



亞洲金融  
ASIA FINANCIAL

For immediate release  
27 August 2021

## **Asia Financial Announces Interim Results**

**Asia Financial Holdings Limited** (“Asia Financial”) announced its interim results today. Mr. Bernard Chan, President of Asia Financial, said “We recorded a **net profit attributable to shareholders of HK\$320.2 million** in the first half of 2021, compared to a loss of HK\$29.9 million over the same period in 2020. The main contributing factors were an increase in underwriting profits from the insurance business and healthy returns from investments. Overall contributions from our joint ventures and associates were also positive. In spite of the coronavirus pandemic and its associated economic impact, our core businesses showed reassuring resiliency. Current insurance underwriting profits remain stable and growing. Our core insurance business is solid and mature. We are fortunate to enjoy customer confidence in the marketplace, due to our long-term and unwavering commitment to the Hong Kong and Macau insurance markets. This will be an asset to us as we face upcoming challenges on the path to global economic recovery.”

“Wholly owned subsidiary, **Asia Insurance Company, Limited** (“Asia Insurance”) achieved **net profit attributable to shareholders of HK\$169.7 million** in the first half of 2021, compared to a loss of HK\$29.1 million over the same period in 2020. Despite the pandemic’s impact on our clients’ businesses, our turnover for the first half of 2021 rose by 14.4% over the same period in 2020, an extraordinary testimony to our company’s service, reputation and client confidence. For 3 years in a row, we have achieved a record high in turnover. We maintained most of our existing business

while adding new business as well, particularly in our core SME market. There was no exposure to major catastrophe during the period. Underwriting profit increased by 45.8% over the same period in 2020. Our fundamental underwriting profit trend remains healthy and stable, and we remain among the top performers in the Hong Kong insurance industry, with a S&P rating of A (All the above figures are before elimination of group transactions.).”

Mr. Chan also said, “Joint ventures and associates in the insurance segment turned a healthy profit in the first half of 2021. BC Reinsurance Limited, Hong Kong Life Insurance Limited and Professional Liability Underwriting Services Limited enjoyed a stable profit.”

Mr. Chan continued to say, “Trading investments posted modest growth in the first half of 2021 due to the economic recovery and positive stock market returns. We have adjusted our portfolio in line with market changes, and will continue to monitor and adjust to continuing market fluctuations. Dividend income from long-term strategic investments was stable.”

“Our 4.7% holding in Bumrungrad Hospital Public Company Limited (“Bumrungrad”) in Bangkok is our largest listed equity investment. For the first half of 2021, the stock price was up 7.1%, but when converted to Hong Kong dollars, this appreciation dropped to around 0.2% due to the weak Thai baht. Additionally, the company felt the negative effect of coronavirus pandemic restrictions on entry to Thailand (around 46% of Bumrungrad’s patients are from overseas). The outlook for medical tourism remains uncertain for the second half of the year. Bumrungrad’s success in attracting patients internationally through the delivery of high-quality medical services is likely to rebound.”

Mr. Chan added, “The Group’s holding in Bank Consortium Holding Limited (“BCH”), one of our joint ventures, generated healthy returns in the first half of 2021, in spite of the economic situation. Bank Consortium Trust Company Limited (“BCT”), a wholly owned subsidiary of BCH, remains one of the major providers of Mandatory Provident Fund services in Hong Kong.”

“The Group’s interests in real estate are focused on Shanghai and represent 3.8% of our total assets. The main project is a residential and commercial complex in Jiading District in Shanghai, in which we have a 27.5% stake. China’s property market remains strong, and there is high demand among lifestyle-conscious young urbanites for design-forward housing complexes like Jiading. Its Phase 3 is being developed in four stages, and in the first half of 2021 we took a healthy profit from residential sales of Stages Two and Three mainly. Despite the COVID-19 pandemic, there was enthusiastic demand for residential sales of Stage Three, which is now 100% sold. We expect to realise steady profits from this project in the second half of 2021. We anticipate that Stage Four will be put up for sale in late 2021, and that it will follow the successful trajectory of the project’s previous stages.”

Looking forward, Mr. Chan said, “The current outlook for our insurance operations is positive, with our strong distribution network and market positioning helping us to perform well despite the challenging economic situation and a crowded market. We will continue to review and optimize our mix of business segments. We are also further developing our distribution capacity and product range.”

“At this time of global challenge in our industry and the world, our company’s reputation and stability are an advantage in an uncertain and volatile marketplace. The region is undergoing a major transformation involving the rise of large middle classes,

gradually ageing societies and greater use of market-based solutions to demographic and other policy challenges. In this changing environment, Asia Financial is well-positioned for steady and successful growth.”

– End –

For further information, please contact:

Ms. Shirley Kwok

Asia Financial Holdings Ltd.

Tel : 2545 0496