

NEW CHINA LIFE

2023 Interim Results Announcement

30 August 2023
Hong Kong, China



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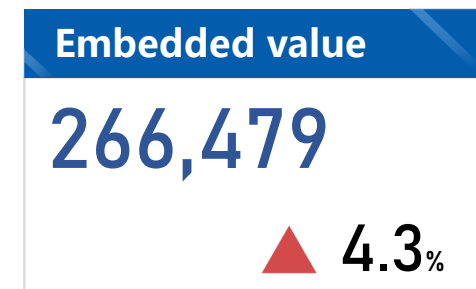
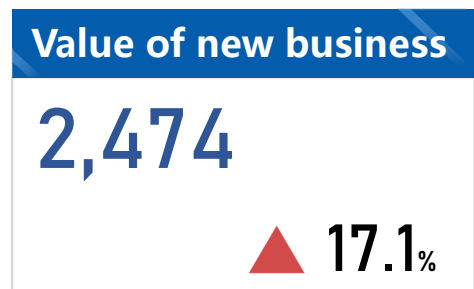
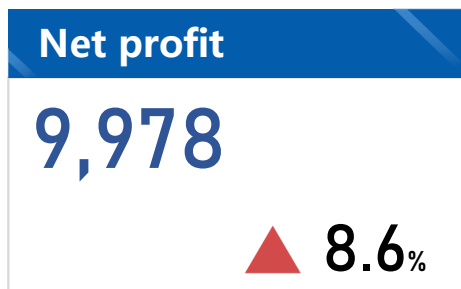
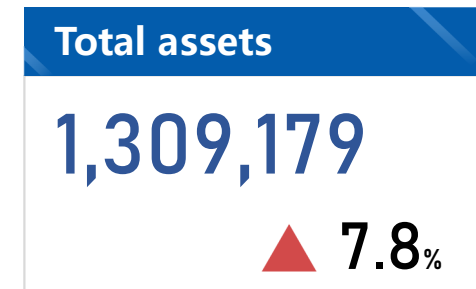
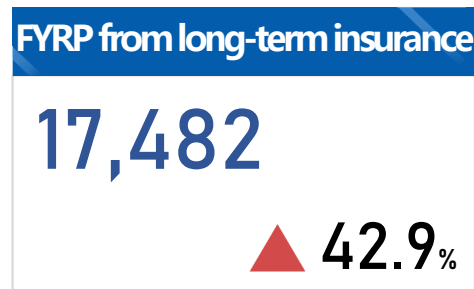
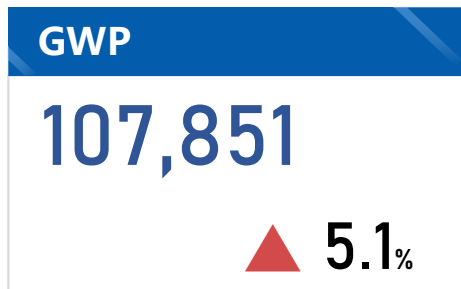


CONTENTS

-  **OVERVIEW**
-  **INSURANCE BUSINESS**
-  **FINANCIALS & INVESTMENT**
-  **EMBEDDED VALUE**

Unit: RMB in millions

Focused on main business, committed to returning to the essence of insurance, strengthened supply-side reform, enhanced balanced development across channels and strictly prevented risks. Progress has been made while stability maintained.



OVERVIEW | Development Strategy

High-quality Development



✓ Industrial collaboration

- Built a comprehensive service system of "old-age care and healthcare community + nursing and medical care community + leisure and tourism community + health management center"
- Integrated wealth management platform

✓ Solid main business

- Focused on main business and high-quality development
- Enhanced asset-liability management and supply-side reform
- Explored market demands and innovation
- Optimized marketing and service networks

✓ Technology empowerment

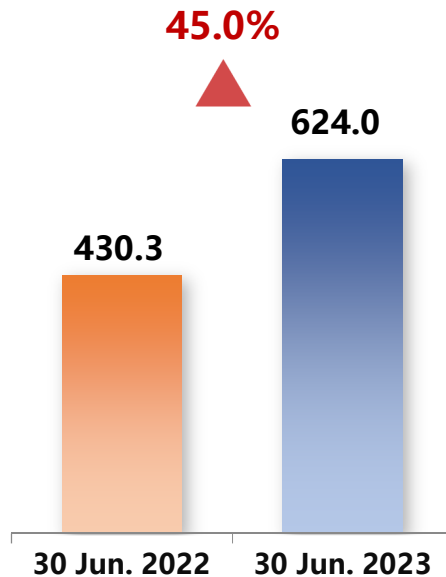
- Integrated digital intelligence throughout entire business
- Online platform covering entire business process
- Developed smart service ecosystem featuring "online + offline, self + remote, manual + intelligent, and traditional + innovative services"

OVERVIEW | Wealth Management

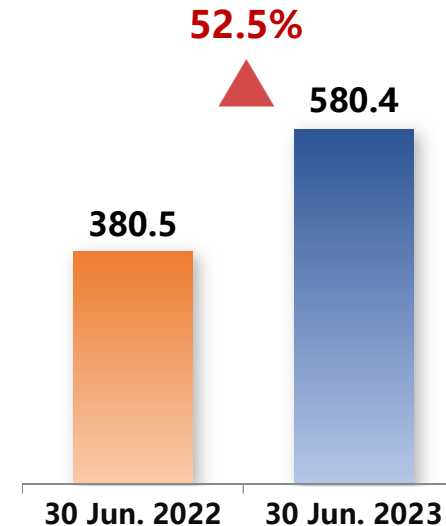
Unit: RMB in billions

Integrated wealth management platform with Asset Management Company as the main body, adopted multi-dimensional and diversified development strategies and managed assets prudently.

Entrusted assets from third-party



Portfolio asset management products



Note: Above mentioned are entrusted assets from third-party business managed by New China Asset Management Co., Ltd., a subsidiary of the Company.

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OVERVIEW | Serve National Strategy

Unit: RMB



Serve the real economy

Investment in coordinated regional development

155.6 billion

Investment in strategically emerging industries

22.6 billion



Respond to aging population

Premiums of exclusive Commercial Pension

400 million

Investment to support green transformation

18.7 billion



Serve Healthy China Construction

Policy-oriented medical Insurance and Huiminbao covering

19 million people

Investment to serve Healthy China construction

3.5 billion

Unit: RMB

Support rural revitalization

- Consolidate achievements of poverty alleviation through funds and consumption assistance
- Improve rural diagnosis and treatment environment, provide insurance, and promote rural revitalization

Allocated funds

10.4 million

Consumption assistance

3.75 million

Number of assistance projects

20

Fulfill social responsibilities

- Public Welfare Activity for Sanitation Workers continued to carry out
- Multiple volunteer activities
- Twenty Articles to Practice Economy, to save energy and reduce emissions

Donated sum assured to sanitation workers

427.9 billion

Claim payment

32.01 million

OVERVIEW | Customer Service

Philosophy

customer-centered
smart service

Product

whole life cycle protection &
wealth planning service

Service

"smart+" service cluster
"U Customer +" system

Claim Settlement

quick settlement
supported by technology



Served customers

11.66 million

Handled claims

2.07 million

Compensation payment

RMB 7.964 billion

Average time

0.64 days

Online claim rate

96.69%

OVERVIEW | Brand Value

FORBES

Ranking **497**
in World' s Top 2000
Public Companies

FORTUNE

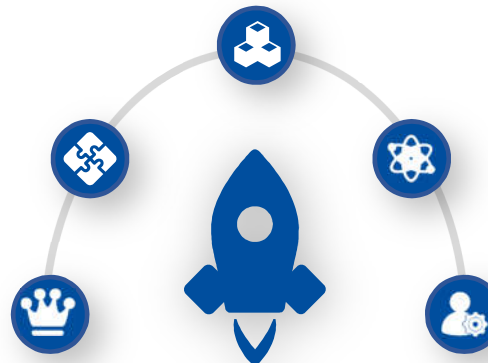
Ranking **478**
in Fortune 500

FORTUNE PLUS APP

Ranking **137**
in Fortune China 500

WORLD BRAND LAB

Ranking **84**
in China' s 500 Most
Valuable Brands

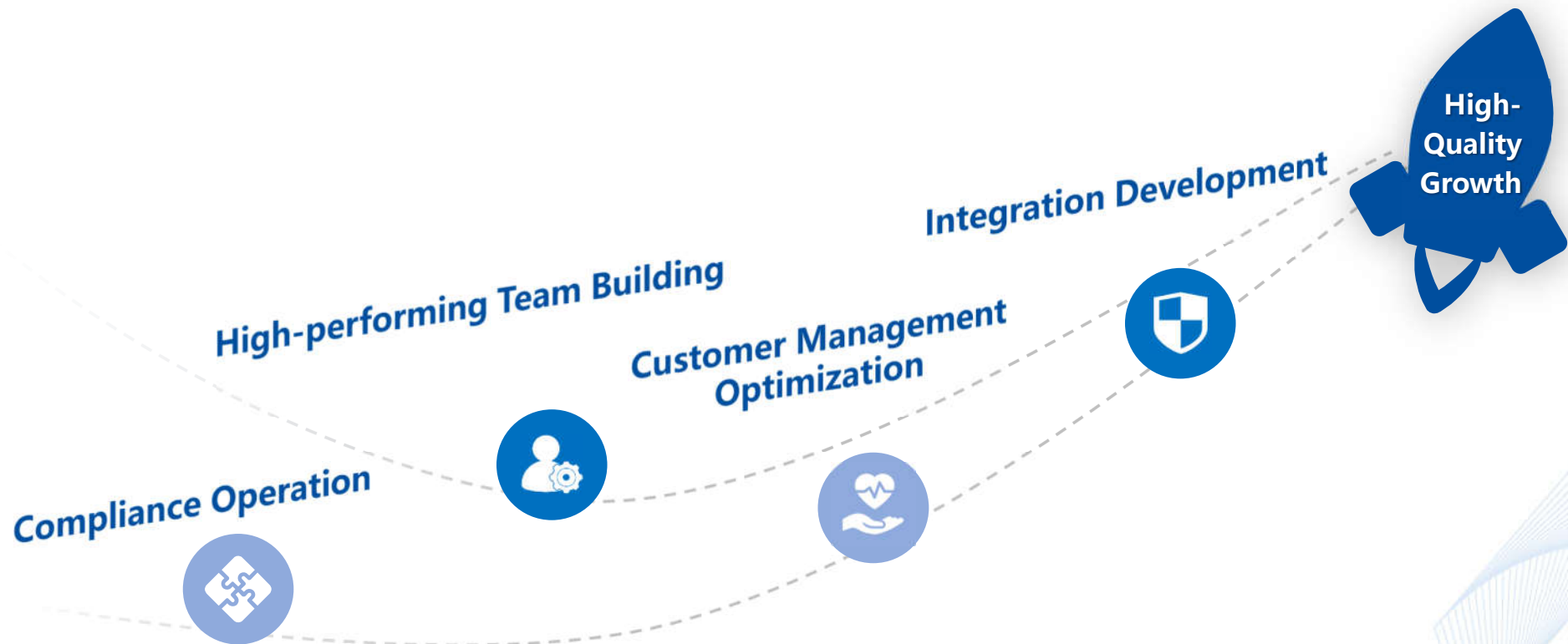


FITCH RATINGS

Rating **"A"** (Strong)
In Insurer Financial Strength (IFS)

OVERVIEW | Future Prospects

In the second half of 2023, stick to high-quality development, explore market demands, deepen transformation and development, improve product and service and strictly prevent risks.



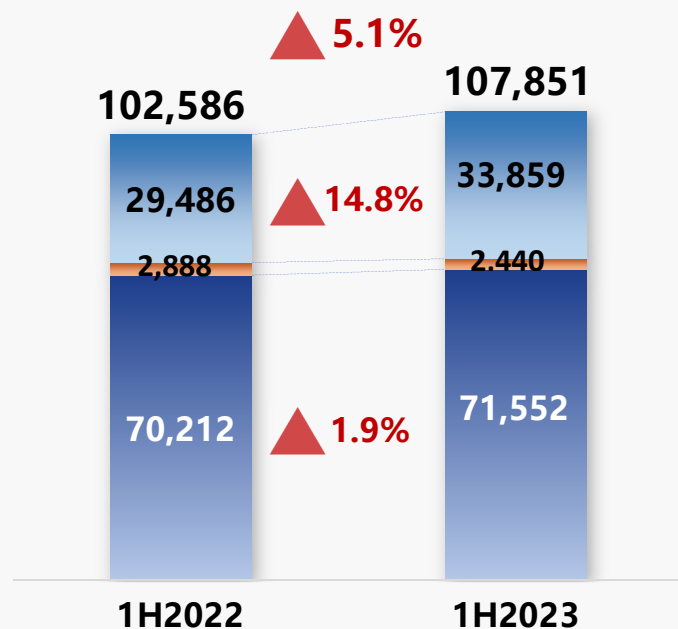


CONTENTS

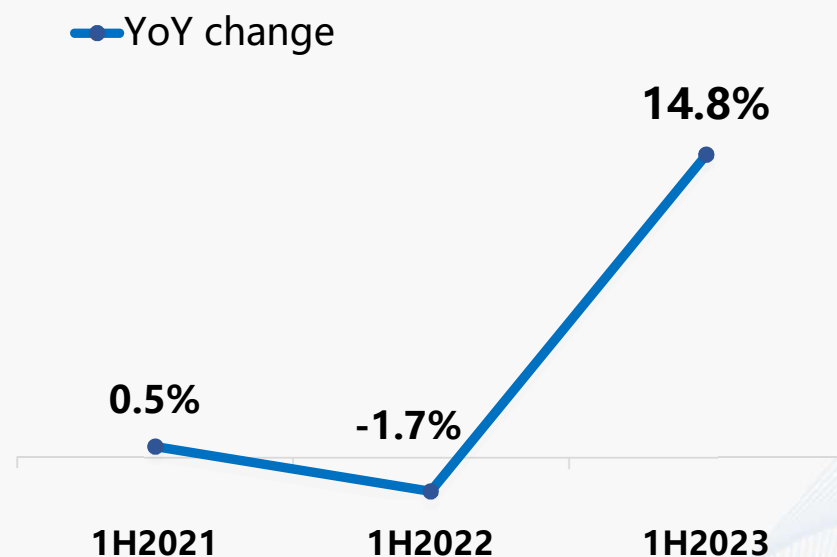
- ① **OVERVIEW**
- ② **INSURANCE BUSINESS**
- ③ **FINANCIALS & INVESTMENT**
- ④ **EMBEDDED VALUE**

Unit: RMB in millions

Stable with progress



FYP from long-term insurance rebounding



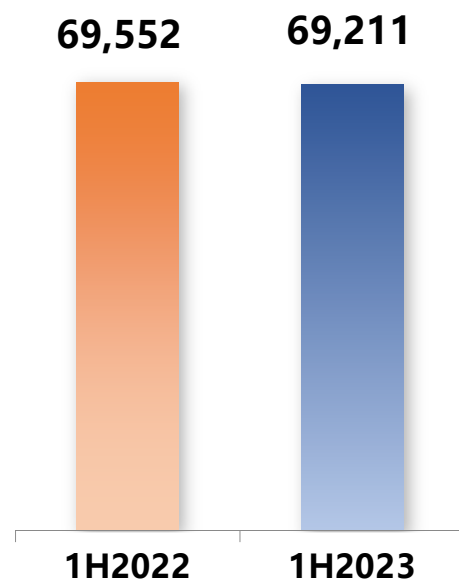
■ FYP from long-term insurance business
 ■ Premiums from short-term insurance business
 ■ Renewal premiums

Note: Numbers may not be additive due to rounding.

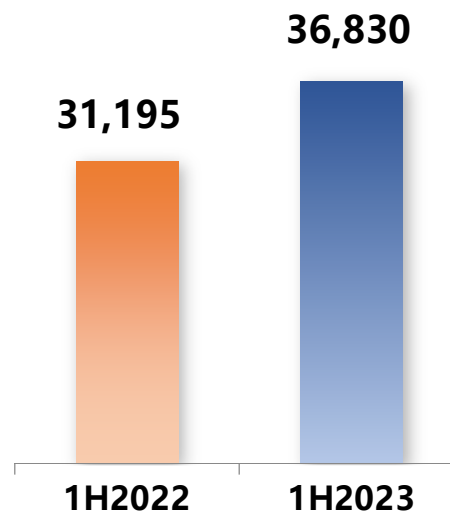
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Unit: RMB in millions

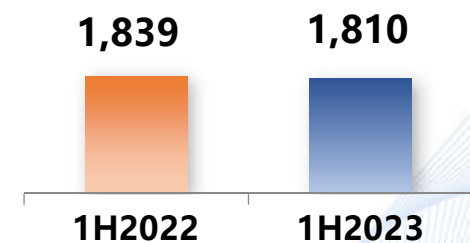
Individual Insurance



Bancassurance



Group Insurance

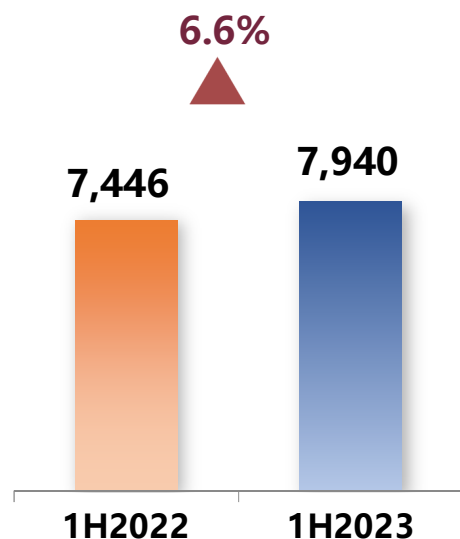


Value-centered, business transformation accelerated, channel management improved, new business rebounded.

Unit: RMB in millions

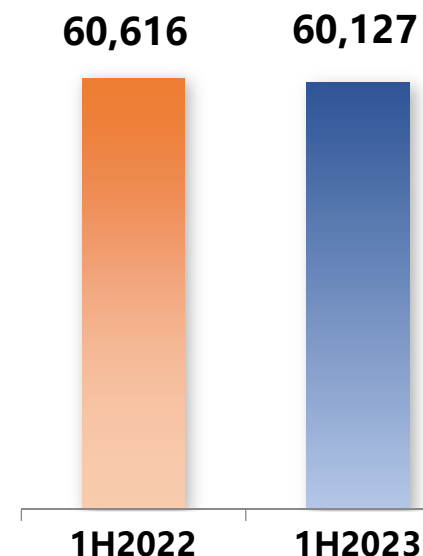
First year regular premiums from long-term insurance business

accounting for **95%** of FYP



Renewal premiums

representing **87%** of the channel



Adhered to “increasing production, optimizing structure and stabilizing growth” to improve team performance.

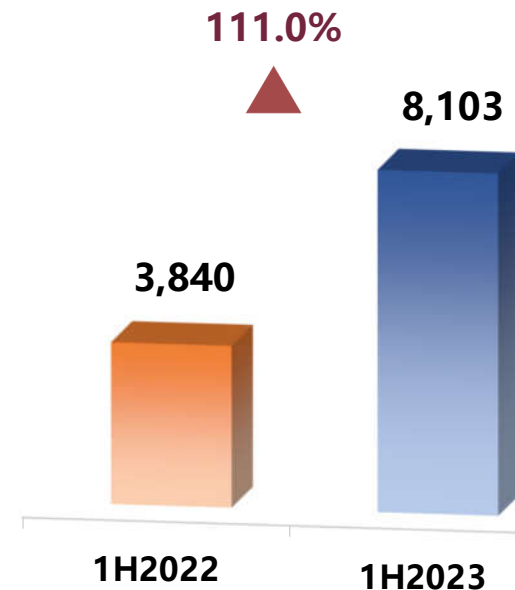
✓ Agent headcount

 171,000

✓ Qualified agents/month

 34,000

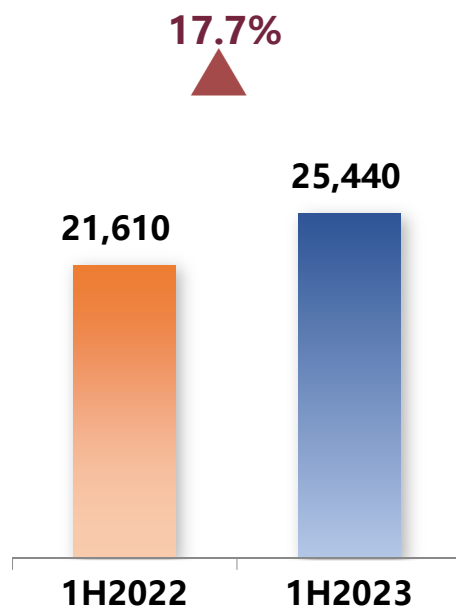
✓ Monthly average comprehensive productivity per capita (RMB)



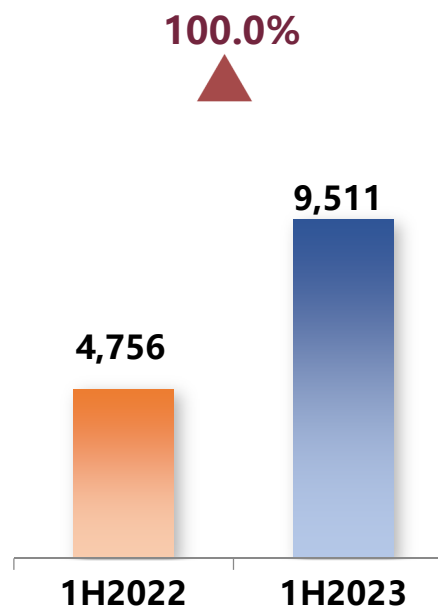
Bancassurance channel seized market opportunity and prioritized regular business. Key indicators witnessed growth.

Unit: RMB in millions

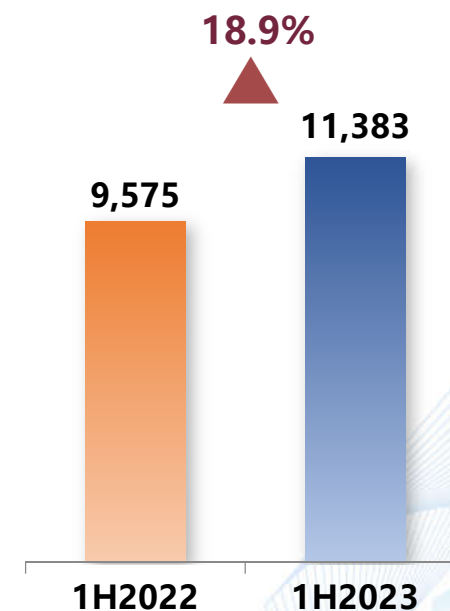
FYP from long-term insurance business



FYRP from long-term insurance business



Renewal premiums



Guided by customer needs, promoted long-term regular business.

proportion of regular premiums **+15.4_{pt}** value contribution **+17.3_{pt}**



Diversified product system

"Promoting regular business with single business" strategy drove diversified product sales



Improved channel operation

Expanded and deepened cooperation promoted growth of regular business in major cooperation channels



Increased productivity

Team and outlet productivity as well as high productivity agent headcount increased

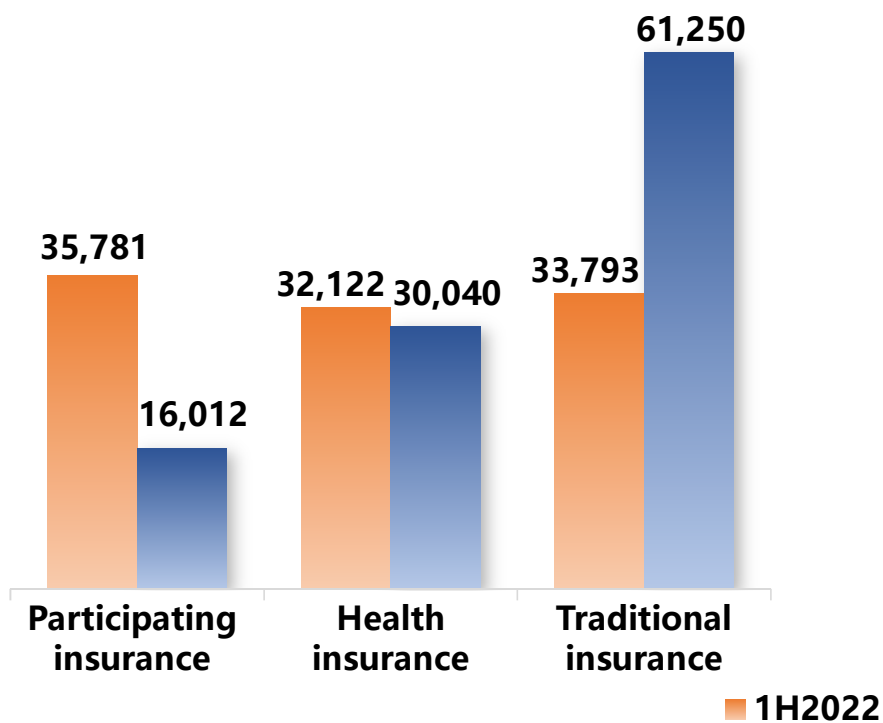


Optimized efficiency

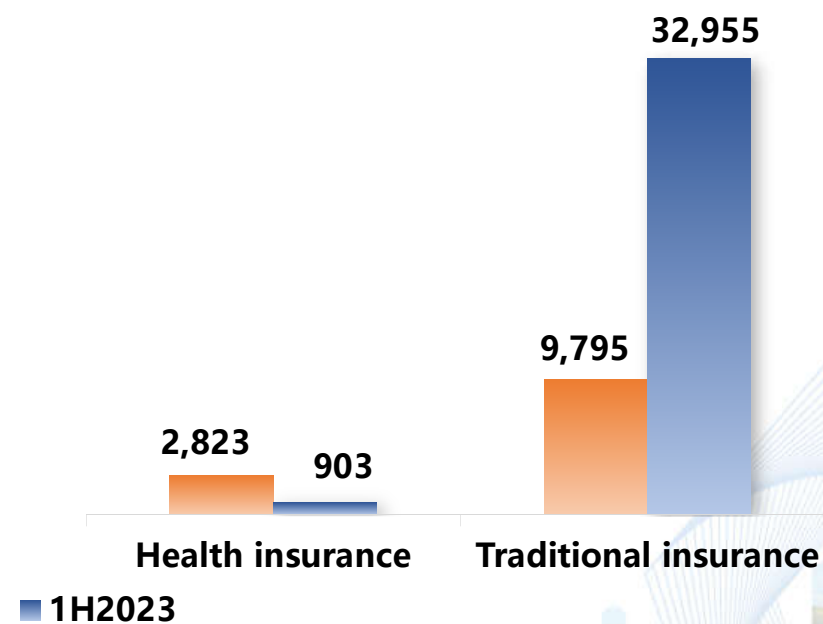
Budget management and financial analysis strengthened, indicators regularly tracked, management and efficiency optimized

Unit: RMB in millions

Gross written premiums

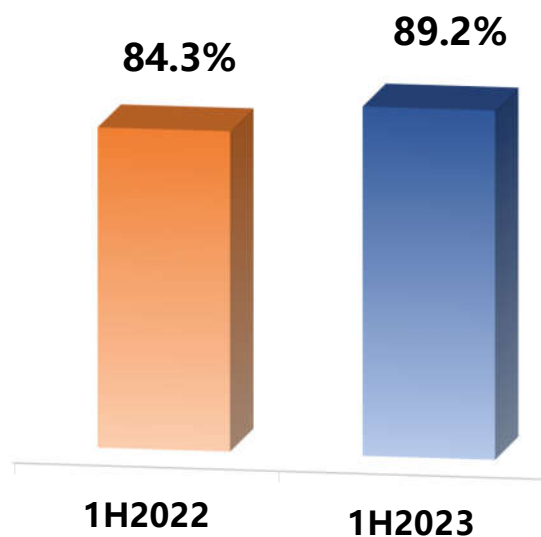


FYP from long-term insurance business

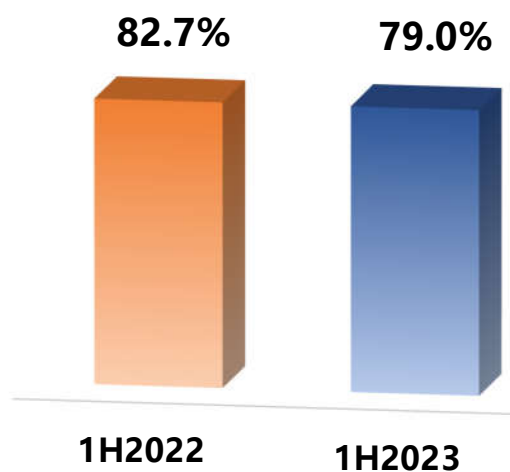


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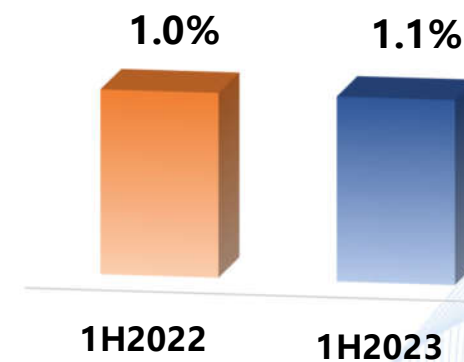
13-month persistence ratio



25-month persistence ratio



Surrender rate



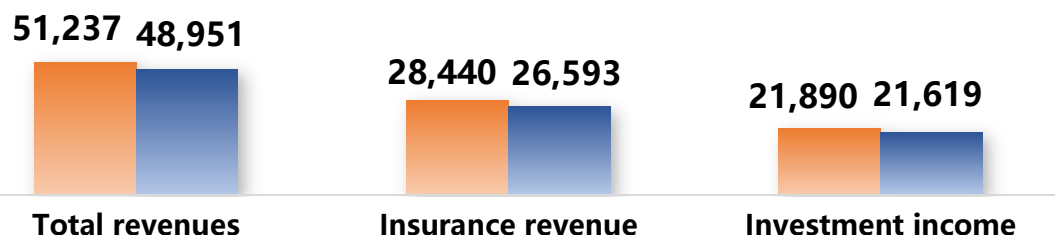


CONTENTS

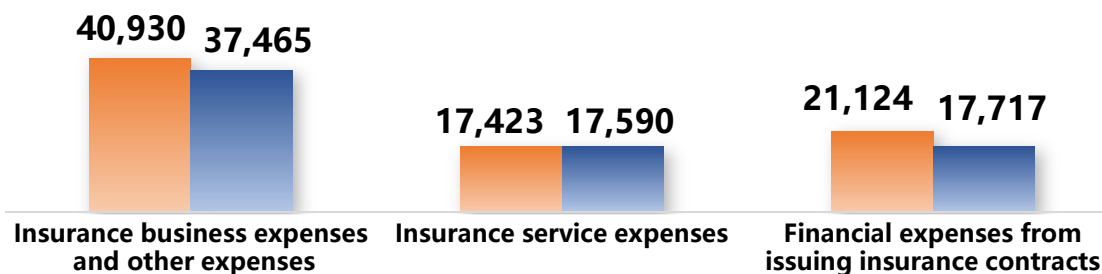
- ① **OVERVIEW**
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- ④ **EMBEDDED VALUE**

Unit: RMB in millions

Revenues



Expenses



■ 1H2022 ■ 1H2023

Note: 1. Above figures are IFRS based.

2. Investment income = Interest income + Other investment income

Profits

Net profit attributable to shareholders of the Company

1H2022	9,190
1H2023	9,978

Basic earnings per share (RMB)

1H2022	2.95
1H2023	3.20

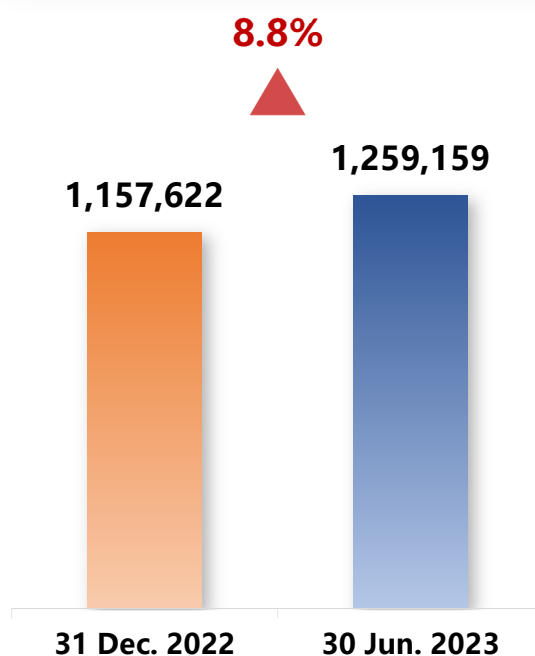
Weighted average ROE attributable to shareholders of the Company

1H2022	9.57%
1H2023	8.68%

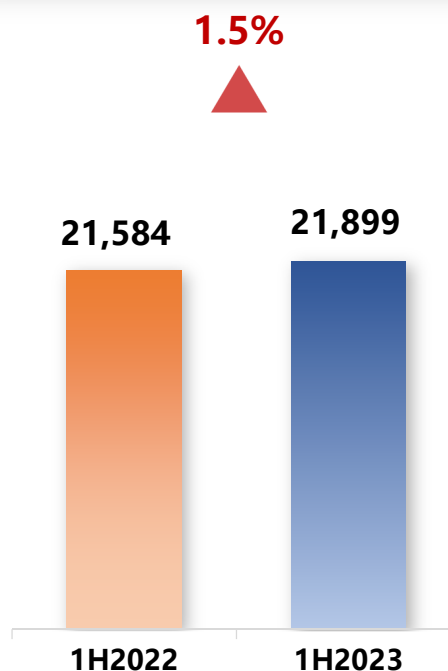
Adhered to value-oriented investment, prudently controlled positions, and seized structural opportunities.

Unit: RMB in millions

Investment assets



Total investment income



Annualized investment yield in 1H23

Total investment yield



3.7%

Net investment yield



3.4%

Type	As at 30 Jun 2023 Proportion	As at 31 Dec 2022 Proportion	Amount change
Investment assets	100%	100%	8.8%
Cash and cash equivalents	1.5%	1.5%	5.7%
Term deposits	19.4%	19.7%	7.5%
Financial investments			
Bonds	45.9%	41.6%	19.9%
Trust products	4.1%	6.1%	-26.4%
Debt investment plans	3.8%	4.0%	3.8%
Stocks	7.8%	7.1%	20.1%
Funds	7.1%	7.5%	2.2%
Other financial investments	9.2%	9.8%	2.3%
Investments in associates and joint ventures	0.5%	0.5%	-1.1%
Other investment assets	0.7%	2.2%	-65.3%

Note: Numbers may not be additive due to rounding.

Credit risks under control

Value-oriented investment



Prevent credit risks



Extend assets duration



Look for high-quality projects



The overall credit risks of non-standard assets are within control with most of the underlying assets being loans in leading institutions with credit enhancement measures.



Non-standard assets accounting for **14.6%** of total investment assets, reducing by 4.5pt.



Existing non-standard assets¹ with AAA ratings accounted for **97.85%**. The overall credit risk was limited.

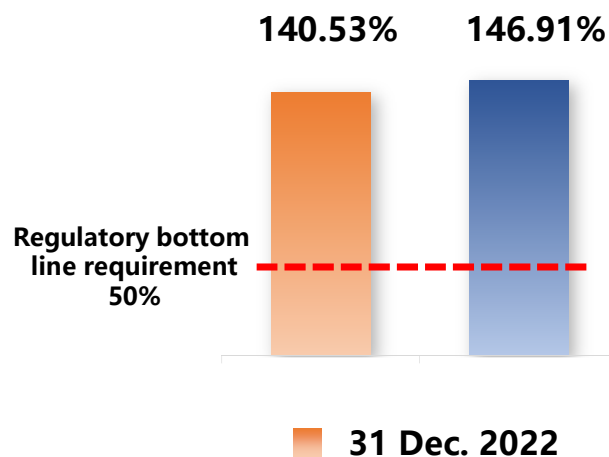
Unit: RMB in millions

As at 30 June 2023	Amount	Proportion	Proportion change compared with the end of last year	Amount change compared with the end of last year
Trust products	51,622	28.1%	-3.6pt	-18,524
Debt investment plans	48,459	26.4%	5.3pt	1,796
Asset management plans	42,150	22.9%	-5.5pt	-20,594
Unlisted equity investments	11,906	6.5%	-1.1pt	-4,802
Others	29,566	16.1%	4.9pt	4,714
Total	183,703	100.0%	-	-37,410

Note: 1. excluding non-fixed income financial products and portfolio products issued by insurance asset management companies.

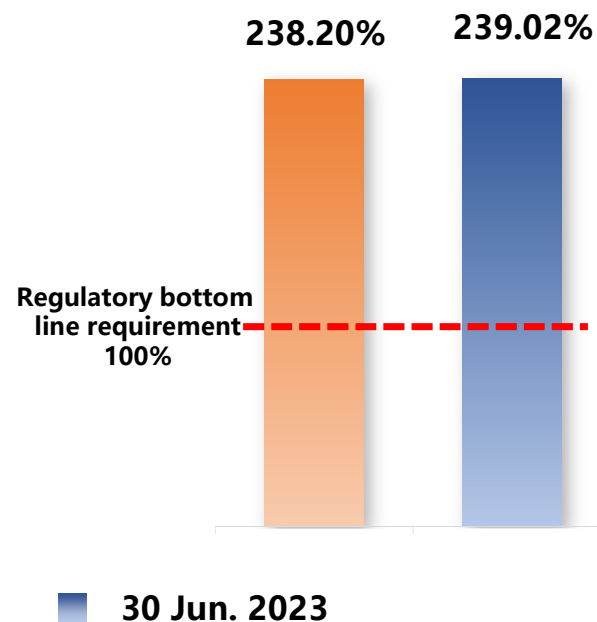
Core solvency margin ratio

6.38pt ▲



Comprehensive solvency margin ratio

0.82pt ▲



Capital

Unit: RMB in millions

	30 Jun 2023	31 Dec 2022	Change amount
Core capital	153,029	143,990	9,039
Actual capital	248,975	244,069	4,906
Minimum capital	104,164	102,463	1,701

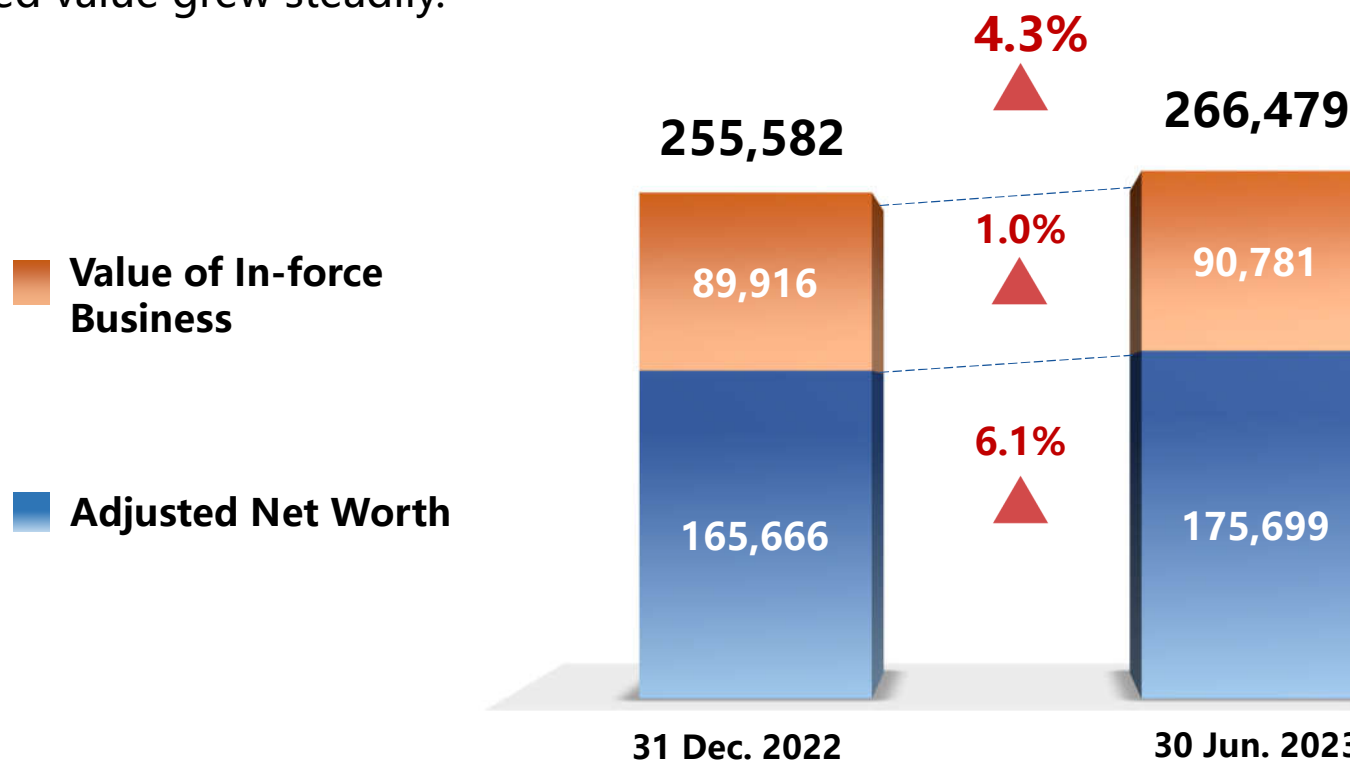


CONTENTS

- ① **OVERVIEW**
- ② **INSURANCE BUSINESS**
- ③ **FINANCIALS & INVESTMENT**
- ④  **EMBEDDED VALUE**

Unit: RMB in millions

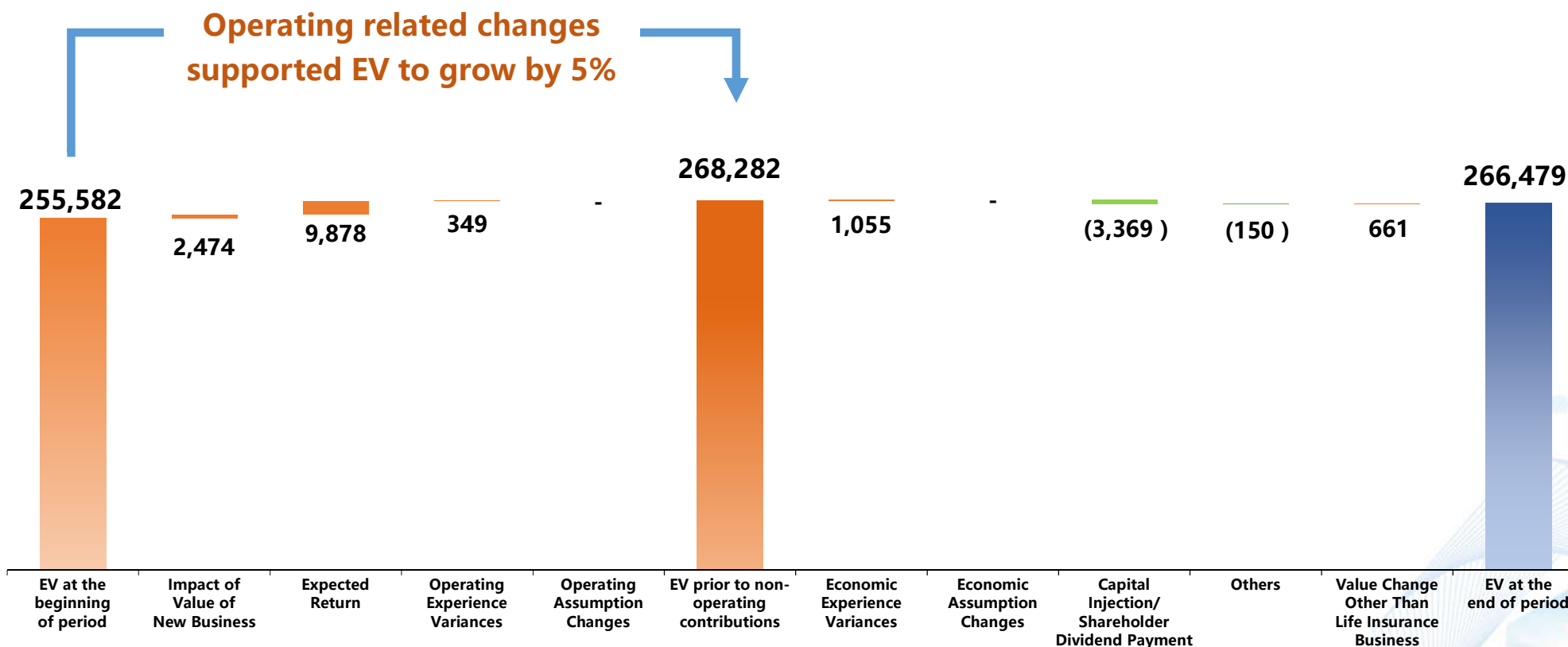
Embedded value grew steadily.



Note: Numbers may not be additive due to rounding.

Analysis of change in EV from 31 Dec. 2022 to 30 Jun. 2023

Unit: RMB in millions



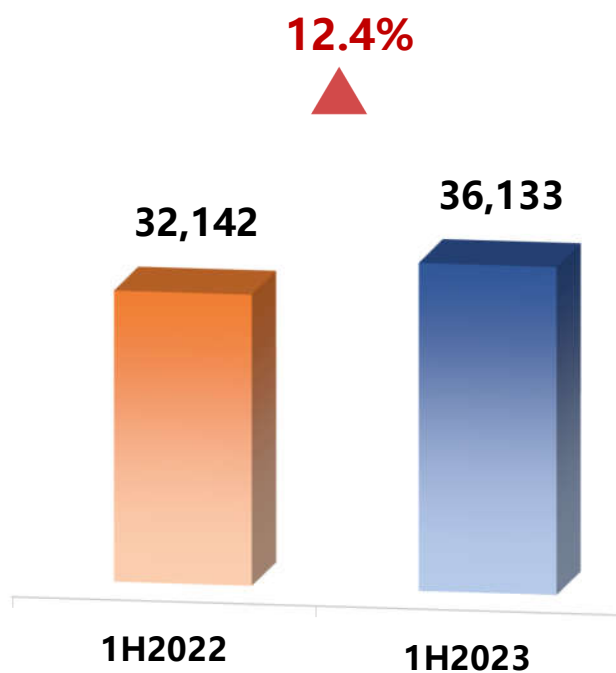
Notes:

1. Operating related changes include Impact of Value of New Business, Expected Return, Operating Experience Variances and Operating Assumption Changes.
2. Numbers may not be additive due to rounding.

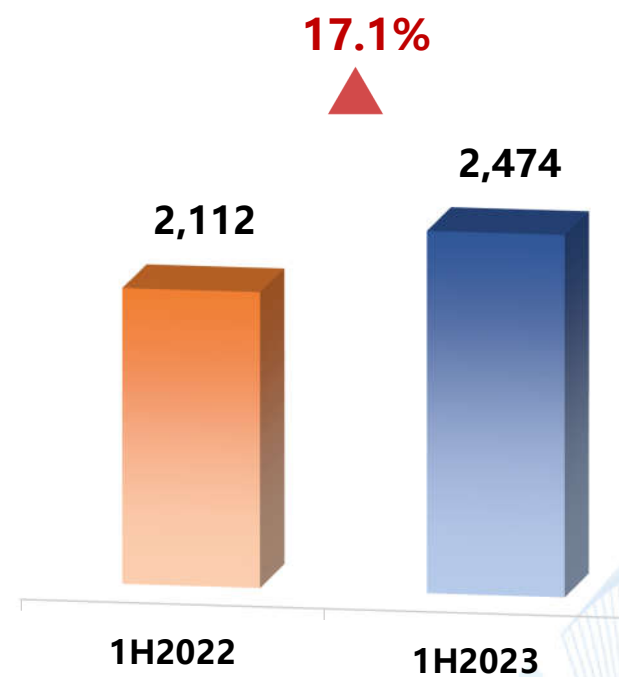
Focused on the main business. Premiums grew steadily, and VNB increased.

Unit: RMB in millions

FYP used to calculate VNB



VNB



Thank you

Q&A Session

