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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)**

## **CONNECTED TRANSACTION REDEMPTION OF THE FUNDS**

### **REDEMPTION OF THE FUNDS**

The Board announces that, after considered and approved by the Board on 23 December 2021, the Company intends to redeem all of its subscribed units in the Funds issued by Hwabao Fund, and the redemption amount is expected to be no more than RMB350 million.

### **IMPLICATIONS UNDER THE LISTING RULES**

China Baowu, holding approximately 12.09% of the total number of issued shares of the Company, is a substantial shareholder and connected person of the Company. Hwabao Fund, indirectly held by China Baowu by 51% of its equity interests, constitutes an associate of China Baowu and is therefore a connected person of the Company. Accordingly, Redemption of the Funds constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of Redemption of the Funds is higher than 0.1% but less than 5%, Redemption of the Funds is subject to the announcement and annual reporting requirements, but is 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 1 October 2018 in relation to the Framework Agreement with Hwabao Fund to subscribe and redeem fund products. Pursuant to the Framework Agreement, the Company subscribed and redeemed the fund products offered by Hwabao Fund within the valid period from time to time.

## REDEMPTION OF THE FUNDS

The Company intends to redeem all of its subscribed units of the Funds offered by Hwabao Fund after considered and approved by the Board on 23 December 2021. The redemption price is calculated with reference to the net value per unit of the Funds at the date of the redemption (the valuation of assets of the Funds is conducted by the Funds manager and reviewed by the Funds custodian). The redemption amount shall be determined by the confirmed redeemed units multiplied by the net value per unit of the Funds at the date of redemption after deducting corresponding expenses. The redemption amount is expected to be no more than RMB350 million. Pursuant to the specific fund products contracts between the Company and Hwabao Fund under the Framework Agreement, the redemption amount shall be paid within 10 trading days (the redemption date inclusive) after the successful application for redemption.

Pursuant to the specific fund contracts between the Company and Hwabao Fund under the Framework Agreement, the Company shall pay Hwabao Fund the management fee and redemption fee in respect of Redemption of the Funds, and the aggregate amount of the fees mentioned above is expected to be no more than RMB7 million (subject to the actual redeemed units and net value per unit of the Funds). The management fee and redemption fee are calculated with reference to the relevant rates specified in the Funds issuance announcement. The specific rates are as follows:

<b>The Funds</b>	<b>Annual Management Fee Rate</b>	<b>Redemption Fee Rate</b>
Hwabao S&P Hong Kong-listed China Small and Mid-caps Index Securities Investment Fund (LOF) (華寶標普香港上市中國中小盤指數證券投資基金 (LOF))	1%	0
Hwabao CSI 1000 Index Securities Investment Fund (華寶中證1000指數證券投資基金)	0.5%	0
Hwabao CSI Medical ETF Feeder Fund (華寶中證醫療交易型開放式指數證券投資基金聯接基金)	0.5%	The redemption rate is 0.5% for the holding period of 7 to 365 days and 0.3% for the holding period of 1 to 2 years

## FINANCIAL IMPACT OF REDEMPTION OF THE FUNDS

The principal amount invested by the Company in the Funds was RMB243,452,807.45. The recorded gain of Redemption of the Funds is the difference between the redemption amount and the initial investment amount of the Funds. The proceeds of Redemption of the Funds are intended to be used as general operating capital and to fund the future investments of the Company.

The Company will make further announcement on the redemption amount, the management fee and redemption fee, the proceeds recorded and the book value of the redeemed units of the Funds in due course after Redemption of the Funds is completed.

## **INFORMATION OF THE FUNDS**

The Funds mainly invest in: (i) financial instruments with sound liquidity, including legally domestic listed stocks (including Small and Medium Enterprise Board, Growth Enterprise Market, Depository Receipt and other stocks approved or registered for listing by the CSRC), bonds (including treasury bonds, central bank notes, financial bonds, enterprise bonds, corporate bonds, medium-term notes, short-term financing bonds, ultra short-term financing bonds, subordinated bonds, government-supported institutional bonds, government-supported bonds, local government bonds, convertible bonds and other bonds approved by the CSRC for investment), monetary market instruments, asset-backed securities, stock index futures, and other financial instruments allowed for fund investment approved by the laws and regulations or the CSRC, (ii) the units of targeted ETF Fund, the constituent stocks of the underlying index and alternative constituent stocks, legally domestic listed non-constituent stocks (including Small and Medium Enterprise Board, Growth Enterprise Market, Depository Receipt and other stocks approved for listing by the CSRC), bonds, monetary market instruments, asset-backed securities, warrants, stock index futures, and other financial instruments allowed for fund investment approved by the laws and regulations or the CSRC and (iii) financial instruments with sound liquidity, including the constituent stocks of the underlying index and alternative constituent stocks, fixed income securities, bank deposits, monetary market instruments, repurchase, securities lending, financial derivatives such as stock index futures tracking the same underlying index, other stocks listed and traded in the securities markets of countries or regions that have signed a memorandum of understanding on bilateral regulatory cooperation with the CSRC, and other financial instruments allowed for fund investment approved by laws and regulations or the CSRC.

## **REASONS AND BENEFITS OF REDEMPTION OF THE FUNDS**

Taking into account the estimated proceeds from Redemption of the Funds, the Board considers that Redemption of the Funds represents a good opportunity for the Company to realise such investment so that it can reallocate its resources to other existing businesses.

The Directors (including the independent non-executive Directors) are of the view that Redemption of the Funds is on normal commercial terms in the ordinary course of business of the Company, and is fair and reasonable and in the interests of the Company and its shareholders as a whole. Director HU Aimin and Director LI Qiqiang hold positions in subsidiaries of China Baowu, and have abstained from voting on the Board resolution approving Redemption of the Funds. Save as disclosed above, other Director is neither regarded as having material interests in this transaction nor has abstained from voting on the Board resolution relating to this transaction.

## **IMPLICATIONS UNDER THE LISTING RULES**

China Baowu, holding approximately 12.09% of the total number of issued shares of the Company, is a substantial shareholder and connected person of the Company. Hwabao Fund, indirectly held by China Baowu by 51% of its equity interests, constitutes an associate of China Baowu and is therefore a connected person of the Company. Accordingly, Redemption of the Funds constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of Redemption of the Funds is higher than 0.1% but less than 5%, Redemption of the Funds is subject to the announcement and annual reporting requirements, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **GENERAL INFORMATION**

The Company is a joint stock limited company incorporated in the PRC and its H Shares and A Shares are listed on the Hong Kong Stock Exchange (stock code: 01336) and the Shanghai Stock Exchange (stock code: 601336), respectively. As one of the leading life insurance companies in the PRC, the Company is primarily engaged in life insurance, health insurance, accident and casualty insurance, insurance consulting, capital operation businesses and et cetera in the PRC.

Hwabao Fund is a company incorporated in the PRC which operates fund businesses, including fund management, promotion of funds and other businesses approved by the CSRC. Hwabao Fund is an indirect subsidiary of China Baowu. China Baowu is a company incorporated in the PRC which engages in the operation and management of state-owned assets. Its ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of the State Council.

## **DEFINITIONS**

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

“A Share(s)”	domestic share(s) of RMB1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange and traded in RMB
“Board”	the board of directors of the Company
“Company”	New China Life Insurance Company Ltd., a joint stock limited company duly incorporated in the PRC and the H Shares and the A Shares of which are listed on the Hong Kong Stock Exchange (stock code: 01336) and the Shanghai Stock Exchange (stock code: 601336)

“China Baowu”	China Baowu Steel Group Corporation Limited, a substantial shareholder of the Company
“CSRC”	China Securities Regulatory Commission
“connected person”	has the meaning as defined in the Listing Rules
“substantial shareholder”	has the meaning as defined in the Listing Rules
“Director(s)”	the director(s) of the Company
“Funds”	Hwabao S&P Hong Kong-listed China Small and Mid-caps Index Securities Investment Fund (LOF) (華寶標普香港上市中國中小盤指數證券投資基金(LOF)), Hwabao CSI 1000 Index Securities Investment Fund (華寶中證1000指數證券投資基金) and Hwabao CSI Medical ETF Feeder Fund (華寶中證醫療交易型開放式指數證券投資基金聯接基金)
“Framework Agreement”	the agreement entered into between the Company and Hwabao Fund on 30 September 2018 for the proposed transactions in relation to the subscription and redemption by the Company of fund products publicly offered by Hwabao Fund
“H Share(s)”	overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hwabao Fund”	Hwabao WP Fund Management Co., Ltd., 51% equity interests in which is held by Hwabao Trust Co., Ltd.; 98% equity interests of Hwabao Trust Co., Ltd. is held by China Baowu
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Redemption of the Funds”	the redemption of all of the subscribed units of the Funds
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiary(ies)”

has the meaning as defined in the Listing Rules

By Order of the Board  
**New China Life Insurance Company Ltd.**  
**XU Zhibin**  
*Chairman*

Beijing, China, 23 December 2021

*As at the date of this announcement, the chairman and non-executive director of the Company is XU Zhibin; the executive directors are LI Quan and ZHANG Hong; the non-executive directors are YANG Yi, HE Xingda, YANG Xue, HU Aimin, LI Qiqiang, PENG Yulong and Edouard SCHMID; and the independent non-executive directors are LI Xianglu, ZHENG Wei, CHENG Lie, GENG Jianxin and MA Yiu Tim.*