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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**

### **RENEWAL OF CONTINUING CONNECTED TRANSACTIONS UNDER THE POLICY MANAGEMENT AGREEMENT**

Reference is made to the announcement of the Company dated 16 December 2021 in relation to the existing policy management agreement entered into between the Company and CLIC. Such agreement will expire on 31 December 2024. The Company intends to enter into the New Policy Management Agreement with CLIC by 31 December 2024, whereby the Company will continue to accept CLIC's entrustment to provide policy administration services relating to non-transferred policies.

CLIC, the controlling shareholder of the Company, currently holds approximately 68.37% of the issued share capital of the Company, and is a connected person of the Company. As such, the transactions under the New Policy Management Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Given that the applicable percentage ratios in respect of the annual cap for the continuing connected transactions under the New Policy Management Agreement are more than 0.1% but less than 5%, such transactions are subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

#### **BACKGROUND**

Reference is made to the announcement of the Company dated 16 December 2021 in relation to the existing policy management agreement entered into between the Company and CLIC. Such agreement will expire on 31 December 2024. The Company intends to enter into the New Policy Management Agreement with CLIC by 31 December 2024, whereby the Company will continue to accept CLIC's entrustment to provide policy administration services relating to non-transferred policies.

## **PRINCIPAL TERMS OF THE NEW POLICY MANAGEMENT AGREEMENT**

In contemplation of the listing of the Company on the Stock Exchange in 2003, CLIC transferred its entire branch services network to the Company. In order to capitalize on the large customer base of CLIC, increase the utilization of the Company's customer service network and increase the Company's revenue sources, the Company has accepted CLIC's entrustment to provide policy administration services relating to the non-transferred policies.

### **Scope of services**

Pursuant to the New Policy Management Agreement, the Company will provide various policy administration services to CLIC relating to the non-transferred policies, including day-to-day insurance administration services, customer services, statistics and file management, invoice and receipt management, reinstatement of non-transferred policies and renewal of riders to the non-transferred policies, reinsurance, and handling of disputes relating to the non-transferred policies. The Company will act as an agent of CLIC under the New Policy Management Agreement and will not acquire any rights or assume any obligations as an insurer under the non-transferred policies.

### **Service fee**

Pursuant to the New Policy Management Agreement, CLIC will pay a service fee to the Company in cash on an annual basis. The calculation method of the service fee equals to, for each annual payment period, the sum of (1) the number of non-transferred policies in force as of the last day of the period, multiplied by RMB14; and (2) 2.5% of the actual premiums in respect of the non-transferred policies collected during the period.

### **Term**

The New Policy Management Agreement is for a term of three years from 1 January 2025 to 31 December 2027. During its term, the New Policy Management Agreement may be terminated by either party by giving to the other party not less than 90 days' prior written notice.

## ANNUAL CAP

### Historical figures

The service fees paid by CLIC to the Company for the two years ended 31 December 2023 and the six months ended 30 June 2024 are as follows:

<b>Period</b>	<b>Amount of Service Fees Paid</b> <i>(RMB in million)</i>
For the year ended 31 December 2022	463.21
For the year ended 31 December 2023	463.21
For the six months ended 30 June 2024	231.60

### Annual cap

The annual cap in respect of the service fee to be paid by CLIC to the Company under the New Policy Management Agreement for each of the three years ending 31 December 2027 is RMB503 million.

In determining the annual cap, the Company has taken into account the differences arising from the calculation of the number of non-transferred policies under the New Policy Management Agreement, and the estimated number of lapsed non-transferred policies which may be reinstated during the term of the New Policy Management Agreement, and has made reference to the historical amounts of service fees paid by CLIC to the Company in previous years.

## REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The transactions under the New Policy Management Agreement can effectively avoid competition between the Company and CLIC, fully develop the potential of the Company's current customer service network and effectively allocate and utilize the Company's current resources, thereby enhancing the Company's sustainable development capability which is in line with the long-term interests of the Company and its shareholders.

The Directors (including the independent non-executive Directors) are of the view that the continuing connected transactions under the New Policy Management Agreement are conducted by the Company in its ordinary and usual course of business, on normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole, and that the annual cap for the continuing connected transactions under the New Policy Management Agreement is fair and reasonable. Mr. Cai Xiliang, Mr. Li Mingguang, Mr. Wang Junhui, Ms. Hu Jin and Mr. Hu Rong hold positions in CLIC and have abstained from voting on the Board resolution passed to approve the New Policy Management Agreement and the transactions contemplated thereunder.

## **LISTING RULES IMPLICATIONS**

CLIC, the controlling shareholder of the Company, currently holds approximately 68.37% of the issued share capital of the Company, and is a connected person of the Company. As such, the transactions under the New Policy Management Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Given that the applicable percentage ratios in respect of the annual cap for the continuing connected transactions under the New Policy Management Agreement are more than 0.1% but less than 5%, such transactions are subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **GENERAL INFORMATION**

The Company is one of the leading life insurance companies in the PRC. It offers personal insurance businesses, including life insurance, health insurance and accident insurance businesses, reinsurance relating to the above insurance businesses, use of funds permitted by applicable PRC laws and regulations or the State Council, as well as all types of personal insurance services, consulting business and agency business, sales of securities investment fund, and other businesses permitted by the NFRA.

CLIC, the controlling shareholder of the Company, offers insurance policies to groups and individuals, which are managed by the Company under the policy management agreements. CLIC is held as to 90% and 10% by the Ministry of Finance of the PRC and the National Council for Social Security Fund, respectively.

## **DEFINITIONS**

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

“Board”	the board of Directors of the Company
“CLIC”	中國人壽保險(集團)公司 (China Life Insurance (Group) Company), a state-owned enterprise established under the laws of the PRC, and the controlling shareholder of the Company holding approximately 68.37% of the issued share capital of the Company
“Company”	China Life Insurance Company Limited, a joint stock limited liability company incorporated in the PRC
“connected person”	has the meaning given to it under the Listing Rules
“controlling shareholder”	has the meaning given to it under the Listing Rules

“Directors”	the directors of the Company
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Policy Management Agreement”	the policy management agreement to be entered into between the Company and CLIC, whereby the Company will continue to accept CLIC’s entrustment to provide policy administration services relating to non-transferred policies
“NFRA”	the National Financial Regulatory Administration
“PRC”	the People’s Republic of China, which for the purposes of this announcement excludes Hong Kong, Macau Special Administrative Region and Taiwan region
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board  
**China Life Insurance Company Limited**  
**Heng Victor Ja Wei**  
*Company Secretary*

Hong Kong, 17 December 2024

As at the date of this announcement, the Board 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