

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 draft Insurance (Public Disclosure) Rules.

1 Company profile

(a) Authorized insurer's name

California Insurance Company, 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	General business	Shareholders' fund (if applicable)
Total assets	201,839	N/A	N/A		N/A
Cash and deposits	95,895	N/A	N/A		N/A
Debt securities	24,898	N/A	N/A		N/A
Equities (including portfolio investments)	1,693	N/A	N/A		N/A
Derivative financial instruments	0	N/A	N/A		N/A
Properties	37,000	N/A	N/A		N/A
Loans and advances	0	N/A	N/A		N/A
Reverse repurchase agreement	0	N/A	N/A		N/A
Other financial assets	19,316	N/A	N/A		N/A
Policyholder's account assets in respect of unit linked products or retirement scheme	N/A	N/A	N/A		N/A
Reinsurance assets	22,732	N/A	N/A		N/A

(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 (if applicable)
Tax assets	0	N/A	N/A		N/A
Other assets	305	N/A	N/A		N/A
Total liabilities	117,687	N/A	N/A		N/A
Insurance liabilities	94,671	N/A	N/A		N/A
Reinsurance liabilities	912	N/A	N/A		N/A
Repurchase agreement	0	N/A	N/A		N/A
Derivative financial instruments	0	N/A	N/A		N/A
Other financial liabilities	17,789	N/A	N/A		N/A
Tax liabilities	0	N/A	N/A		N/A
Other liabilities	4,315	N/A	N/A		N/A
Net assets	84,152	N/A	N/A		N/A

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 / Hong Kong branches of non-HK insurers: all long term business of Hong Kong branches, other than fund of reinsurance business with offshore risk if established*					Applicable to Hong Kong branches of non- HK insurers: reinsurance business with offshore risk if fund of insurance business with offshore risk is established	Total long term business
	Participating business	Linked long term (Class C)	Retirement scheme category I (Class G)	Retirement scheme category II (Class H)	Other long term business		
Total insurance liabilities (gross of reinsurance)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Of which: long term insurance liabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Outstanding claims	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Current estimate ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Margin over current estimate	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Prepaid premiums	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other long term insurance liabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Of which: general insurance liabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reinsurance assets	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reinsurance liabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* Please delete as appropriate.

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

Insurance Liabilities of General Business

(Unit: in HKD thousands)	As at 31 December 2024									
	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 (<u>gross of reinsurance</u>)	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	94,671
Total general insurance liabilities excluding other general insurance liabilities (<u>gross of reinsurance</u>)	7,173	11,620	26	1,570	55,713	12,686	1,311	4,572	0	94,671
Outstanding claims liabilities	289	6,823	24	1,089	36,794	11,581	122	4,188	0	60,910
Premium liabilities	6,493	3,099	0	371	13,574	658	1,021	0	0	25,216
Margin over current estimate for outstanding claims liabilities	15	1,065	1	87	3,694	354	13	384	0	5,613
Margin over current estimate for premium liabilities	376	632	0	24	1,652	93	154	0	0	2,931
Total general insurance liabilities excluding other general insurance liabilities (<u>net of reinsurance</u>)	7,158	11,452	11	875	44,120	3,143	1,273	3,907	0	71,939

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)	10,627
Interest rate risk RCA	1,291
Credit spread risk RCA	650
Equity risk RCA	894
Property risk RCA	9,339
Currency risk RCA	1,057
Diversification benefits within market risk	(2,603)
Life Insurance Risk (diversified RCA)	0
Mortality risk RCA	0
Longevity risk RCA	0
Life catastrophe risk RCA	0
Morbidity risk RCA	0
Expense risk RCA	0
Lapse risk RCA	0
Diversification benefits within life insurance risk	0
General Insurance Risk (diversified RCA)	31,040
Reserve and premium risk RCA	13,883
Natural catastrophe risk RCA	23,391
Man-made non-systemic catastrophe risk RCA	5,739
Man-made systemic catastrophe risk RCA	4,534
Mortgage insurance risk RCA	0
Diversification benefits within general insurance risk	(16,506)
Counterparty default and other risk RCA	4,082
Diversification benefits among risk modules	(9,102)
Operational risk RCA	2,368
Adjustment for loss absorbing capacity cap	0
Adjustment for tax effect	0
Any other items which the IA may specify to adjust	0
Prescribed capital amount	39,017

- (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	84,152
Limited Tier 1 capital	0
Tier 2 capital	0
Capital base	84,152

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

	As at 31 December 2024
Ratio of capital base to prescribed capital amount	215.682 %

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 California 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 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 California 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 California Insurance Company, Limited has complied with all capital requirements that apply to it under the Insurance (Valuation and Capital) Rules, during the financial year to which this disclosure statement relates.

Name:	Kwan Yiu Keung
Position:	Chief Executive Officer
Company Name:	California Insurance Company, Limited