurance	–	266,376	–	–	–	266,376
Long-term borrowings	–	–	–	12,719	–	12,719
Separate account liabilities	7	–	–	8,409	–	8,416
Other distributable liabilities	35,745	2,291	71	–	–	38,107
Total distributable liabilities	4,750,552	339,083	10,117	23,228	–	5,122,980
Non-distributable liabilities						
Other liabilities						295,457
Total						5,418,437

The reconciliation of segment information to the consolidated statement of financial position is as follows:

	As at 31 December 2023			<i>RMB million</i>
Segment information	Adjustment			Consolidated statement of financial position
	IFRS 9	IFRS 17	Impact of Deferred tax	
Assets: 5,888,479	198,743	(279,280)	(5,856)	Assets: 5,802,086
Liabilities: 5,418,437	590	(102,426)	(1,549)	Liabilities: 5,315,052

SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

Basis of preparation

The Group has prepared these consolidated financial statements in accordance with IFRS[®] Accounting Standards, amendments to IFRS Accounting Standards and interpretations issued by the International Accounting Standards Board (“IASB”). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the applicable disclosure requirements of the Hong Kong Companies Ordinance. The Group has prepared the consolidated financial statements under the historical cost convention, except for financial assets and liabilities measured at fair value, assets or liabilities held for insurance contracts and reinsurance contracts, certain property, plant and equipment at deemed cost as part of the restructuring process. The preparation of financial statements in compliance with IFRS Accounting Standards requires the use of certain material estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

New accounting standards and amendments adopted by the Group for the first time for the financial year beginning on 1 January 2024

Standards/Amendments	Content	Effective for annual periods beginning on or after
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to IAS 1	<i>Non-Current Liabilities with Covenants</i>	1 January 2024
Amendments to IFRS 16	<i>Lease Liabilities in a sale and Leaseback</i>	1 January 2024
Amendments to IAS 7, “Statement of Cash Flows” and IFRS 7, “Financial Instruments: Disclosures”	<i>Financing Arrangements of Supplier</i>	1 January 2024

The above amendments to the standards did not have any significant impact on the consolidated financial statements of the Group for the year ended 31 December 2024.

New accounting standards and amendments that are issued but not yet effective and have not been early adopted by the Group for the financial year beginning on 1 January 2024

Standards/Amendments	Content	Effective for annual periods beginning on or after
IFRS 18 (i)	<i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	No mandatory effective date yet determined but available for adoption
Amendments to IAS 21	<i>Lack of Convertibility</i>	1 January 2025
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS7.</i>	1 January 2026

- (i) IFRS 18 replaces IAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The Group is currently assessing the impact on the Group's consolidated financial statements.

EMBEDDED VALUE

ASSUMPTIONS

Economic assumptions: The calculations are based upon assumed corporate tax rate of 25% for all years. The overall investment return of the Company is assumed to be 4% per annum. 17% grading to 21% (remaining level thereafter) of the investment return is assumed to be exempt from income tax. The investment return and tax exempt assumptions are based on the Company's strategic asset mix and expected future returns. Considering the risks associated with different business characteristics, the risk-adjusted discount rate for traditional business is assumed to be 8% per annum, and the risk-adjusted discount rate for semi-priced business is assumed to be 7.2% per annum.

Other operating assumptions such as mortality, morbidity, lapses and expenses are based on the Company's recent operating experience and expected future outlook.

SUMMARY OF RESULTS

The embedded value as at 31 December 2024 and the corresponding results as at 31 December 2023 are shown below:

Components of Embedded Value

ITEMS	<i>RMB million</i>	
	31 December 2024	31 December 2023
A Adjusted Net Worth	897,831	675,760
B Value of In-Force Business before Cost of Required Capital	597,126	648,848
C Cost of Required Capital	(93,811)	(64,040)
D Value of In-Force Business after Cost of Required Capital (B + C)	503,315	584,807
E Embedded Value (A + D)	<u>1,401,146</u>	<u>1,260,567</u>

Note: Numbers may not be additive due to rounding.

SUMMARY OF RESULTS (continued)

The value of one year's sales for the 12 months ended 31 December 2024 and for the corresponding period of last year is shown below:

Components of Value of One Year's Sales

ITEMS	31 December 2024	RMB million	
		31 December 2024 (Using 2023 Economic Assumptions)	31 December 2023
A Value of One Year's Sales before Cost of Required Capital	39,587	50,400	45,184
B Cost of Required Capital	(5,878)	(4,595)	(8,324)
C Value of One Year's Sales after Cost of Required Capital (A + B)	33,709	45,805	36,860
Including: Value of One Year's Sales of Individual Agent Channel	<u>31,313</u>	<u>41,016</u>	<u>34,646</u>

The new business margin of one year's sales of individual agent channel for the 12 months ended 31 December 2024 and for the corresponding period of last year is shown below:

New Business Margin of One Year's Sales of Individual Agent Channel

	31 December 2024	31 December	
		2024 (Using 2023 Economic Assumptions)	2023
By First Year Premium	25.7%	33.7%	29.9%
By Annual Premium Equivalent	<u>26.2%</u>	<u>34.3%</u>	<u>31.3%</u>

Note: First Year Premium is the written premium used for calculation of the value of one year's sales and Annual Premium Equivalent is calculated as the sum of 100 percent of first year regular premiums and 10 percent of single premiums.

MOVEMENT ANALYSIS

The following analysis tracks the movement of the embedded value from the start to the end of the Reporting Period:

Analysis of Embedded Value Movement in 2024

RMB million

ITEMS

A	Embedded Value at the Start of Year	1,260,567
B	Expected Return on Embedded Value	99,809
C	Value of New Business in the Period	33,709
D	Operating Experience Variance	681
E	Investment Experience Variance	64,061
F	Methodology, Model and Assumption Changes	(146,489)
G	Market Value and Other Adjustments	106,457
H	Exchange Gains or Losses	17
I	Shareholder Dividend Distribution and Capital Changes	(17,807)
J	Others	141
K	Embedded Value as at 31 December 2024 (sum A through J)	<u>1,401,146</u>

Notes: Items B through J are explained below:

- B Reflects expected impact of covered business, and the expected return on investments supporting the 2024 opening net worth.
- C Value of one year's sales for the 12 months ended 31 December 2024.
- D Reflects the difference between actual operating experience in 2024 (including mortality, morbidity, lapse, and expenses etc.) and the assumptions.
- E Compares actual with expected investment returns during 2024.
- F Reflects the effects of appraisal methodology and model enhancement, and assumption changes.
- G Change in the market value adjustment from the beginning of year 2024 to 31 December 2024 and other adjustments.
- H Reflects the gains or losses due to changes in exchange rate.
- I Reflects dividends distributed to shareholders during 2024.
- J Other miscellaneous items.

SENSITIVITY RESULTS

Sensitivity tests were performed using a range of alternative assumptions. In each of the sensitivity tests, only the assumption referred to was changed, with all other assumptions remaining unchanged. The results are summarised below:

Sensitivity Results

	<i>RMB million</i>	
	Value of In-Force Business after Cost of Required Capital	Value of One Year's Sales after Cost of Required Capital
Base case scenario	503,315	33,709
1. Risk discount rate +50bps	474,562	31,936
2. Risk discount rate -50bps	534,492	35,610
3. 10% increase in investment return	632,972	42,332
4. 10% decrease in investment return	374,256	25,110
5. 10% increase in expenses	495,312	30,296
6. 10% decrease in expenses	511,318	37,123
7. 10% increase in mortality rate for non-annuity products and 10% decrease in mortality rate for annuity products	498,611	32,844
8. 10% decrease in mortality rate for non-annuity products and 10% increase in mortality rate for annuity products	507,995	34,579
9. 10% increase in lapse rates	507,707	32,896
10. 10% decrease in lapse rates	498,840	34,590
11. 10% increase in morbidity rates	493,979	31,786
12. 10% decrease in morbidity rates	512,716	35,634
13. Allowing for diversification in calculation of VIF	537,977	–

CORPORATE GOVERNANCE

The Company has applied the principles of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Save for code provision C.2.1 of the CG Code, the Company has complied with all code provisions of the CG Code during the Reporting Period. Pursuant to code provision C.2.1, the roles of chairman and chief executive should be separate and not be held by the same individual. After Mr. Bai Tao resigned as the Chairman of the Board of Directors of the Company on 30 September 2024, Mr. Li Mingguang assumed the roles and duties of the Chairman of the Board of Directors while continuing to act as the President of the Company, which deviated from the above code provision C.2.1. However, such arrangement was temporary. Under the oversight of other Board members, the Board of Directors maintained an appropriately balanced power structure to ensure adequate checks and protect the interests of the Company and its shareholders. With the appointment of Mr. Cai Xiliang as the new Chairman of the Board of Directors effective from 4 December 2024, the Company has re-complied with code provision C.2.1 of the CG Code.

ELIGIBILITY FOR ATTENDING THE ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS FOR H SHARES

The H Share register of members of the Company will be closed for the purpose of determining H Share shareholders’ entitlement to attend the Annual General Meeting, from Thursday, 19 June 2025 to Thursday, 26 June 2025 (both days inclusive), during which period no transfer of H Shares will be registered. In order to attend the Annual General Meeting, H Share shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 18 June 2025.

RECOMMENDATION OF FINAL DIVIDEND, WITHHOLDING AND PAYMENT OF INCOME TAX, AND CLOSURE OF REGISTER OF MEMBERS FOR H SHARES

The Board of Directors has recommended a final dividend of RMB0.45 per share (inclusive of tax), amounting to a total of approximately RMB12,719 million, subject to the approval of shareholders at the forthcoming Annual General Meeting scheduled on Thursday, 26 June 2025. If approved, the final dividend is expected to be paid on Thursday, 21 August 2025 to the H Share shareholders whose names appear on the H Share register of members of the Company on Wednesday, 9 July 2025.

The H Share register of members of the Company will be closed from Friday, 4 July 2025 to Wednesday, 9 July 2025 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be entitled to the dividend, H Share shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 3 July 2025.

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementation regulations and other relevant rules and regulations, the Company is required to withhold and pay enterprise income tax at the rate of 10% before distributing the 2024 final dividend to non-resident enterprise shareholders as appearing on the H Share register of members of the Company. Any shares registered in the name of non-individual registered shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organisations, will be treated as being held by non-resident enterprise shareholders and therefore will be subject to the withholding of the enterprise income tax.

Pursuant to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) and its implementation regulations and other relevant rules and regulations, the Company is required to withhold and pay individual income tax before distributing the 2024 final dividend to individual shareholders as appearing on the H Share register of members of the Company (the "Individual H Shareholders"). However, the Individual H Shareholders may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the Individual H Shareholders are domiciled and the tax arrangements between Mainland China and Hong Kong (Macau). In this regard, the Company will implement the following arrangements in relation to the withholding and payment of individual income tax for the Individual H Shareholders:

- For Individual H Shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the Mainland China stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the Individual H Shareholders in the distribution of final dividend;
- For Individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the Mainland China stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of the Individual H Shareholders in the distribution of final dividend;
- For Individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of final dividend;
- For Individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the Individual H Shareholders in the distribution of final dividend.

If Individual H Shareholders consider that the tax rate adopted by the Company for the withholding and payment of individual income tax on their behalf is not the same as the tax rate stipulated in any tax treaties between the PRC and the countries (regions) in which they are domiciled, please submit promptly to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, a letter of entrustment and all application materials showing that they are residents of a country (region) which has entered into a tax treaty with the PRC. The Company will then submit the above documents to competent tax authorities who will proceed with the subsequent tax related arrangements.

As to the A Share shareholders, it is expected that the Company will complete the distribution of the 2024 final dividend by Thursday, 10 July 2025. The Company will announce separately on the Shanghai Stock Exchange details of the arrangement regarding the distribution of the 2024 final dividend to its A Share shareholders.

For Hong Kong investors (including enterprises and individuals) investing in the Company's A Shares via the Shanghai Stock Connect Program, their dividends will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such A Shares. The Company will withhold and pay income tax at the rate of 10% on behalf of those investors. For investors via the Shanghai Stock Connect Program who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, those enterprises or individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded. The record date, the dividend distribution date and other arrangements for investors via the Shanghai Stock Connect Program will be the same as those for the Company's A Share shareholders.

For Shanghai and Shenzhen investors (including enterprises and individuals) investing in the Company's H Shares via the Hong Kong Stock Connect Program, the Shanghai Branch and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominees of the holders of H Shares for investors via the Hong Kong Stock Connect Program, will receive the dividends distributed by the Company and distribute such dividends to the relevant investors through its depository and clearing system. The final dividend to be distributed to the investors of H Shares via the Hong Kong Stock Connect Program will be paid in RMB. The record date for investors of H Shares via the Hong Kong Stock Connect Program will be the same as that for the H Share shareholders of the Company. If approved at the Annual General Meeting, the final dividend is expected to be paid on Tuesday, 26 August 2025 to the investors of H Shares via the Hong Kong Stock Connect Program. Pursuant to the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shenzhen Stock Market and the Hong Kong Stock Market (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)) and other relevant rules and regulations:

- For Mainland individual investors who invest in the H Shares of the Company via the Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20% in the distribution of the final dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China Securities Depository and Clearing Corporation Limited for tax refund relating to the withholding tax already paid abroad. For Mainland securities investment funds that invest in the H Shares of the Company via the Hong Kong Stock Connect Program, the Company will withhold individual income tax in the distribution of the final dividend pursuant to the foregoing provisions;
- For Mainland enterprise investors that invest in the H Shares of the Company via the Hong Kong Stock Connect Program, the Company will not withhold the income tax in the distribution of the final dividend and the Mainland enterprise investors shall file the tax returns on their own.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

During the Reporting Period, the Company and its subsidiaries did not purchase, sell or redeem any of the Company's listed securities (including selling treasury shares). As at the end of the Reporting Period, the Company did not hold any treasury shares.

REVIEW OF ANNUAL RESULTS

The Audit Committee of the Board of the Company has reviewed the annual results of the Company for the year ended 31 December 2024. The 2024 consolidated financial statements of the Company prepared in accordance with the IFRSs have been audited by Ernst & Young based on the International Standards on Auditing and Ernst & Young has issued standard unqualified opinions on the 2024 consolidated financial statements.

PUBLICATION OF ANNUAL REPORT

The Company's annual report will be published on the Company's website (<http://www.e-chinalife.com>) and the HKExnews website of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) in due course.

This announcement is published in both English and Chinese. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

As at the date of this announcement, the Board of Directors of the Company comprises:

<i>Executive Directors:</i>	Cai Xiliang, Li Mingguang, Liu Hui, Ruan Qi
<i>Non-executive Directors:</i>	Wang Junhui, Hu Jin, Hu Rong
<i>Independent Non-executive Directors:</i>	Lam Chi Kuen, Zhai Haitao, Chen Jie, Lu Feng

By Order of the Board
CHINA LIFE INSURANCE COMPANY LIMITED
Heng Victor Ja Wei
Company Secretary

Beijing, China
26 March 2025