



亞洲金融
ASIA FINANCIAL

*For immediate release
26th August 2022*

Asia Financial Announces 2022 Interim Results

Asia Financial Holdings Limited (“Asia Financial”) announces the interim results for the first half of 2022 ending 30 June 2022. Mr. Bernard Charnwut Chan, Chairman of Asia Financial, said, “**Asia Financial recorded net profit attributable to shareholders of HK\$29.8 million in the first half of 2022, a 90.8% decrease compared with the same period in 2021.** The main contributing factors were lower valuation in portfolio investments and overall decrease in contributions from our joint ventures and associates. However, this was slightly offset by underwriting profits from our core insurance business.”

“Wholly owned subsidiary, **Asia Insurance Company, Limited** (“Asia Insurance”) **achieved net profit attributable to shareholders of HK\$101.6 million in the first half of 2022, a 41.0% decrease compared with the same period in 2021.** Despite the pandemic’s impact on our clients’ businesses, our turnover for the first half of 2022 rose by 5.0% over the same period in 2021. While maintaining our existing profitable businesses, we have been successful in diversification strategy of developing new business channels, new products and new business partners such as reinsurance and online insurance. There was no exposure to major catastrophe during the period. Additionally, our fundamental underwriting profit trend remains healthy and stable with underwriting profit increased by 44.9% over the same period in 2021. 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 state, “Joint ventures and associates in the insurance segment turned an overall higher profit in first half of 2022. Hong Kong Life Insurance Limited saw an increase in profit while BC Reinsurance 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 are currently awaiting interim results at this point in time.”

“Our 4.7% holding in Bumrungrad Hospital Public Company Limited (“Bumrungrad”) in Bangkok is our largest listed equity investment. For the first half of 2022, the stock price was up 27.0% in Thai baht terms, but when converted to Hong Kong dollars, this appreciation dropped to around 20.3% due to the weak Thai baht. Since Thailand reopened to tourists late last year, medical tourism continues to recover and benefit from accommodative travel policies. Therefore, the outlook for medical tourism remains optimistic 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 continue to rebound in this environment.”

“The Group’s holding in Bank Consortium Holding Limited (“BCH”), one of our joint ventures, generated lower but stable profits in the first half of 2022, 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 4.5% 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. Although we realised steady profits from Stages One to Three, we were unable to realise sales of Stage Four in the first half of 2022 due to the extended COVID-19 lockdown of Shanghai.”

Looking ahead, Mr. Chan said, “The global and regional economic picture in mid-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. The current outlook for our insurance operations is positive, we will continue to review and optimize our mix of business segments and further develop our distribution capacity and product range to meet the demands of our customers.”

“In terms of our investment performance outlook for the second half of 2022, we expect more volatility in markets due to risks of pandemic outbreaks, inflationary pressure, tapering of stimulus, and increased geopolitical tensions. Nonetheless, we will continue with our conservative but flexible core investment approach in the pursuit of long-term growth in shareholder value, closely monitor the risks, and maintain a prudent portfolio investment strategy accordingly.”

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