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新華人壽保險股份有限公司

**NEW CHINA LIFE INSURANCE COMPANY LTD.**

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

**(Stock Code: 01336)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

This announcement is made by New China Life Insurance Company Ltd. (the “**Company**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The announcement is hereby set out as follows for reference only.

By Order of the Board  
**New China Life Insurance Company Ltd.**  
**LIU Haoling**  
*Chairman*

Beijing, China, 30 October 2019

*As at the date of this announcement, the chairman and non-executive director of the Company is LIU Haoling, the executive director is LI Zongjian; the non-executive directors are XIONG Lianhua, YANG Yi, GUO Ruixiang, HU Aimin, LI Qiqiang and PENG Yulong; and the independent non-executive directors are LI Xianglu, ZHENG Wei, CHENG Lie and GENG Jianxin.*

## **NEW CHINA LIFE INSURANCE COMPANY LTD. ANNOUNCEMENT ON CHANGES IN ACCOUNTING ESTIMATES**

The board of directors and all directors of the New China Life Insurance Company Ltd. warrant that the contents of this announcement do not contain any misrepresentation, misleading statement or material omission, and accept several and joint responsibilities for the truthfulness, accuracy and completeness of the contents of this announcement.

### **Important Notice:**

Third Quarter Report 2019 of New China Life Insurance Company Ltd. has applied the provisions under the Interpretation No.2 on Accounting Standards for Business Enterprises issued by the Ministry of Finance that involve the changes in accounting estimates of liabilities in relation to insurance policy, such as various liabilities of insurance contract (the “**Changes in Accounting Estimates**”), which in aggregate reduced profit before tax of the Company by RMB1,982 million for the nine months ended 30 September 2019.

### **I. Introduction**

The Changes in Accounting Estimates were considered and approved at the third meeting of the seventh session of the board of New China Life Insurance Company Ltd. (the “**Company**”) on 30 October 2019. The Changes in Accounting Estimates resulted in a decrease in liabilities of life insurance contracts by RMB783 million, an increase in liabilities of long-term health insurance contracts by RMB2,765 million and a decrease in profit before tax by RMB1,982 million in aggregate for the nine months ended 30 September 2019.

### **II. Details of the Changes in Accounting Estimates and the Impact on the Company**

The Company determined actuarial assumptions which include, among other things, assumptions on the discount rates, mortality rates, morbidity rates, expenses, policyholder dividend, lapse rates, etc. based on current available information as at the date of the balance sheet. These assumptions were used to calculate the liabilities of insurance contracts as at the date of the balance sheet.

On 30 September 2019, the Company reviewed the above assumptions based on the available information. The changes in liabilities of insurance contracts arising from the changes in the above assumptions were recognised in the income statement. As at 30 September 2019, the Changes in Accounting Estimates above resulted in a decrease in liabilities of life insurance contracts by RMB783 million, an increase in liabilities of long-term health insurance contracts by RMB2,765 million and a decrease in profit

before tax by RMB1,982 million in aggregate for the nine months ended 30 September 2019.

The Company adopted prospective application method to deal with the Changes in Accounting Estimates.

### **III. Conclusive Opinions of Independent Directors and the Board of Supervisors**

The independent directors and the board of supervisors of the Company considered the Changes in Accounting Estimates, and approved the accounting treatment on the Changes in Accounting Estimates made by the Company.

### **IV. Appendices of the Announcement**

1. Opinion from independent directors of the third meeting of the seventh session of the board of directors of the Company
2. Special statement of the board of directors of the Company on the changes in accounting estimates
3. Special statement of the board of supervisors of the Company on the changes in accounting estimates

The Board of Directors of  
New China Life Insurance Company Ltd.  
30 October 2019