Disclosure Statement at 31 March 2025

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 / draft Insurance (Public Disclosure) Rules.

1 Company profile

(a) Authorized insurer's name

Chevalier Insurance Company Limited

2 Financial position

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

(Unit: in HKD thousands)	As at 31 March 2025		
	Total	General business	Shareholders' fund
Total assets	3,249,986	2,427,473	898,185
Cash and deposits	526,731	526,731	0
Debt securities	1,325,831	1,325,831	0
Equities (including portfolio investments)	60,279	60,279	0
Derivative financial instruments	0	0	0
Properties	875,646	0	875,646
Loans and advances	0	0	0
Reverse repurchase agreement	0	0	0
Other financial assets	292,171	292,171	0
Policyholder's account assets in respect of unit linked products or retirement scheme	0	0	0
Reinsurance assets	122,126	122,126	0
Tax assets	0	0	0
Other assets	47,201	100,335	22,539
Total liabilities	1,767,561	1,712,184	131,050
Insurance liabilities	1,531,654	1,531,654	0
Reinsurance liabilities	0	0	0
Repurchase agreement	0	0	0
Derivative financial instruments	0	0	0
Other financial liabilities	91,649	32,701	58,948
Tax liabilities	47,390	47,031	359
Other liabilities	96,869	100,798	71,744
Net assets	1,482,424	715,290	767,135

(b) Commentary of balance sheet items

"Shareholder's fund" includes non-insurance operations. For Other assets and Other liabilities, "General business" and "Shareholder's fund" may not sum to "Total" due to accounting eliminations.

3 Insurance liabilities

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

Insurance Liabilities of General Business

(Unit: in HKD thousands)	As at 31 March 2025									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Total general insurance liabilities (gross of reinsurance)	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	1,531,654
Total general insurance liabilities excluding other general insurance liabilities (gross of reinsurance)	42	2,923	28	78,513	1,410,430	38,344	854	519	0	1,531,654
Outstanding claims liabilities	21	2,534	21	42,775	869,337	25,510	454	277	0	940,929
Premium liabilities	17	111	5	31,781	426,441	7,894	285	208	0	466,742
Margin over current estimate for outstanding claims liabilities	1	266	1	856	72,607	3,613	68	11	0	77,424
Margin over current estimate for premium liabilities	1	13	1	3,101	42,045	1,326	48	23	0	46,559
Total general insurance liabilities excluding other general insurance liabilities (net of reinsurance)	30	2,801	16	38,454	1,331,826	35,278	787	335	0	1,409,528

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 March 2025
Market risk (diversified RCA)	321,531
Interest rate risk RCA	65,023
Credit spread risk RCA	120,839
Equity risk RCA	16,820
Property risk RCA	218,911
Currency risk RCA	14,067
Diversification benefits within market risk	-114,130
Life Insurance Risk (diversified RCA)	Not Applicable
Mortality risk RCA	Not Applicable
Longevity risk RCA	Not Applicable
Life catastrophe risk RCA	Not Applicable
Morbidity risk RCA	Not Applicable
Expense risk RCA	Not Applicable
Lapse risk RCA	Not Applicable
Diversification benefits within life insurance risk	Not Applicable
General Insurance Risk (diversified RCA)	428,327
Reserve and premium risk RCA	346,811
Natural catastrophe risk RCA	1,098
Man-made non-systemic catastrophe risk RCA	179,195
Man-made systemic catastrophe risk RCA	0
Mortgage insurance risk RCA	0
Diversification benefits within general insurance risk	-98,777
Counterparty default and other risk RCA	26,860
Diversification benefits among risk modules	-171,327
Operational risk RCA	38,711
Adjustment for loss absorbing capacity cap	0
Adjustment for tax effect	-106,277
Any other items which the IA may specify to adjust	0
Prescribed capital amount	537,825

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

Capital Base

(Unit: in HKD thousands)	As at 31 March 2025
Unlimited Tier 1 capital	1,475,724
Limited Tier 1 capital	0
Tier 2 capital	0
Capital base	1,475,724

(c) Ratio of capital base to prescribed capital amount

	As at 31 March 2025
Ratio of capital base to prescribed capital amount	**274%**

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 Chevalier Insurance Company 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 / draft Insurance (Public Disclosure) Rules (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 Chevalier Insurance Company 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 Chevalier Insurance 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:	**Tam Kwok Wing**
Position:	**Director**
Company Name:	**Chevalier Insurance Company Limited**