

Financial Highlights

	2019 HK\$'000	2018 HK\$'000	2017 HK\$'000
FOR THE YEAR			
Net interest income	523,991	536,209	507,578
Profit attributable to shareholder	317,461⁴	126,558 ⁴	806,395
Loan purchases	1,876,551	287,705	315,793
Debts issuance ¹	17,724,508	12,424,465	17,856,470
Net premiums written			
— General insurance businesses	466,215	565,739	417,076
— Annuity business	1,630,827	2,780,240	n.a.
AT YEAR END			
Loan portfolio, net	6,928,045	6,442,064	7,829,441
Debt securities issued	39,710,963	37,292,877	34,840,706
Risk-in-force			
— Mortgage insurance ²	23,075,987	19,723,956	17,588,701
— Reverse mortgage insurance ³	11,239,454	9,644,152	6,875,721
OTHER STATISTICS			
Net interest margin	1.0%	1.1%	1.1%
Capital adequacy ratio	30.2%	26.8%	21.0%
Cost-to-income ratio	58.7%⁴	86.0% ⁴	26.8%
Return on shareholder's equity	2.1%⁴	0.9% ⁴	8.6%

¹ For debts with tenor of one year or above.

² The risk-in-force excludes exposure that has been covered by quota-share reinsurance arrangement.

³ The risk-in-force includes the outstanding balance and undrawn commitment of a reverse mortgage loan, excluding exposure that has been covered by quota-share reinsurance arrangement. Undrawn commitment refers to the amount of expected future payout to the borrower based on the payment term.

⁴ For comparison purposes, after excluding an accounting loss for maintaining prudent statutory reserves based on actuarial assumptions for annuity business made by the HKMC Annuity Limited, a wholly-owned subsidiary of the HKMC, the adjusted attributable profit to shareholder, return on shareholder's equity and cost-to-income ratio for 2019 would be HK\$443 million, 4.2% and 41.8% respectively (2018: HK\$515 million, 5.1% and 36.7% respectively).