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China Reinsurance (Group) Corporation

中國再保險(集團)股份有限公司

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

(Stock Code: 1508)

ANNOUNCEMENT
THE UNAUDITED FINANCIAL DATA AND
SOLVENCY STATEMENT OF CHINA RE LIFE FOR THE
NINE MONTHS ENDED 30 SEPTEMBER 2021

This announcement is made by China Reinsurance (Group) Corporation (the “**Company**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the voluntary announcement of the Company dated 29 November 2018 in relation to the completion of the issuance of the capital supplementary bonds of China Life Reinsurance Company Ltd. (“**China Re Life**”), a subsidiary of the Company. China Re Life has successfully issued the capital supplementary bonds with a total principal amount of RMB5 billion publicly in the National Interbank Bond Market. In accordance with the relevant regulations, within the duration of the capital supplementary bonds, China Re Life needs to disclose its quarterly report and solvency statement at the websites of China Money (www.chinamoney.com.cn) and China Bond (www.chinabond.com.cn) on a quarterly basis. For details of the solvency statement, please refer to the relevant report to be disclosed at the above websites by China Re Life in due course and the announcement of the Company in relation to the main indicators of solvency at the end of the third quarter in 2021 to be published at the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.chinare.com.cn) in due course.

The unaudited financial data below for the nine months ended 30 September 2021 prepared by China Re Life in accordance with the PRC Accounting Standards for Business Enterprises will also be disclosed:

STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

	<i>(RMB)</i> Balance at the end of the period (Unaudited)
Assets	
Assets:	
Cash and short-term time deposits	3,496,640,783.27
Financial assets at fair value through profit or loss	1,371,165,980.93
Financial assets held under resale agreements	1,181,800,000.00
Interest receivables	1,979,756,928.78
Reinsurance debtors	36,987,431,958.20
Reinsurers' share of unearned premium reserves	527,991,939.22
Reinsurers' share of outstanding claim reserves	6,576,613,639.92
Reinsurers' share of life insurance reserves	5,963,095,912.58
Reinsurers' share of long-term health insurance reserves	—
Investments classified as receivables	21,342,146,431.74
Reinsurers' share of policy loans	554,770,088.64
Time deposits	20,239,646,467.58
Available-for-sale financial assets	60,187,579,911.32
Held-to-maturity investments	19,838,042,027.39
Long-term equity investments	15,195,946,559.98
Statutory deposits	3,400,000,000.00
Investment properties	2,666,781,917.35
Fixed assets	7,977,939.14
Right-of-use assets	7,695,191.26
Intangible assets	21,552,601.62
Other assets	69,033,689,861.73
Total assets	<u>270,580,326,140.65</u>

	(RMB)
	Balance
Liabilities and owners' equity (or shareholders' equity)	at the end
	of the period
	(Unaudited)
Liabilities:	
Securities sold under agreements to repurchase	23,557,797,000.00
Reinsurance payable	9,835,107,518.35
Salaries payable	167,454,289.86
Taxes payable	15,435,593.19
Policyholders' deposits and investments	68,540,171,910.19
Unearned premium reserves	8,106,170,052.91
Outstanding claim reserves	21,136,744,593.04
Reserves for life insurance	94,370,057,823.91
Reserves for long-term health insurance	4,826,170,389.55
Bonds payable	4,998,224,873.56
Lease liabilities	7,289,365.47
Deferred tax liabilities	805,680,806.45
Other liabilities	14,255,932,512.55
Total liabilities	250,622,236,729.03
Owners' equity (or shareholders' equity):	
Paid-in capital (or share capital)	8,170,000,000.00
Capital reserves	-107,063,264.23
Other comprehensive income	1,107,307,685.13
Surplus reserves	1,504,162,195.40
Generic risk reserves	1,504,162,195.40
Retained profits	7,779,520,599.92
Total owners' equity (or shareholders' equity)	19,958,089,411.62
Total liabilities and owners' equity (or shareholders' equity)	270,580,326,140.65

INCOME STATEMENT

For the nine months ended 30 September 2021

	(RMB) Amount for the current year (Unaudited)
I. Operating income	<u>42,580,807,363.10</u>
Premiums earned	34,808,767,371.37
Gross written premium	43,648,022,151.13
Including: Reinsurance premium income	43,648,022,151.13
Less: Premiums ceded to reinsurers	6,908,443,780.79
Provision for unearned premium reserves	1,930,810,998.97
Investment income	6,183,573,762.25
Income from changes in fair value	-64,447,716.65
Foreign exchange gains and losses	13,913,300.83
Other operating income	1,638,936,031.78
Gains on disposals of assets	—
Other income	<u>64,613.52</u>
II. Operating expenses	<u>40,194,238,776.66</u>
Surrenders	21,599,150,147.83
Claims	9,072,552,153.41
Less: Reinsurance claims recovery	1,817,824,122.87
Change in insurance contract reserves	8,892,517,626.38
Less: Changes of ceded insurance contract reserves	3,472,950,259.36
Provision for premium reserves	—
Reinsurance commissions	3,744,214,572.08
Taxes and surcharges	20,464,882.26
Handling charges and commission expenses	228,210.78
Operating and administrative expenses	186,814,926.80
Less: Commission retroceded	773,757,324.70
Other operating costs	2,633,018,055.28
Impairment loss charges	<u>109,809,908.77</u>

	(RMB)
	Amount for the current year (Unaudited)
III. Operating profit	<u>2,386,568,586.44</u>
Add: Non-operating income	4,151,218.25
Less: Non-operating expenses	<u>1,655.20</u>
IV. Profit before tax	<u>2,390,718,149.49</u>
Less: Income tax expenses	<u>459,213,170.72</u>
V. Net profit	<u>1,931,504,978.77</u>
VI. Other comprehensive income	<u>-1,334,032,337.34</u>
VII. Total comprehensive income	<u>597,472,641.43</u>

CASH FLOW STATEMENT

For the nine months ended 30 September 2021

	(RMB) Amount for the current year (Unaudited)
I. Cash flows generated from operating activities:	
Net cash received from reinsurance business	—
Net increase in investment insurance contracts	2,644,215,662.76
Cash received from other operating activities	161,379,144.12
Sub-total of cash inflows from operating activities	2,805,594,806.88
Net cash paid for reinsurance business	6,987,703,322.62
Net decrease in investment insurance contracts	—
Cash paid to and for employees	147,161,051.82
Cash paid for taxes	747,131,984.03
Cash paid for other operating activities	173,786,219.81
Sub-total of cash outflows from operating activities	8,055,782,578.28
Net cash flows generated from operating activities	-5,250,187,771.40
II. Cash flows generated from investing activities:	
Cash received from disposal of investments	41,431,276,600.98
Cash received from investment income	3,320,578,963.51
Cash received from other investing activities	1,614,583,024.44
Sub-total of cash inflows from investing activities	46,366,438,588.93
Cash paid for investments	50,736,846,631.42
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	17,342,164.13
Cash paid for other investing activities	2,128,580,778.74
Sub-total of cash outflows from investing activities	52,882,769,574.29
Net cash flows generated from investing activities	-6,516,330,985.36

(RMB)
Amount for the
current year
(Unaudited)

III. Cash flows generated from financing activities:

Cash received from investments	—
Cash received from issuing bonds	—
Net proceeds from securities sold under agreements to repurchase	11,871,024,096.69

Sub-total of cash inflows from financing activities	11,871,024,096.69
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Cash paid for repayment of debt	4,317,955.93
Cash paid for distribution of dividends, profit or payment of interests	1,030,495,295.60
Net amounts paid for securities sold under agreements to repurchase	—
Cash paid for other financing activities	—

Sub-total of cash outflows from financing activities	1,034,813,251.53
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Net cash flows generated from financing activities	10,836,210,845.16
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IV. Effect of changes in foreign exchange rate on cash and cash equivalents	-9,214,089.45
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V. Net increase in cash and cash equivalents	-939,522,001.05
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Add: Balance of cash and cash equivalents at the beginning of the period	3,854,155,683.37
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VI. Balance of cash and cash equivalents at the end of the period	2,914,633,682.32
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The above unaudited financial data of China Re Life for the nine months ended 30 September 2021 have been prepared in accordance with the PRC Accounting Standards for Business Enterprises, which have not been audited or reviewed by the auditors of the Company. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
China Reinsurance (Group) Corporation
Zhu Xiaoyun
Joint Company Secretary

Beijing, the PRC, 27 October 2021

As at the date of this announcement, the executive directors of the Company are Mr. Yuan Linjiang, Mr. He Chunlei and Mr. Zhuang Qianzhi, the non-executive directors of the Company are Mr. Wen Ning, Ms. Wang Xiaoya and Mr. Liu Xiaopeng, and the independent non-executive directors of the Company are Mr. Hao Yansu, Mr. Li Sanxi, Ms. Mok Kam Sheung and Ms. Jiang Bo.