

Media Release:

# China Life's Upcoming Series 112-1 Unsecured Subordinated Corporate Bond Rated 'twAA-'

June 15, 2023

## Rating Action

Taiwan Ratings Corp. today assigned its preliminary 'twAA-' issue rating to **China Life Insurance Co. Ltd.'s** (twAA/Stable/--) Series 112-1 ten-year unsecured subordinated corporate bond. The amount of the issuance will be up to new Taiwan dollar (NT\$) 10 billion.

## Rationale

The rating on the debenture is one notch below our long-term issuer credit rating on China Life according to our 'National And Regional Scale Credit Ratings Methodology' (see Related Criteria). The notching reflects the debentures' subordinated status. The Series 112-1 bond ranks senior to China Life's ordinary shares and non-cumulative subordinated bonds, with respect to the payments of interest and relevant amounts upon liquidation. However, the bond is junior to the company's senior liabilities.

The main purpose of the issuance is to enhance the company's working capital and financial structure, as well as capital adequacy ratio. Any material change in the proposed terms, conditions or amount of the issuer could affect the rating.

## Related Criteria & Research

### Related Criteria

- Criteria | Insurance | General: Insurers Rating Methodology - July 01, 2019
- Criteria | Insurance | General: Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model - June 07, 2010
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings - October 10, 2021
- General Criteria: Group Rating Methodology - July 01, 2019
- General Criteria: National And Regional Scale Credit Ratings Methodology - June 08, 2023
- General Criteria: Principles Of Credit Ratings - February 16, 2011

### Related Research

- Taiwan Ratings' Ratings Definitions – November 11, 2021

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## Ratings List

### New Ratings

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**China Life Insurance Co. Ltd.**

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Unsecured subordinated corporate bond	twAA-
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Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.taiwanratings.com](http://www.taiwanratings.com) for further information. Complete ratings information is available to subscribers of Rating Research Service at [rrs.taiwanratings.com.tw](http://rrs.taiwanratings.com.tw). All ratings affected by this rating action can be found on Taiwan Ratings' public website at [www.taiwanratings.com](http://www.taiwanratings.com).

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