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China Life Reports Embedded Value for 2018 and Preliminary Financial Results for the first five month of 2019

Taipei, 1 July 2019 - China Life Insurance Co., Ltd. (TWSE: 2823) today reported its embedded value (EV) of NT\$272.6 billion for the year 2018. Driven by strong new business value (VNB) of NT\$27.6 billion in 2018, embedded value (EV) up by 11.4% year over year, translating to NT\$67.92 EV per share.

Performance highlights:

- Embedded value as of the end of 2018 increased 11.4% yoy to 272.6 billion, translating to NT\$67.92 EV per share.
- Net profit for the first five month of 2019 up 29% to NT\$6.07 billion
- Annualized hedging cost for the five months downed to 1.21%
- Completed the capital raising of NT\$9.27 billion on June 25
- RBC ratio would be increased to 316% on a pro forma basis after the capital raising

China Life delivered a strong growth in net profit and premium income in the first five month of the year. Net profit up 29% to NT\$6.07 billion, translating to NT\$1.51 per share. FYP grew by 29% yoy to NT\$72 billion, and total premium grew by 12% to NT\$126.3 billion. Value of new business value (VNB) up by 54% and VNB margin enhanced to 20%, drive by product mix enhancement. Cost of liability as of May was 3.2%, maintained positive spread.

China Life maintains sufficient capital level and solid capital structure. Supported by the rebound of financial markets, unrealized gains recovered and shareholder equity amounted to NT\$108.1 billion as of May. China Life has completed capital raising of NT\$9.27 billion on June 25, 2019. On a pro forma basis, the Company's RBC ratio would be increased to 316%, and its equity to asset ratio would be enhanced to 6.4%. Meanwhile, under the regulatory requirement for adequacy test for the adoption of IFRS 17 from year 2012 to 2018, China Life has no shortfall for liability reserve.

CCB Life, China Life's equity investment in Mainland China, recorded total premium income of RMB 27.9 billion for the first five months of 2019. Net profit for the first five months up 78% yoy to RMB 279 million. As the end of May 2019, total assets reached RMB 164.1

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billion, up by 25% yoy.

Committed to achieving sustainability and high standards of corporate governance, China Life was ranked among the top 5% of more than 800 listed companies in “Corporate Governance Evaluation Awards” by the Taiwan Stock Exchange Corporation for five consecutive years, the only life insurance company in Taiwan that has been recognized with the honor. In the meantime, China Life has been included in both FTSE4Good Index and Taiwan Sustainability Index as a result of its sustainable development progression.