

Financial Highlights

	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000
FOR THE YEAR			
Net interest income	785,946	617,961	396,909
Loss for the year	(108,892)	(418,040)	(259,502)
Loan purchases ¹	7,032,172	9,047,668	27,561,675
Debts issuance ²	61,150,799	88,418,112	89,876,034
Net premiums written			
— General insurance businesses	849,365	892,202	1,663,021
— Annuity businesses	8,999,267	4,358,642	1,606,402
AT YEAR END			
Loan portfolio, net	78,614,028	95,496,673	109,499,818
Total assets	252,425,482	221,826,176	219,302,809
Debt securities issued	155,169,330	148,299,636	161,718,497
Insurance contract liabilities, net ³			
— General insurance businesses	5,073,163	4,935,503	4,230,925
— Annuity businesses	30,370,820	19,028,704	14,383,877
Total equity	51,214,952	38,866,735	27,126,956
OTHER STATISTICS			
Net interest margin	0.5%	0.4%	0.2%
Cost-to-income ratio	264.9%	(232.9)%	(471.0)%
Return on equity	(0.2)%	(1.5)%	(1.0)%
Capital adequacy ratio	18.1%	19.9%	21.6%
Solvency Ratio ⁴			
— General insurance businesses	3.9 times	4.0 times	13.0 times
— Annuity businesses	2.0 times	1.7 times	18.0 times
ALTERNATIVE PERFORMANCE MEASURES⁵			
Adjusted profit for the year	1,497,233	786,897	724,773
Adjusted net interest margin	0.9%	0.8%	0.5%
Adjusted cost-to-income ratio	19.3%	27.6%	28.1%
Adjusted return on equity	5.2%	4.8%	5.3%

¹ Including the purchase of loans with the Special 100% Loan Guarantee under the SME Financing Guarantee Scheme and the Dedicated 100% Loan Guarantee Scheme amounted to HK\$381 million fully guaranteed by the Government for 2025 (2024: HK\$5.2 billion and 2023: HK\$24.7 billion).

² For debts with tenor of one year or above.

³ Representing insurance liabilities from insurance and reinsurance contracts issued, net of insurance assets from reinsurance contracts held.

⁴ Solvency ratios are calculated in accordance with Insurance (Valuation and Capital) Rules (Cap. 41R) under the Risk-based Capital regime with effect from 1 July 2024. Solvency ratios for 2023 were prepared in accordance with the requirements of the former Insurance Ordinance.

⁵ For better assessment and comparison of financial performance,

— Adjusted profit for the year, cost-to-income ratio and return on equity are computed after excluding (a) the accounting results of the annuity business; (b) the impact of property price change on the insurance result of the Reverse Mortgage Programme; and (c) the effects of accounting adjustments in respect of the Group's loan portfolio with insurance cover provided by the HKMC Insurance Limited at consolidation level.

— Adjusted net interest margin is calculated after excluding the impact of the purchase of loans with the Special 100% Guarantee under the SME Financing Guarantee Scheme and the Dedicated 100% Loan Guarantee Scheme (since April 2023) under which the Group only recovered the funding costs without any net interest margin earned.