

Disclosure Statement at 31 December 2024

This disclosure statement is prepared in accordance with the requirements under the Insurance (Valuation and Capital) Rules and the Circular on Public Disclosure Requirements for the First Financial Year Adopting Risk-based Capital Regime dated 8 August 2025.

1 Company profile

- (a) Authorized insurer's name

Blue Insurance Limited

2 Financial position

- (a) Balance sheet determined under the Insurance (Valuation and Capital) Rules

(Unit: in HKD thousands)	As at 31 December 2024			
	Total	Long term business	Of which belongs to : long term business-participating business	Shareholders' fund
Total assets	5,635,934	5,663,289	1,818,126	223,285
Cash and deposits	609,005	600,588	128,625	8,417
Debt securities	3,013,134	3,013,134	1,455,997	-
Equities (including portfolio investment)	283,808	283,808	228,206	-
Derivative financial Instruments	2,666	2,666	2,239	-
Properties	-	-	-	-
Loans and advances	15,142	15,142	-	-
Reverse repurchase agreement	-	-	-	-
Other financial assets	17,590	17,590	357	-
Policyholder's account assets in respect of unit linked products or retirement scheme	1,627,385	1,627,385	-	-
Reinsurance assets	48,492	48,492	2,552	-
Tax assets	-	-	-	-
Other assets	18,711	54,483	150	214,868
Total Liabilities	4,816,972	5,031,901	1,702,554	35,712
Insurance Liabilities	4,716,236	4,716,236	1,676,663	-
Reinsurance Liabilities	16,617	16,617	4,427	-
Repurchase agreement	-	-	-	-
Derivative financial Instruments	1,758	1,758	1,733	-
Other Financial Liabilities	44,487	44,487	1,055	-
Tax liabilities	-	-	-	-
Other liabilities	37,874	252,803	18,676	35,712
Net assets	818,961	631,388	115,572	187,573

- (b) Commentary of balance sheet item

Other assets and Other liabilities included inter-fund balances between long term business and shareholders' fund, while the "total" column has eliminated such inter-fund balances.
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3 Insurance liabilities

(a) Total insurance liabilities determined under the Insurance (Valuation and Capital) Rules

Insurance Liabilities of Long Term Business

(Unit: in HKD thousands)	As at 31 December 2024			
	HK insurers or designated insurers : all long term business			Total long term business
	Participating business	Linked long term (Class C)	Other long term business	
Total insurance liabilities (gross of reinsurance)	1,676,663	1,675,842	1,363,731	4,716,236
Of which : Long term insurance liabilities	1,676,663	1,675,842	1,363,731	4,716,236
Outstanding claims	3,825	16,026	15,849	35,700
Current estimate ¹	1,660,859	1,655,476	1,165,876	4,482,211
Margin over current estimate	11,979	4,340	11,345	27,663
Prepaid premiums	-	-	170,662	170,662
Other long term insurance liabilities	-	-	-	-
Of which : general insurance liabilities	-	-	-	-
Reinsurance assets	2,552	45,809	131	48,492
Reinsurance liabilities	4,427	25	12,165	16,617

¹ Excludes outstanding claims, prepaid premiums and other long term insurance liabilities which are disclosed separately.

4 Capital adequacy

- (a) Prescribed capital amount at total level and risk capital amount (“RCA”) by sub-risk, determined in accordance with the Insurance (Valuation and Capital) Rules (without applying the transitional arrangement under Part 7 of the Insurance (Valuation and Capital) Rules)

Prescribed Capital Amount

(Unit: in HKD thousands)	As at 31 December 2024
Market risk (diversified RCA)	336,407
Interest rate risk RCA	72,979
Credit spread risk RCA	160,715
Equity risk RCA	171,682
Property risk RCA	-
Currency risk RCA	45,022
Diversification benefits within market risk	(113,990)
Life Insurance Risk (diversified RCA)	107,255
Mortality risk RCA	7,674
Longevity risk RCA	317
Life catastrophe risk RCA	4,913
Morbidity risk RCA	3,966
Expense risk RCA	64,981
Lapse risk RCA	53,409
Diversification benefits within life insurance risk	(28,005)
General Insurance Risk (diversified RCA)	-
Reserve and premium risk RCA	-
Natural catastrophe risk RCA	-
Man-made non-systemic catastrophe risk RCA	-
Man-made systemic catastrophe risk RCA	-
Mortgage insurance risk RCA	-
Diversification benefits within general insurance risk	-
Counterparty default and other risk RCA	7,604
Diversification benefits among risk modules	(71,189)
Operational risk RCA	26,434
Adjustment for loss absorbing capacity cap	-
Adjustment for tax effect	-
Any other items which the IA may specify to adjust	-
Prescribed capital amount	406,511

- (b) Composition of capital base determined in accordance with the Insurance (Valuation and Capital) Rules

Capital Base

(Unit: in HKD thousands)	As at 31 December 2024
Unlimited Tier 1 capital	818,961
Limited Tier 1 capital	-
Tier 2 capital	-
Capital base	818,961

- (c) Ratio of capital base to prescribed capital amount

	As at 31 December 2024
Ratio of capital base to prescribed capital amount	201%

5 Statement of Compliance

- (i) I am satisfied with the completeness, accuracy and consistency of the information disclosed in this disclosure statement in respect of Blue Insurance Limited;
- (ii) I am satisfied that the information in this disclosure statement is prepared in accordance with the Insurance (Valuation and Capital) Rules and the Circular on Public Disclosure Requirements for the First Financial Year Adopting Risk-based Capital Regime dated 8 August 2025 (subject to any applicable variation or relaxation);
- (iii) The information disclosed in this disclosure statement can be reconciled with the audited specified annual forms of Blue Insurance Limited's annual returns for the financial year to which this disclosure statement relates, as submitted under rule 4 of the Insurance (Submission of Statements, Reports and Information) Rules; and
- (iv) I am satisfied that Blue Insurance Limited has complied with the capital requirements that apply to it under the Insurance (Valuation and Capital) Rules, during the financial year to which this disclosure statement relates.

Name:	Kuang Kim Soon
Position:	Chief Executive Officer
Company Name:	Blue Insurance Limited