

CHINA LIFE INSURANCE CO LTD

Form 20-F

April 25, 2018

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As filed with the Securities and Exchange Commission on April 25, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES
EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the fiscal year ended December 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the transition period from _____ to _____

OR

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

Date of event requiring this shell company report _____

Commission file number 001-31914

(Exact name of Registrant as specified in its charter)

China Life Insurance Company Limited

(Translation of Registrant's name into English)

People's Republic of China

(Jurisdiction of incorporation or organization)

16 Financial Street

Xicheng District

Beijing 100033, China

(Address of principal executive offices)

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(Name, Telephone, Email and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
American depositary shares	New York Stock Exchange
H shares, par value RMB 1.00 per share	New York Stock Exchange*

* Not for trading, but only in connection with the listing on the New York Stock Exchange of American depositary shares, each representing 5 H shares.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None.

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None.

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of December 31, 2017, 7,441,175,000 H shares and 20,823,530,000 A shares, par value RMB 1.00 per share, were issued and outstanding. H shares are listed on the Hong Kong Stock Exchange. A shares are listed on the Shanghai Stock Exchange. Both H shares and A shares are ordinary shares.

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Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual report or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of large accelerated filer, accelerated filer, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Accelerated filer Non-accelerated filer
Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

The term new or revised financial accounting standard refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S.GAAP International Financial Reporting Standards as issued by Other
the International Accounting Standards Board

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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FORWARD-LOOKING STATEMENTS

This annual report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements state our intentions, beliefs, expectations or predictions for the future, in particular under Item 4. Information on the Company , Item 5. Operating and Financial Review and Prospects and Item 8. Financial Information Embedded Value .

The forward-looking statements include, without limitation, statements relating to:

future developments in the insurance industry in China;

changes in interest rates and other economic and business conditions in China;

the industry regulatory environment as well as the industry outlook generally;

the amount and nature of, and potential for, future development of our business;

the outcome of litigation and regulatory proceedings that we currently face or may face in the future;

our business strategy and plan of operations;

the prospective financial information regarding our business;

our dividend policy; and

information regarding our embedded value.

In some cases, we use words such as believe , intend , anticipate , estimate , project , forecast , plan , potential , should and expect and similar expressions to identify forward-looking statements. All statements other than statements of historical facts included in this annual report, including statements regarding our future financial position, strategy, projected costs and plans and objectives of management for future operations, are forward-looking statements. Although we believe that the expectations reflected in those forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct, and you are cautioned not to place undue reliance on such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed under Item 3. Key Information Risk Factors and elsewhere in this annual report, including in conjunction with the forward-looking statements included in this annual report. We undertake no obligation to publicly update or revise any forward-looking statements contained in this annual report, whether as a result of new information, future events or otherwise, except as required by law. All forward-looking statements contained in this annual report are

qualified by reference to this cautionary statement.

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CERTAIN TERMS AND CONVENTIONS

References in this annual report to **we**, **us**, **our**, **the Company** or **China Life** mean China Life Insurance Company Limited and, as the context may require, its subsidiaries. References to **CLIC** mean China Life Insurance (Group) Company and, as the context may require, its subsidiaries, other than China Life. References in this annual report to **AMC** mean China Life Asset Management Company Limited, the asset management company established by us with CLIC on November 23, 2003. References to **CLPCIC** mean China Life Property and Casualty Insurance Company Limited, the property and casualty company established by us with CLIC on December 30, 2006. References to **China Life Pension** mean China Life Pension Company Limited established by us, CLIC and AMC on January 15, 2007.

The statistical and market share information contained in this annual report has been derived from government sources, including the China Insurance Yearbook 2015, the China Insurance Yearbook 2016, the China Insurance Yearbook 2017 and other public sources. The information has not been verified by us independently. Unless otherwise indicated, market share information set forth in this annual report is based on premium information as reported by the CIRC. The reported information includes premium information that is not determined in accordance with HKFRS, U.S. GAAP or IFRS.

References to **A shares** mean the RMB ordinary shares which have been listed on the Shanghai Stock Exchange since January 9, 2007.

References to the **CIRC** mean the China Insurance Regulatory Commission, which was established in 1998 and merged with the China Banking Regulatory Commission in April 2018. References to the **CBRC** mean the China Banking Regulatory Commission, which was established in 2003 and merged with the CIRC in April 2018. References to **CBIRC** mean the China Banking and Insurance Regulatory Commission, which was established in April 2018 as a result of the merger of CIRC and CBRC. In this annual report, references to the **CIRC** mean the China's insurance regulator prior to April 2018 and references to the **CBIRC** mean the China's insurance regulator after April 2018, as the context may require.

References to **China** or **PRC** mean the People's Republic of China, excluding, for purposes of this annual report, Hong Kong, Macau and Taiwan. References to the **central government** mean the government of the PRC. References to **State Council** mean the State Council of the PRC. References to **MOF** or **Ministry of Finance** mean the Ministry of Finance of the PRC. References to **Ministry of Commerce** mean the Ministry of Commerce of the PRC. References to **SAFE** mean the State Administration of Foreign Exchange of the PRC. References to **SAIC** mean the State Administration for Industry and Commerce of the PRC.

References to **HKSE** or **Hong Kong Stock Exchange** mean The Stock Exchange of Hong Kong Limited. References to **NYSE** or **New York Stock Exchange** mean the New York Stock Exchange. References to **SSE** or **Shanghai Stock Exchange** mean the Shanghai Stock Exchange.

References to **IFRS** mean the International Financial Reporting Standards as issued by the International Accounting Standards Board, references to **U.S. GAAP** mean the generally accepted accounting principles in the United States, references to **HKFRS** mean the Hong Kong Financial Reporting Standards, issued by the Hong Kong Institute of Certified Public Accountants, and references to **PRC GAAP** mean the PRC Accounting Standards for Business Enterprises applicable to companies listed in the PRC. Unless otherwise indicated, our financial information presented in this annual report has been prepared in accordance with IFRS.

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References to Renminbi or RMB in this annual report mean the currency of the PRC, references to U.S. dollars or US\$ mean the currency of the United States of America, and references to Hong Kong dollars , H.K. dollars or HK\$ mean the currency of the Hong Kong Special Administrative Region of the PRC.

Unless otherwise indicated, translations of RMB amounts into U.S. dollars for presentation only in this annual report have been made at the rate of US\$ 1.00 to RMB 6.5063, the noon buying rate in the City of New York for cable transfers payable in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York on December 29, 2017. No representation is made that Renminbi amounts could have been, or could be, converted into U.S. dollars at that rate on December 29, 2017 or at all. Translations of foreign currency amounts into RMB amounts for the purpose of preparing our audited consolidated financial statements included elsewhere in this annual report or our previous annual reports have been made at the exchange rates published by the PBOC.

Any discrepancies in any table between totals and sums of the amounts listed are due to rounding.

If there is any discrepancy or inconsistency between the Chinese names of the PRC entities in this annual report and their English translations, the Chinese version shall prevail.

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PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS.

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE.

Not applicable.

ITEM 3. KEY INFORMATION.

A. SELECTED FINANCIAL DATA

Selected Historical Consolidated Financial Data

The following tables set forth our selected consolidated financial information for the periods indicated. We have derived the consolidated financial information from our audited consolidated financial statements included elsewhere in this annual report or our previous annual reports.

We prepare our consolidated financial statements in accordance with IFRS as issued by the IASB.

You should read this information in conjunction with the rest of the annual report, including our audited consolidated financial statements and the accompanying notes, Item 5. Operating and Financial Review and Prospects included elsewhere in this annual report and the independent registered public accounting firm's reports.

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	For the year ended December 31,					
	2013 RMB	2014 RMB	2015 RMB	2016 RMB	2017 RMB	2017 US\$
Consolidated Statement of Comprehensive Income	<i>(in millions except for per share data)</i>					
Revenues						
Gross written premiums	326,290	331,010	363,971	430,498	511,966	78,688
Less: premiums ceded to reinsurers	(556)	(515)	(978)	(1,758)	(3,661)	(563)
Net written premiums	325,734	330,495	362,993	428,740	508,305	78,125
Net change in unearned premium reserves	(921)	(390)	(692)	(2,510)	(1,395)	(214)
Net premiums earned	324,813	330,105	362,301	426,230	506,910	77,911
Investment income	82,816	93,548	97,582	109,147	122,727	18,863
Net realized gains on financial assets	5,793	7,120	32,297	6,038	42	6
Net fair value gains through profit or loss	137	5,808	10,209	(7,094)	6,183	950
Other income	4,324	4,185	5,060	6,460	7,493	1,152
Total revenues	417,883	440,766	507,449	540,781	643,355	98,882
Benefits, claims and expenses						
Insurance benefits and claims expenses						
Life insurance death and other benefits	(193,671)	(192,659)	(221,701)	(253,157)	(259,708)	(39,916)
Accident and health claims and claim adjustment expenses	(11,263)	(16,752)	(21,009)	(27,269)	(33,818)	(5,198)
Increase in insurance contract liabilities	(107,354)	(105,883)	(109,509)	(126,619)	(172,517)	(26,515)
Investment contract benefits	(1,818)	(1,958)	(2,264)	(5,316)	(8,076)	(1,241)
Policyholder dividends resulting from participation in profits	(18,423)	(24,866)	(33,491)	(15,883)	(21,871)	(3,362)
Underwriting and policy acquisition costs	(25,690)	(27,147)	(35,569)	(52,022)	(64,789)	(9,958)
Finance costs	(4,032)	(4,726)	(4,320)	(4,767)	(4,601)	(707)
Administrative expenses	(24,805)	(25,432)	(27,458)	(31,854)	(35,953)	(5,526)
Other expenses	(3,864)	(4,151)	(7,428)	(4,859)	(6,426)	(988)
Statutory insurance fund contribution	(637)	(701)	(743)	(1,048)	(1,068)	(164)
Total benefits, claims and expenses	(391,557)	(404,275)	(463,492)	(522,794)	(608,827)	(93,575)

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