



AIA Company Limited

Disclosure Statement

At 31 December 2024



Table of Contents

1	Company profile	3
2	Financial position.....	4
3	Insurance liabilities	6
4	Capital adequacy.....	8
5	Statement of Compliance.....	10



This disclosure statement is prepared in accordance with the requirements of the Insurance Ordinance (Cap. 41), the Insurance (Valuation and Capital) Rules (Cap. 41R) (the “Rules”) and the ‘Circular on Public Disclosure Requirements for the First Financial Year Adopting Risk-based Capital Regime’ issued by the Hong Kong Insurance Authority dated 8 August 2025.

1 Company profile

(a) Authorised insurer’s name

AIA Company Limited (the “Company”)

(b) Nature of the business, and places of business operations

The Company is incorporated in Hong Kong SAR. It is authorised by the Hong Kong Insurance Authority to carry on insurance business.

The Company also has branches in Thailand which are licensed by the local insurance regulator to conduct insurance business in that jurisdiction.

Sections 2, 3 and 4 of this disclosure statement show the financial position, insurance liabilities and capital adequacy of the Company by consolidating the Company’s assets, liabilities and capital resources, together with those of its subsidiaries which are not ‘regulated financial entities’. The Company has applied the local regulatory solvency basis to its branches, with an amount of capital required to be held for an extreme 1-in-200 year event affecting assets and liabilities over a one-year period. The Company’s investments in subsidiaries which are regulated financial entities, including, in particular, investments in insurance subsidiaries, are reported, in accordance with the Rules, at cost, as shown in Section 2. The Company’s insurance subsidiaries carry on insurance business in jurisdictions including Australia, Bermuda, Mainland China, Hong Kong SAR, Malaysia, Myanmar, the Philippines, Singapore and Sri Lanka.



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	General business	Shareholders' fund and non-insurance operations
Total assets⁽¹⁾	407,286,573	266,757,980	128,811,140	2,638,165	150,236,705
Cash and deposits ⁽²⁾	23,608,379	20,365,951	5,893,114	519,168	2,723,260
Debt securities ⁽³⁾	160,233,492	157,782,555	101,471,247	1,306,823	1,144,114
Equities (including portfolio investments)	31,848,430	30,952,549	9,636,212	-	895,881
Derivative financial instruments	2,032,204	2,029,213	1,990,240	-	2,991
Properties ⁽⁴⁾	14,808,678	6,605,848	1,184,246	-	8,202,830
Loans and advances ⁽⁵⁾	10,159,495	10,159,178	7,793,676	-	317
Other financial assets ⁽⁶⁾	4,334,966	2,741,799	477,047	527,974	1,065,193
Policyholder's account assets in respect of unit linked products or retirement scheme	30,443,388	30,443,388	-	-	-
Reinsurance assets ⁽⁷⁾	2,440,849	2,385,018	6,551	55,831	-
Tax assets	79,643	-	-	-	79,643
Other assets ⁽¹⁾⁽⁸⁾	127,297,049	3,292,481	358,807	228,369	136,122,476
Total liabilities⁽¹⁾	213,783,930	222,373,343	124,118,277	1,438,086	2,318,778
Insurance liabilities	191,704,898	190,847,308	117,750,421	857,590	-
Reinsurance liabilities ⁽⁷⁾	951,798	951,798	146,025	-	-
Repurchase agreement	5,245,632	5,245,632	4,345,479	-	-
Derivative financial instruments	1,484,902	1,484,902	1,468,865	-	-
Other financial liabilities ⁽⁹⁾	3,995,061	3,402,228	199,893	504,821	88,012
Tax liabilities	1,314,931	543,612	-	1,450	769,869
Other liabilities ⁽¹⁾⁽¹⁰⁾	9,086,708	19,897,863	207,594	74,225	1,460,897
Net assets	193,502,643	44,384,637	4,692,863	1,200,079	147,917,927

Notes:

- (1) Interfund balances, if applicable, are included in respective funds. These interfund balances are eliminated at the company level.
- (2) Cash and deposits represent cash and cash equivalents, statutory deposits and deposits with original maturity more than three months.
- (3) Debt securities are reported at fair value with accrued interest.
- (4) Properties represent investment properties and own-occupied properties. The balances also include the properties held by property-holding subsidiaries which are consolidated under the Rules.
- (5) Loans and advances primarily represent policy loans.
- (6) Other financial assets primarily represent receivables from policyholders, intermediaries and reinsurers, and amounts due from subsidiaries and fellow subsidiaries, at the company level and, to the extent applicable, at the fund level.
- (7) Reinsurance assets and liabilities primarily represent reinsurance recoverables, which are classified as assets or liabilities on a contract-by-contract basis, with no offsetting between reinsurance contracts.



- (8) Other assets mainly include investments in non-consolidated subsidiaries at cost, investments in associates accounted for using the equity method, right-of-use assets, prepayments, and other receivables at the company level and, to the extent applicable, at the fund level. Non-consolidated subsidiaries primarily represent insurance subsidiaries. Interfund balances are also included at the fund level.
 - (9) Other financial liabilities primarily represent payables to policyholders, intermediaries and reinsurers, and amounts due to subsidiaries, fellow subsidiaries and holding company, at the company level and, to the extent applicable, at the fund level.
 - (10) Other liabilities primarily include trade and other payables, and pension benefit obligations at the company level and the fund level. Interfund balances are also included at the fund level.
- (b) Other than investments in non-consolidated subsidiaries and associates, assets are measured at market value. Investment in non-consolidated subsidiaries is stated at cost and investment in associates is measured using the equity method of accounting. Please refer to Section 3 for further details on insurance liabilities.



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				
	Participating business	Linked long term (Class C)	Retirement scheme category I (Class G)	Other long term business	Total long term business
Total insurance liabilities (gross of reinsurance)	117,750,421	19,619,391	10,278,308	43,199,188	190,847,308
Of which: long term insurance liabilities	117,750,421	19,619,391	10,278,308	37,930,898	185,579,018
Outstanding claims	26,000	53,934	-	173,906	253,840
Current estimate ⁽¹⁾⁽³⁾	117,724,420	19,565,457	10,225,577	37,621,702	185,137,156
Margin over current estimate ⁽²⁾⁽³⁾	-	-	52,731	119,815	172,546
Prepaid premiums	1	-	-	15,475	15,476
Of which: general insurance liabilities	-	-	-	5,268,290	5,268,290
Reinsurance assets	6,551	130,171	-	2,248,296	2,385,018
Reinsurance liabilities	146,025	148,280	-	657,493	951,798

Notes:

- (1) 'Current estimate' refers to the long term insurance liability determined under the Rules as the "probability-weighted average of the present values of the future cash flows required to settle the obligations". It excludes outstanding claims, prepaid premiums and other long term insurance liabilities which are disclosed separately.
- (2) 'Margin over current estimate' is the additional amount required under the Rules which "reflects the uncertainty of liability cash flows related to the following life insurance sub-risk modules – (a) mortality risk; (b) longevity risk; (c) morbidity risk; (d) expense risk; and (e) the level and trend lapse component of lapse risk".
- (3) Under the local regulatory solvency basis applying to the Company's Thailand branches, there is no breakdown of current estimate and margin over current estimate, therefore the whole balance is reported as current estimate.



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

Insurance Liabilities of General Business

(Unit: in HKD thousands)	As at 31 December 2024					
	Direct insurance				Reinsurance	Total general business
	Accident and health	Property damage	Employees' compensation	General liability	Proportional	
Total general insurance liabilities (gross of reinsurance)	361,897	7,669	748	1,960	485,316	857,590
Total general insurance liabilities excluding other general insurance liabilities⁽¹⁾ (gross of reinsurance)	83,650	7,669	748	1,960	485,316	579,343
Outstanding claims liabilities	83,067	1,701	67	336	219,079	304,250
Premium liabilities	498	5,968	681	1,624	225,594	234,365
Margin over current estimate for outstanding claims liabilities	35	-	-	-	20,796	20,831
Margin over current estimate for premium liabilities	50	-	-	-	19,847	19,897
Total general insurance liabilities excluding other general insurance liabilities⁽¹⁾ (net of reinsurance)	79,795	7,669	748	1,960	444,540	534,712

Note:

- (1) 'Other general insurance liabilities' includes unearned premium reserves which apply to the Company's Thailand branches.



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⁽¹⁾ (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)	18,882,018
Interest rate risk RCA	5,085,366
Credit spread risk RCA	448,484
Equity risk RCA	12,509,955
Property risk RCA	4,316,538
Currency risk RCA	1,324,144
Diversification benefits within market risk	(4,802,469)
Life Insurance Risk (diversified RCA)⁽¹⁾	4,637,045
Mortality risk RCA	403,223
Longevity risk RCA	4,658
Life catastrophe risk RCA	287,201
Morbidity risk RCA	117,181
Expense risk RCA	9,507
Lapse risk RCA	649,853
Diversification benefits within life insurance risk	(531,372)
General Insurance Risk (diversified RCA)	2,544,630
Reserve and premium risk RCA	2,544,630
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	1,078,595
Diversification benefits among risk modules	(4,168,733)
Operational risk RCA	527,177
Adjustment for loss absorbing capacity cap	-
Adjustment for tax effect	(128,947)
Any other items which the IA may specify to adjust	-
Prescribed capital amount	23,371,785

Note:

- (1) Under the local regulatory solvency basis applying to the Company's Thailand branches, there is no breakdown of life insurance risk (diversified RCA). Hence, for life insurance risk (diversified RCA), the aggregate amount for the Company is shown, and the breakdown shown is only for the Hong Kong entities.



- (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	70,992,878
Limited Tier 1 capital	-
Tier 2 capital	888
Capital base	70,993,766

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

	As at 31 December 2024
Ratio of capital base to prescribed capital amount	304%

- (d) Commentary of prescribed capital amount, capital base, and ratio of capital base to prescribed capital amount

- The prescribed capital amount is the amount of capital required to be held for an extreme 1-in-200 year event affecting assets and liabilities over a one-year period.
- The 'net assets', i.e. the assets in excess of the liabilities presented in Section 2 of this disclosure statement, are assessed to determine their eligibility to be counted as 'capital base'. The capital base is further categorised into tiers based on the extent to which it can absorb losses on a going-concern basis and in winding-up.



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 AIA Company Limited;
- (ii) I am satisfied that the information in this disclosure statement is prepared in accordance with the requirements of the Insurance Ordinance (Cap. 41), the Insurance (Valuation and Capital) Rules (Cap. 41R) and the 'Circular on Public Disclosure Requirements for the First Financial Year Adopting Risk-based Capital Regime' issued by the Hong Kong Insurance Authority dated 8 August 2025 (subject to any applicable variation or relaxation);
- (iii) The information disclosed in this disclosure statement can be reconciled with the specified annual forms of AIA Company Limited's annual returns, on which its auditor provided an auditor's report with reasonable assurance, 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 AIA Company 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: Garth Brian Jones

Position: Director

Company Name: AIA Company Limited

Hong Kong, 30 September 2025

Independent practitioner's reasonable assurance report
To the Board of Directors of AIA Company Limited

We have been engaged to perform a reasonable assurance engagement on the attached disclosure statement of AIA Company Limited (the "Company") as at 31 December 2024 as set out on pages 1 to 9 ("Disclosure Statement").

Directors' Responsibilities

The directors of the Company are responsible for the preparation of the Disclosure Statement in accordance with the requirements of the Insurance (Valuation and Capital) Rules and the requirements relevant for the Disclosure Statement as set out in the Circular on Public Disclosure Requirements for the First Financial Year Adopting Risk-based Capital Regime dated 8 August 2025 as issued by the Insurance Authority (the "Circular"). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Disclosure Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

It is our responsibility to express an opinion on the Disclosure Statement based on our work performed and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our work in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the HKICPA. This standard requires that we plan and perform our work to form the opinion.

A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence as to whether the Disclosure Statement of the Company has been prepared, in all material respects, in accordance with the requirements of the Insurance (Valuation and Capital) Rules and the requirements relevant for the Disclosure Statement as set out in the Circular. The extent of procedures selected depends on the practitioner's judgment and our assessment of the engagement risk. Within the scope of our work, we performed amongst others the following procedures, including:



羅兵咸永道

Independent practitioner's reasonable assurance report
To the Board of Directors of AIA Company Limited (Continued)

Practitioner's Responsibilities (Continued)

- Understanding management's process and internal controls of compiling the Disclosure Statement;
- Reconciling the Disclosure Statement with the specified annual forms of the Company's annual returns for the year ended 31 December 2024, as submitted under rule 4 of the Insurance (Submission of Statements, Reports and Information) Rules; and
- Checking that the information presented in the Disclosure Statement is in accordance with the requirements of the Insurance (Valuation and Capital) Rules and the requirements relevant for the Disclosure Statement as set out in the Circular.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Inherent Limitations

Internal control systems designed to address specific control objectives are subject to inherent limitations of any internal control structure, and accordingly, errors or irregularities may occur and not be detected. Our procedures cannot guarantee protection against fraud or misrepresentation by management. The historic evaluation of effectiveness is not relevant to future periods due to the risk that internal control may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Opinion

In our opinion, the Disclosure Statement of the Company as at 31 December 2024 has been prepared, in all material respects, in accordance with the requirements of the Insurance (Valuation and Capital) Rules and the requirements relevant for the Disclosure Statement as set out in the Circular.

Purpose and Restriction on Use

We draw attention to the fact that this report was prepared for the use of the Board of Directors of the Company. As a result, this report may not be suitable for another purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

A handwritten signature in black ink, appearing to read "Dimitry", written over a light blue horizontal line.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 30 September 2025