



亞洲金融
Asia Financial

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Asia Financial Announces 2014 Results

Asia Financial Holdings Limited (“Asia Financial”) announces the results for the year ended 31 December 2014. Mr. Bernard Chan, President of Asia Financial, said, “**Asia Financial achieved net profit attributable to shareholders of HK\$365.5 million in 2014, a 35.0% increase** on the HK\$270.7 million reported in 2013. This result is due to realised and unrealised year-on-year gains in the value of portfolio and other investments, and continued growth in underwriting profit. Overall returns from joint ventures and associates showed satisfactory performance.”

“Wholly-owned subsidiary, **Asia Insurance Company, Limited** (“Asia Insurance”) achieved **profit attributable to shareholders of HK\$300.7 million, a 39.7% increase** on the previous year. Turnover declined by 11.6%, largely as a result of increased competition, notably in liability, medical and property segments. Despite this, underwriting profit reached HK\$113.2 million, representing a healthy increase of 13.6%, reflecting the underlying market strength of the business and a continued focus on high-quality business. This performance was also helped by continued strength of sectors such as construction in the local and regional economy, and a lack of exposure to any major natural disasters during the reporting period.”

Mr. Chan continued to say, “Joint ventures and associates in the insurance segment all performed satisfactorily. BC Reinsurance Limited saw a healthy gain in investment income in line with equities market, and experienced steady underwriting profit. Hong Kong Life Insurance Limited’s profit narrowed slightly, reflecting lower interest income. The People’s Insurance Company of China (Hong Kong), Limited reported continued steady performance, while Professional Liability Underwriting Services Limited saw a decline in profit.”

“PICC Life Insurance Company Limited (“PICC Life”), in which Asia Financial has a 5% stake, continues to take advantage of its opportunities as a company with a nationwide licence. It now ranks fifth in the Chinese market and operates a network of some 2,151 offices. PICC Life reported RMB80.2 billion in premium income for 2014, a 6.5% increase over 2013. All other business performance and risk control indicators showed positive and healthy figures. PICC Life’s insurance liability reserves and solvency ratio were maintained at adequate levels in line with the business volume. This stake is Asia Financial’s single biggest external holding, accounting for 15.3% of our total assets.”

Mr. Chan added, “Our 3.6% holding in Bumrungrad Hospital Public Company Limited (“Bumrungrad”) in Bangkok remains one of our best performing investments, with its valuation rising 60.3% in 2014. This reflects market recognition of Bumrungrad’s continuing success in attracting patients internationally through the delivery of high-quality and good-value medical services.”

“In March 2014, Asia Financial announced the acquisition of a stake in Ulaanbaatar Songdo Hospital (“UBSD”), one of the leading hospitals in the capital of Mongolia. Our stake comprises a 20% share in a consortium with Bumrungrad. The consortium is taking a 51% stake in UBSD, which we hope will start to contribute returns during the year ahead. This is an opportunity to participate in significant growth in Mongolia’s healthcare sector and an attractive long-term addition to our portfolio of investments in regional companies focusing on personal coverage and care services.”

“In October 2014, Asia Financial opened a wholly owned wellness centre aimed at the over-50s. The Kinnet, in the Sheung Wan district adjacent to Central, offers an extensive range of age-specific facilities and activities to nurture the physical, mental and emotional well-being of clients. Facilities include a well-equipped fitness centre, studios and a café. The venture benefits from a board of respected advisors in relevant health and social fields. Following its launch, the Kinnet has been successfully developing its client base.”

“The Group’s holding in Bank Consortium Holding Limited (BCH) enjoyed healthy profit growth in 2014, and for the third year declared a dividend. Bank Consortium Trust Company Limited (BCT), a wholly owned subsidiary of BCH, remains one of the top five providers of Mandatory Provident Fund services in Hong Kong and is increasing its fee income by providing back-office services to other players.”

Mr. Chan raised, “The Group’s interests in real estate are focused on Shanghai and represent 3.4% of our total assets. The main project is a residential and commercial complex in Jiading, in which we have a 27.5% stake. Sales of Phase 2 of the project are now mostly complete, yielding share of profits of HK\$14.3 million booked in 2014. Demand for the remaining units is anticipated to be good.”

“Construction work is expected to start on Phase 3 in the second half of 2015, and application for sales permits should take place in the second half of 2016. Foundation work has been completed on a smaller lot of land in the same district, and construction on schedule for sales to begin in the second quarter of 2015. Sales revenue will be booked after 2015.”

Looking ahead, Mr. Chan said, “The outlook for our insurance operations is generally positive, thanks to the underlying economic strength of our main markets and management efforts to develop the scope of the business and the quality of its client base. Our focus will remain very much on the long term, which we believe offers attractive future opportunities arising from the continued positive economic development in much of the East Asian region. In addition to ongoing plans for investments in various health-related projects, we will continue to seek opportunities to build our interests in livelihood-related service industries such as insurance, retirement, health and wellness and property development, focused on Greater China and elsewhere in Asia.”

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*For further information, please contact:
Ms. Shirley Kwok (Tel: 3606 9620)
Asia Financial Holdings Limited*