

Disclosure Statement at 31 December 2024

This disclosure statement is prepared in accordance with the requirements under the Insurance (Valuation and Capital) Rules and the draft Insurance (Public Disclosure) Rules.

1 Company profile

(a) Authorized insurer's name

Chong Hing Insurance Company Limited

2 Financial position

(a) Balance sheet determined under the Insurance (Valuation and Capital) Rules

(Unit: in HKD thousands)	As at 31 December 2024
	Total
Total assets	470,681.30
Cash and deposits	270,973.93
Debt securities	0.00
Equities (including portfolio investments)	13,973.92
Derivative financial instruments	0.00
Properties	0.00
Loans and advances	0.00
Reverse repurchase agreement	0.00
Other financial assets	175,259.75
Policyholder's account assets in respect of unit linked products or retirement scheme	0.00
Reinsurance assets	8,782.28
Tax assets	0.00
Other assets	1,691.43
Total liabilities	90,810.79
Insurance liabilities	71,918.84
Reinsurance liabilities	1,943.67
Repurchase agreement	0.00
Derivative financial instruments	0.00
Other financial liabilities	1,748.94
Tax liabilities	2,235.80
Other liabilities	12,963.54
Net assets	379,870.52

3 Insurance liabilities

(a) Total insurance liabilities determined under the Insurance (Valuation and Capital) Rules

Insurance Liabilities of General Business

(Unit: in HKD thousands)	As at 31 December 2024									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Total general insurance liabilities (<u>gross</u> of reinsurance)	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	71,918.84
Total general insurance liabilities excluding other general insurance liabilities (<u>gross</u> of reinsurance)	65.06	2,518.85	66.89	11,383.48	17,334.57	4,619.36	20.25	33,645.90	2,264.49	71,918.84
Outstanding claims liabilities	7.28	1,879.48	0.00	8,701.87	14,553.46	3,879.26	0.00	28,969.11	1,892.38	59,882.84
Premium liabilities	49.70	298.35	54.84	2,123.49	1,253.11	274.48	16.91	499.12	0.00	4,569.99
Margin over current estimate for outstanding claims liabilities	0.80	292.79	0.00	304.28	1,363.26	430.66	0.00	4,107.46	372.11	6,871.35
Margin over current estimate for premium liabilities	7.28	48.23	12.05	253.84	164.74	34.96	3.35	70.21	0.00	594.66
Total general insurance liabilities excluding other general insurance liabilities (<u>net</u> of reinsurance)	58.37	2,500.48	60.46	7,098.78	14,403.53	4,440.78	16.21	32,305.96	2,252.00	63,136.57

4 Capital adequacy

- (a) Prescribed capital amount at total level and risk capital amount (“RCA”) by sub-risk, determined in accordance with the Insurance (Valuation and Capital) Rules (without applying the transitional arrangement under Part 7 of the Insurance (Valuation and Capital) Rules)

Prescribed Capital Amount

(Unit: in HKD thousands)	As at 31 December 2024
Market risk (diversified RCA)	8,351.62
Interest rate risk RCA	2,696.99
Credit spread risk RCA	0.00
Equity risk RCA	6,527.36
Property risk RCA	0.00
Currency risk RCA	447.67
Diversification benefits within market risk	-1,320.40
Life Insurance Risk (diversified RCA)	0.00
Mortality risk RCA	0.00
Longevity risk RCA	0.00
Life catastrophe risk RCA	0.00
Morbidity risk RCA	0.00
Expense risk RCA	0.00
Lapse risk RCA	0.00
Diversification benefits within life insurance risk	0.00
General Insurance Risk (diversified RCA)	41,997.14
Reserve and premium risk RCA	14,586.76
Natural catastrophe risk RCA	14,807.83
Man-made non-systemic catastrophe risk RCA	32,708.58
Man-made systemic catastrophe risk RCA	0.00
Mortgage insurance risk RCA	0.00
Diversification benefits within general insurance risk	-20,106.01
Counterparty default and other risk RCA	6,267.69
Diversification benefits among risk modules	-9,648.90
Operational risk RCA	2,324.62
Adjustment for loss absorbing capacity cap	0.00
Adjustment for tax effect	-2,559.48
Any other items which the IA may specify to adjust	0.00
Prescribed capital amount	46,732.70

- (b) Composition of capital base determined in accordance with the Insurance (Valuation and Capital) Rules

Capital Base

(Unit: in HKD thousands)	As at 31 December 2024
Unlimited Tier 1 capital	207,274.22
Limited Tier 1 capital	0.00
Tier 2 capital	0.00
Capital base	207,274.22

- (c) Ratio of capital base to prescribed capital amount

	As at 31 December 2024
Ratio of capital base to prescribed capital amount	444%

5 Statement of Compliance

- (i) I am satisfied with the completeness, accuracy and consistency of the information disclosed in this disclosure statement in respect of Chong Hing Insurance Company Limited;
- (ii) I am satisfied that the information in this disclosure statement is prepared in accordance with the Insurance (Valuation and Capital) Rules and the draft Insurance (Public Disclosure) Rules (subject to any applicable variation or relaxation);
- (iii) The information disclosed in this disclosure statement can be reconciled with the audited specified annual forms of Chong Hing Insurance Company Limited's annual returns for the financial year to which this disclosure statement relates, as submitted under rule 4 of the Insurance (Submission of Statements, Reports and Information) Rules; and
- (iv) I am satisfied that Chong Hing Insurance Company Limited has complied with all capital requirements that apply to it under the Insurance (Valuation and Capital) Rules, during the financial year to which this disclosure statement relates.

Name:	Ma Wai Leung
Position:	Director
Company Name:	Chong Hing Insurance Company Limited