



*For immediate release
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Asia Financial Announces 2021 Results

Asia Financial Holdings Limited (“Asia Financial”) announces the results for the year ended 31 December 2021. Mr. Bernard Charnwut Chan, President of Asia Financial, said, “**Asia Financial achieved net profit attributable to shareholders of HK\$665.4 million in 2021, a 96.9% increase** on the HK\$337.9 million reported in 2020. This result reflects both realized and unrealized gains from investments, increase in underwriting profits, significant increase in dividend income, and overall contributions from our joint ventures and associates were also positive.”

“Wholly-owned subsidiary, **Asia Insurance Company, Limited** (“Asia Insurance”) achieved **net profit attributable to shareholders of HK\$237.1 million in 2021, a 25.1% increase** compared with the same period in 2020. Despite the pandemic’s impact on our clients’ businesses, our turnover for 2021 rose by close to 10%, this reflects successful diversification strategy in developing new business channels, new products, and new business partners. We maintained most of our existing profitable businesses, while adding new business from diverse sectors such as reinsurance and the Voluntary Health Insurance Scheme (VHIS) market. There was no exposure to major catastrophes during the period, underwriting profit increased by 10.6%. 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, an extraordinary testimony to our company’s service, reputation, and client confidence.”

Mr. Chan continued to say, “Joint ventures and associates in the insurance segment turned a healthy profit in 2021. BC Reinsurance Limited, Hong Kong Life Insurance Limited, and Professional Liability Underwriting Services Limited enjoyed a stable 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. PICC Life maintains a healthy position in the China market, with a substantial network of offices. We enjoyed exceptionally high dividends from PICC Life in 2021.”

“Our 4.7% holding in Bumrungrad Hospital Public Company Limited (“Bumrungrad”) in Bangkok is our largest listed equity investment. For 2021, the stock price was up 17.5% in Thai baht terms, but when converted to US dollars, this appreciation dropped to 6.7% due to the weak Thai baht. Additionally, the company felt the negative effect of coronavirus pandemic restrictions on entry to Thailand. The outlook for medical tourism remains uncertain for next year due to COVID-19 travel restrictions. However, Bumrungrad’s success in attracting patients internationally through the delivery of high-quality medical services is likely to rebound.”

“The Group’s holding in BBL Asset Management Company Limited of Thailand represent 2.0% of our total assets. It saw a stable return in 2021 and has continued to declare dividends for the past several years.”

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

Mr. Chan raised, “The Group’s interests in real estate are focused on Shanghai and represent 4.7% 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. Its Phase 3 was developed in four stages, and in 2021 we took a healthy profit from residential sales of Stages Two and Three mainly. We anticipate that Stage Four will be put up for sale in early 2022, and that it will follow the successful trajectory of the project’s previous stages.”

Looking ahead, Mr. Chan said, “The global and regional economic picture in 2022 remains uncertain and difficult to predict due to underlying risks. Despite potential economic headwinds, we remain cautiously optimistic about the outlook for our businesses. We aim to continue building on our interests in livelihood-related service industries such as insurance, retirement, health, and property development, focusing on Hong Kong and Greater China. We also anticipate possible opportunities arising from the central government's “Greater Bay Area” plan to further integrate Pearl River Delta regions. Additionally, in the wake of COVID-19, both individuals and corporates are increasingly aware of the need for insurance coverage, a trend that will add traction to our core business and support our market growth.”

“In terms of our 2022 investment performance outlook, we expect more volatility in markets due to risks of pandemic outbreaks, inflationary pressure, tapering of stimulus, and increased geopolitical tensions. Our Company’s traditionally watchful and cautious approach to investment has helped us navigate successfully through the difficulties of 2021, and we anticipate it will continue to do so in the future. We will continue with our conservative but flexible core investment approach in the pursuit of long-term growth in shareholder value and maintain a prudent portfolio investment strategy accordingly.”

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