



亞洲金融
ASIA FINANCIAL

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Asia Financial Announces 2023 Results

Asia Financial Holdings Limited (“Asia Financial”) announces the results for the year ended 31 December 2023. Mr. Bernard Chan, Chairman and President of Asia Financial, said, “**Asia Financial** recorded **net profit attributable to shareholders of HK\$346.8 million in 2023, a vigorous 181.5% growth** over the HK\$123.2 million in 2022. This resilient result was driven by notably outstanding performance and earnings from our trading investments, satisfactory results from our insurance operations which was partially helped by adopting the new HKFRS17 accounting standard on insurance contracts, and consistent returns from most of our joint ventures and associates.”

“Wholly-owned subsidiary, **Asia Insurance Company, Limited** (“Asia Insurance”) achieved **net profit attributable to shareholders of HK\$242.2 million in 2023, a 103.4% increase** compared with the same period in 2022. Moreover, Asia Insurance’s insurance revenue increased 18.8% over the previous year, reflecting our ability to mitigate the devastation caused by the COVID-19 pandemic and ongoing global economic and geopolitical turmoil. Our focus on key growth areas and successful diversification of our general insurance offerings, including health, life, and property insurance, through various distribution channels and markets, highlights our commitment to growth. Our international reinsurance operations and online platforms have performed well and met management's expectations admirably. Although there were typhoons and black rainstorms, the impact on Asia Insurance was insignificant. Our insurance service result saw an impressive 25.6% increase from the previous year, and our diligent efforts have solidified our status as one of Hong Kong's top insurance performers, with S&P’s rating of A.”

Mr. Chan continued to say, “In the face of slowed economic growth and increased volatility in 2023, Asia Financial outperformed benchmark indices by strategically reducing exposure in Hong Kong & China equity markets, increasing exposure in US and Japan equity markets, and took advantage of higher interest rates by increasing investment grade bonds and cash positions. Our portfolio has been actively adjusted to reflect market changes and volatility while allowing flexibility to take advantage of timely opportunities and trends. Dividend income from long-term strategic investments was notably stable.”

“Joint ventures and associates in the insurance segment yielded stable profits in 2023 from BC Reinsurance Limited and Professional Liability Underwriting Services Limited while Hong Kong Life Insurance Limited recorded a loss after adopting new HKFRS17 accounting standard. PICC Life Insurance Company Limited (“PICC Life”), in which Asia Financial owns a 5% stake, continues to take advantage of its opportunities as a company with a nationwide license and a strong presence in the Mainland market.”

“Our 4.7% stake in Bumrungrad Hospital Public Company Limited (“Bumrungrad”) in Bangkok is our most substantial investment in listed equities. For 2023, share price increased by a respectable 4.7% when measured in Thai Baht and 5.6% in Hong Kong Dollar terms, due to the Thai Baht's appreciation. Forecasts remain optimistic for next year, bolstered by the introduction of the Thai Visa Exemption Scheme.”

“The Group’s holding in Bank Consortium Holding Limited (“BCH”), one of our joint ventures, yielded stable profits in 2023. Bank Consortium Trust Company Limited, a wholly owned subsidiary of BCH, continues to be one of the top providers of Mandatory Provident Fund services in Hong Kong.”

Mr. Chan raised, “The Group remains focused on real estate in Shanghai, which makes up 4.2% of our total assets. We hold a 27.5% stake in the flagship mixed-use development project in the Jiading District of Shanghai. Its Stage Four was recently completed and has begun promotion for sale with initial interests that has exceeded expectations.”

Looking ahead, Mr. Chan said, “Our projections for the insurance business remain positive, even in the face of challenging economic headwinds and a competitive marketplace. Moving forward, we will continue expanding our distribution reach and effectively diversify our product offerings to meet the evolving demands of the market and our clientele. Our commitment lies in expanding services that enhance everyday living, including insurance, retirement planning, healthcare, and property development, focusing on Hong Kong, Macau, and Mainland China. We are poised to capitalise on potential opportunities emerging from the progression of the Central Government's "Greater Bay Area" plan, which aims to foster deeper integration among the Pearl River Delta regions. We anticipate this initiative will create favourable conditions for our business expansion and enable us to tap into new markets and collaborations within the Greater Bay Area.”

“In terms of our 2024 investment performance outlook, we anticipate that worldwide economies, especially those in developed regions, will maintain their resilience as interest rates reach their highest points and inflation rates continue to decline. Our flexible but cautious strategy provides insulation against market volatility and geopolitical challenges and enables us to capitalise on tactical opportunities within new regional markets with innovative business themes. Our investment strategy is tailored to our strengths, leveraging our extensive client and partnership networks. We will maintain a diversified investment portfolio and prioritise our investment strategy to preserve and grow shareholder wealth over the long term.”

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