

Market Overview – Long Term Business

Market Performance of Long Term Business in 2024¹

Total revenue premiums for in-force long term business were HK\$537,383 million in 2024. Individual life category remained the dominant line of business, making up HK\$459,103 million or 85.4% of total long term business. The respective number of policies in 2024 was 14.5 million, carrying onshore direct current estimate (gross of reinsurance ceded) of HK\$2,562,471 million. As of 31 December 2024, there were 333,650 Qualifying Deferred Annuity Policies (“QDAPs”) issued since the launch on 1 April 2019, with an average issue age of 46.7 and an average annualised premium of around HK\$68,000.

Yearly contributions for Retirement Scheme contracts administered by insurers were HK\$35,700 million. In 2024, there were 365,637 Retirement Scheme carrying onshore direct current estimate (gross of reinsurance ceded) of HK\$113,786 million. In-force revenue premiums for Non-Retirement Scheme Group business were HK\$5,953 million, carrying onshore direct current estimate (gross of reinsurance ceded) of HK\$836 million. In-force revenue premiums for Annuity business were HK\$36,627 million, carrying onshore direct current estimate (gross of reinsurance ceded) of HK\$367,235 million.

Office premiums for new individual life business were HK\$206,888 million in 2024, including HK\$195,719 million from Non-Linked individual life business and HK\$11,169 million from Linked business. The total number of individual life new policies were 986,208 in 2024. Office premiums for new Non-Retirement Scheme Group business were HK\$ 454 million. Office premiums for new individual Annuity business were HK\$12,398 million. In 2024, 70,132 QDAPs were sold, contributing total annualised premiums amounting to HK\$4,538 million.

¹ The figures in Market Overview statistics 2024 are presented according to the calendar year.

Figure 1 Revenue Premiums for Total In-Force Long Term Business

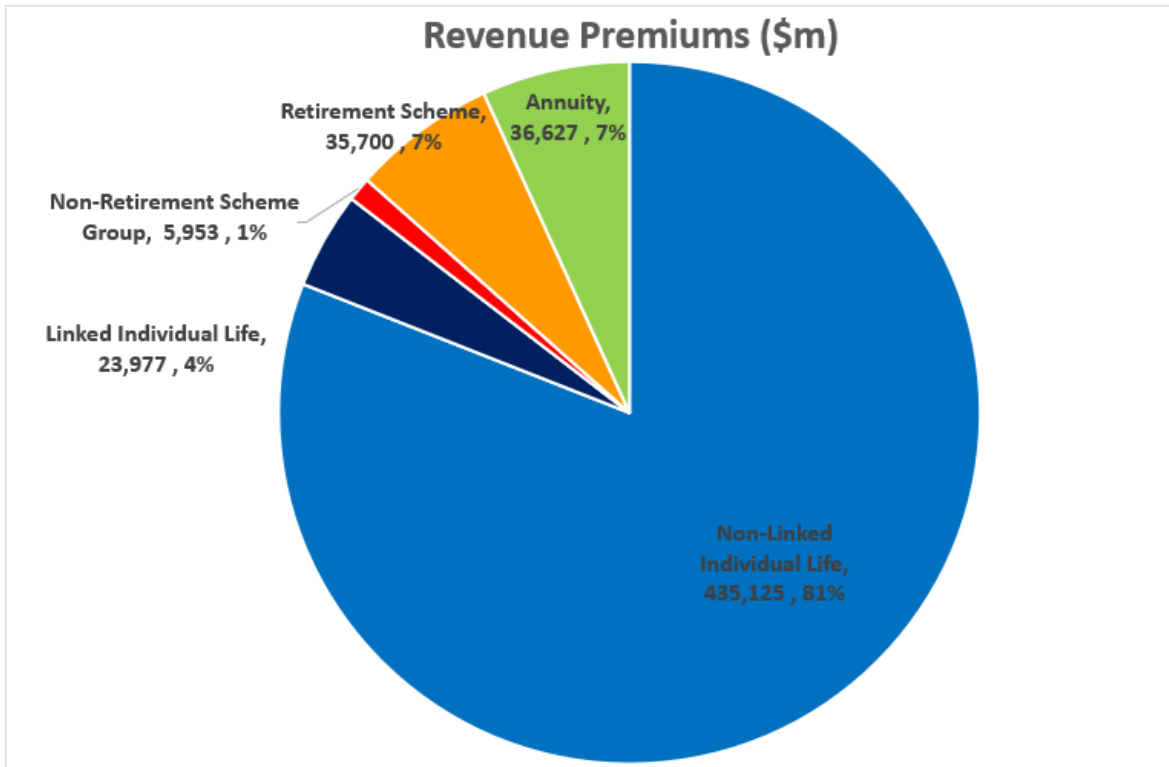
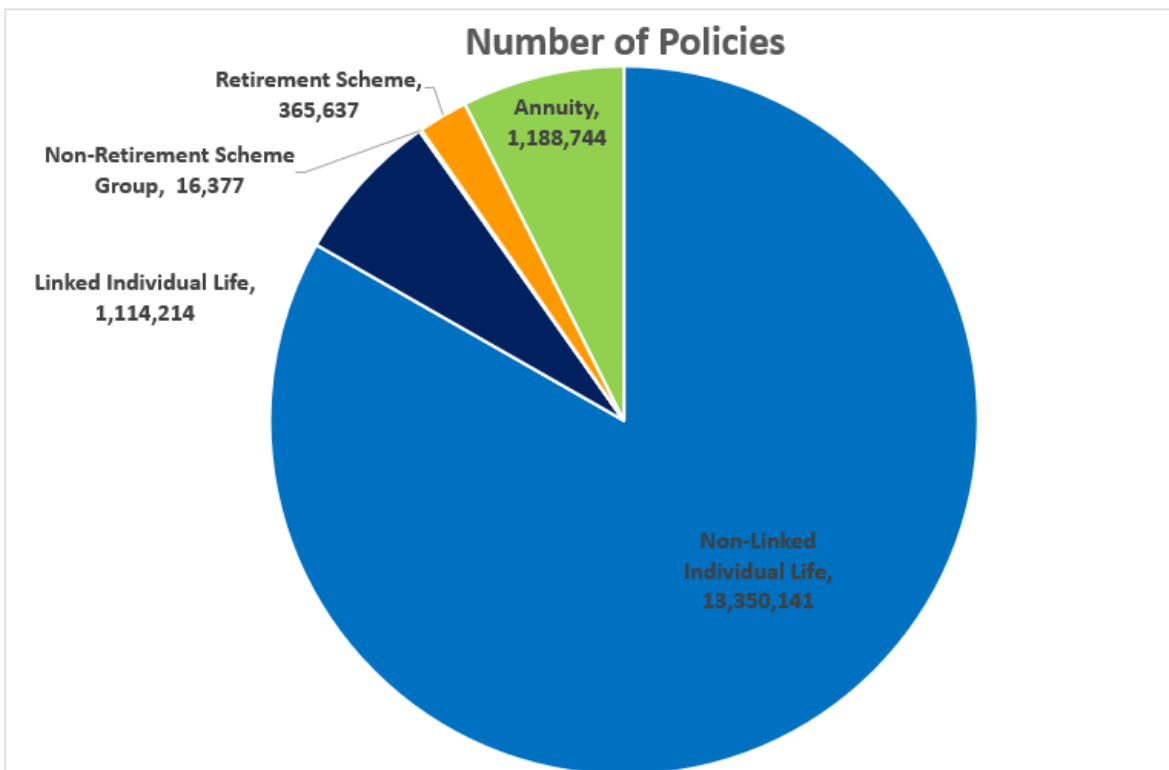


Figure 2 Total In-Force Long Term Policies



Industry Statistics Highlights – Long Term Business

In-force Business

In-force revenue premiums for individual life business were HK\$459,103 million in 2024, which remained the dominant line of long term business. Non-Linked and Linked business accounted for 94.8% and 5.2% respectively.

Figure 3 In-Force Long Term Business

Type of Insurance	Number of Policies 2024	Revenue Premiums (HK\$ million) 2024	Current Estimate (Gross of RI ceded) - Onshore - Direct (HK\$ million) 2024
Individual Life			
Non-Linked long term	13,350,141	435,125.1	2,328,102.4
Linked long term	1,114,214	23,977.5	234,368.5
Sub-total	14,464,355	459,102.6	2,562,470.9
Annuity	1,188,744	36,626.9	367,235.1
Non-Retirement Scheme Group	16,377	5,953.4	836.3
Retirement Scheme	365,637	35,699.6	113,786.0
Total	16,035,113	537,382.5	3,044,328.3

Non-Linked Business

Revenue premiums for Non-Linked business were HK\$435,125 million in 2024, representing 94.8% of revenue premiums for in-force individual life business. There were 13.4 million in-force Non-Linked policies at the end of 2024. The total sums assured as at 31 December 2024 was HK\$8,798,056 million while onshore direct current estimate (gross of reinsurance ceded) amounted to HK\$ 2,328,102 million.

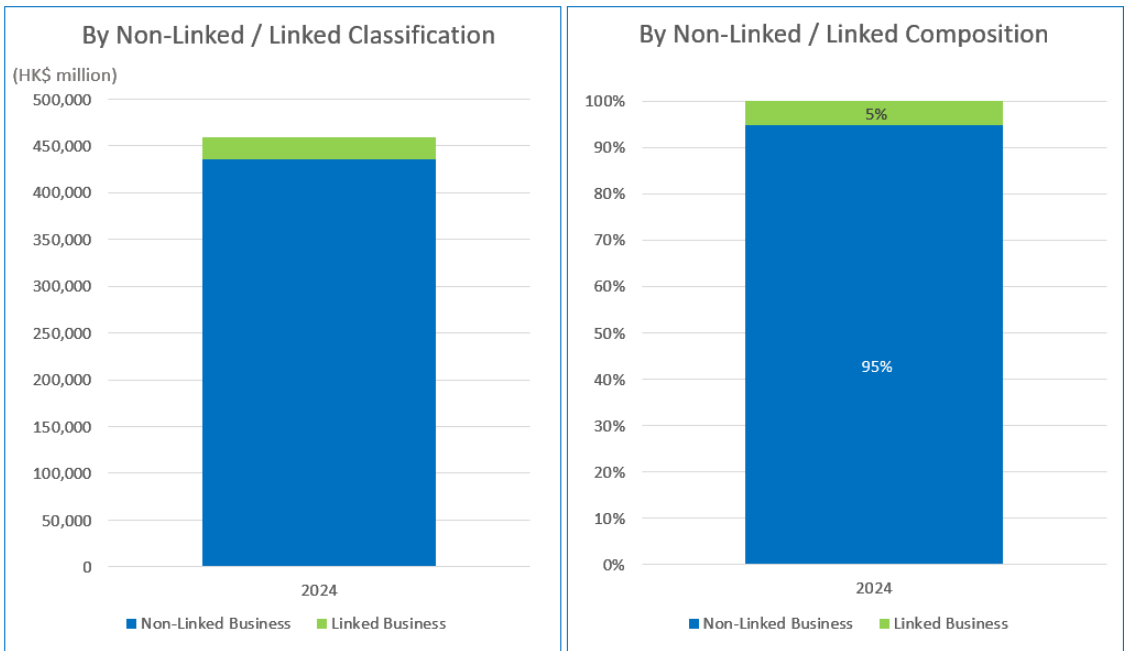
Regarding categories of in-force revenue premiums, Whole of Life and Endowment together comprised 78.1% of Non-Linked business, while Term along with Other insurance accounted for the remaining 21.9%.

Participating business accounted for 85.2% of in-force revenue premiums and other businesses for the remaining 14.8%.

Linked Business

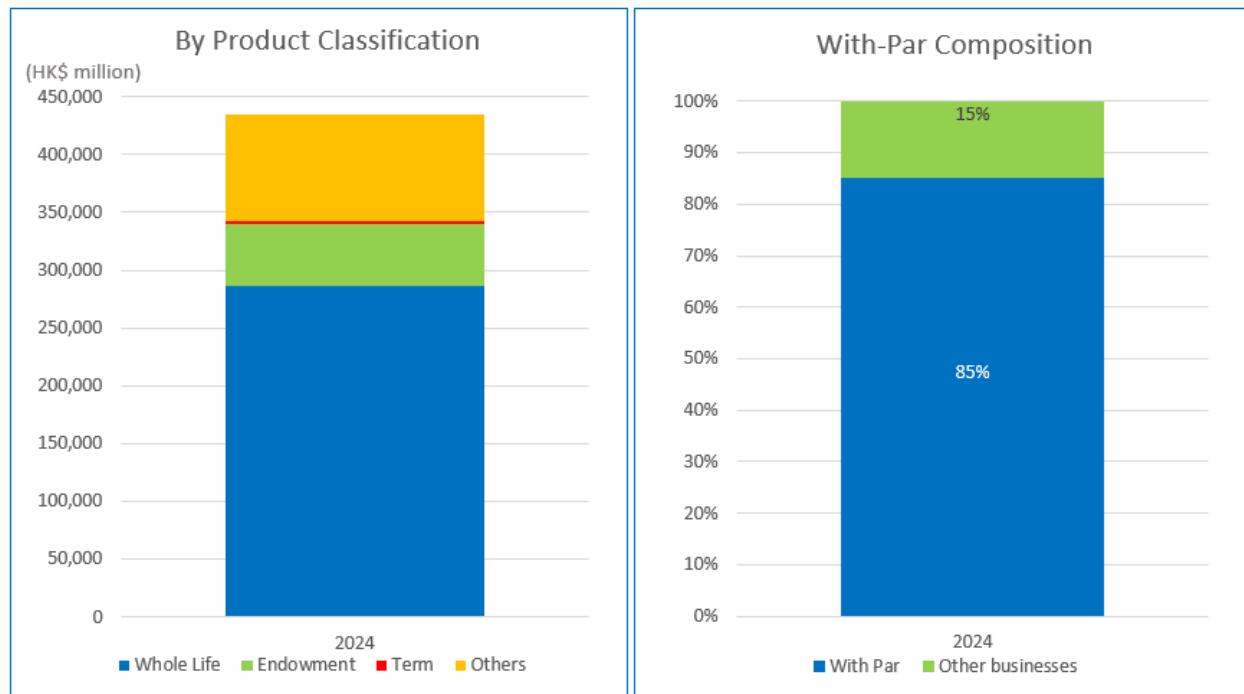
Revenue premiums for Linked business were HK\$23,978 million in 2024, accounting for 5.2% of revenue premiums for in-force individual life business. The number of in-force policies as at 31 December 2024 was 1.1 million while onshore direct estimate (gross of reinsurance ceded) amounted to HK\$234,369 million.

Figure 4 Revenue Premiums for In-Force Individual Life Business



Revenue Premiums (HK\$ million)	2024
Non-Linked Business	435,125.1
Linked Business	23,977.5

Figure 5 Revenue Premiums for In-Force Non-Linked Individual Life Business



Revenue Premiums for Non-Linked Business (By Product Classification) (HK\$ million)	2024
Whole of Life	285,986.2
Endowment	53,758.3
Term	2,160.2
Others	93,220.4

New Individual Life Business

Office premiums for new individual life business were HK\$206,888 million in 2024. Non-Linked individual life business and Linked individual life business accounted for 94.6% and 5.4% of new Individual life business respectively.

Non-Linked Business

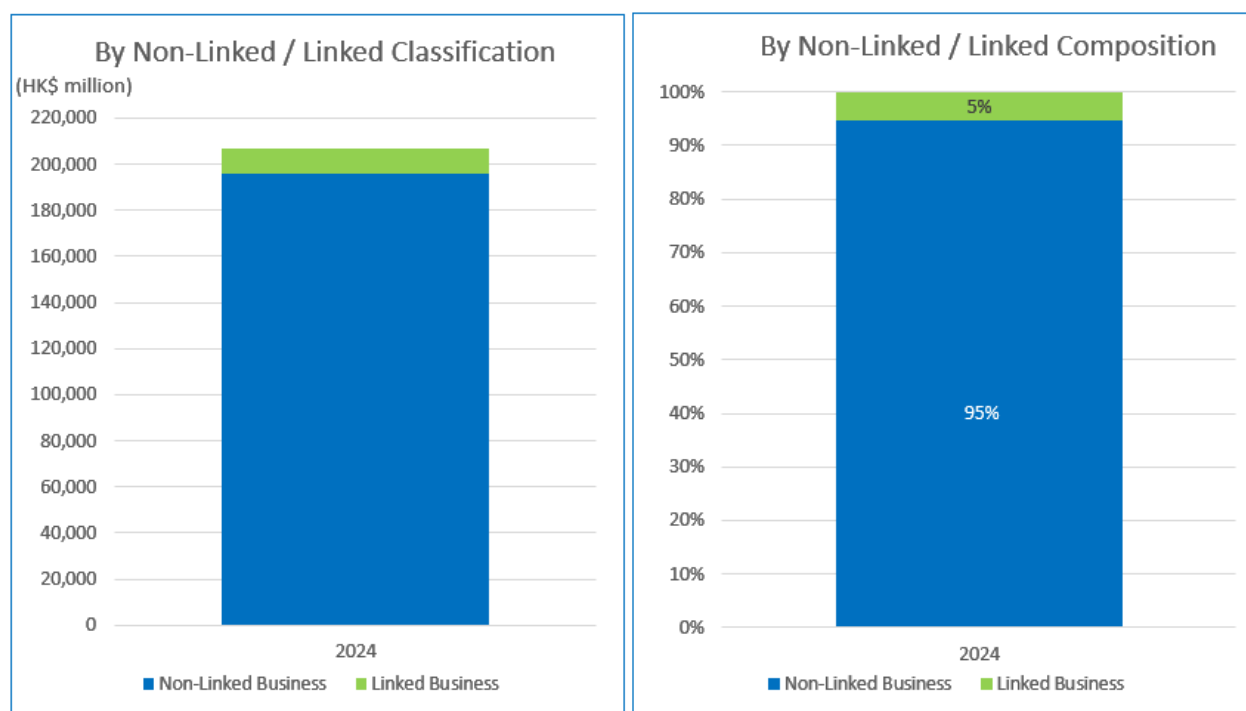
Office premiums for new Non-Linked business amounted to HK\$195,719 million in 2024, with single premium business and regular premium business accounted for 41.1% and 58.9% of new Non-Linked business respectively. The number of policies was 962,413.

Participating and other businesses represented 89.4% and 10.6% respectively of related new office premiums.

Linked Business

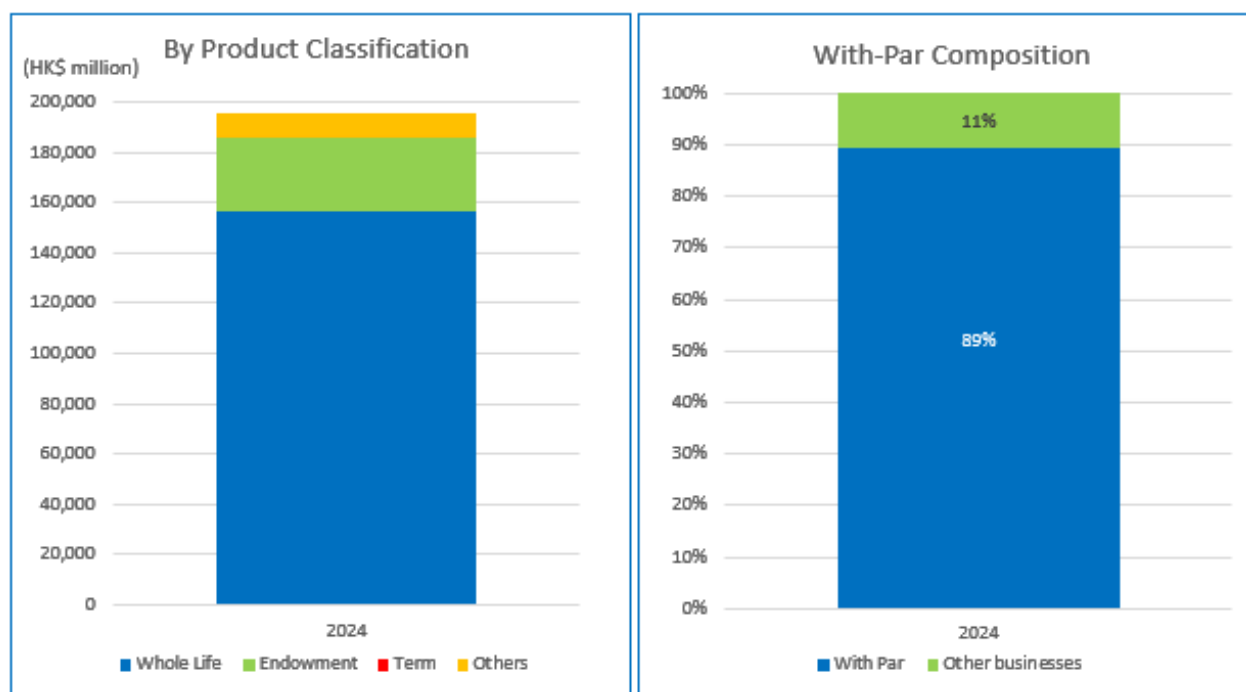
Office premiums for new Linked business amounted to HK\$11,169 million in 2024, and the number of new policies was 23,795. The number of new policies in single payment mode and regular payment mode accounted for 87.1% and 12.9% of new Linked business respectively.

Figure 6 Office Premiums for New Individual Life Business



Office Premiums (HK\$ million)	2024
Non-Linked Business	195,719.0
Linked Business	11,168.7

Figure 7 Office Premiums for New Non-Linked Individual Life Business



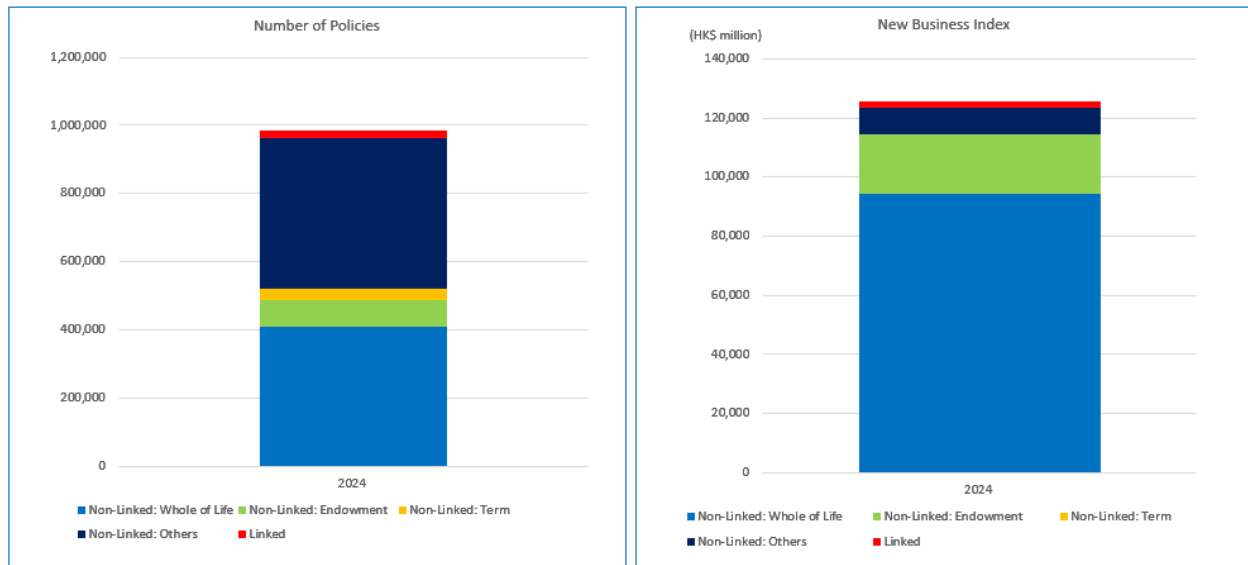
Office Premiums for Non-Linked Business (By Product Classification)

(HK\$ million)	2024
Whole of Life	156,410.8
Endowment	29,094.9
Term	127.5
Others	10,085.8

New Business Index

The New Business Index, defined as the total office premiums for all regular premium products plus one-tenth of all single premiums Individual long term business, amounted to HK\$125,683 million in 2024. Non-Linked business accounted for 98.1% of New Business Index and Linked business for the remaining 1.9%.

Figure 8 New Individual Long Term Business (Number of Policies and New Business Index)



Number of Policies			
Type of Insurance	Single Payment 2024	Regular Payment 2024	Total 2024
Non-Linked:			
Whole of Life	31,759	377,654	409,413
Endowment	21,664	55,201	76,865
Term	0	35,389	35,389
Others	669	440,077	440,746
Total of Non-Linked	54,092	908,321	962,413
Linked:	18,328	5,467	23,795
Total	72,420	913,788	986,208

Office Premiums			
Type of Insurance	Single Payment (HK\$ million) 2024	Regular Payment (HK\$ million) 2024	New Business Index ^(a) (HK\$ million) 2024
Non-Linked:			
Whole of Life	68,970.8	87,440.0	94,337.1
Endowment	10,094.8	19,000.1	20,009.6
Term	-	127.5	127.5
Others	1,427.9	8,657.9	8,800.7
Total of Non-Linked	80,493.5	115,225.5	123,274.9
Linked:	9,733.5	1,435.2	2,408.6
Total	90,227.0	116,660.7	125,683.4

^(a) New Business Index = 10% Single Premiums + Regular Premiums

Individual Life Voluntary Termination Rate (Lapses and Surrenders)

The voluntary termination rate comprises the ratio of the number of policies that lapsed or were surrendered during the year to the average number of policies in-force, and serves as a measure of business persistency.

For individual life Non-Linked business, the overall voluntary termination rate was recorded at 3.7% in 2024.

For individual life Linked business, the overall voluntary termination rate was recorded at 7.0% in 2024.

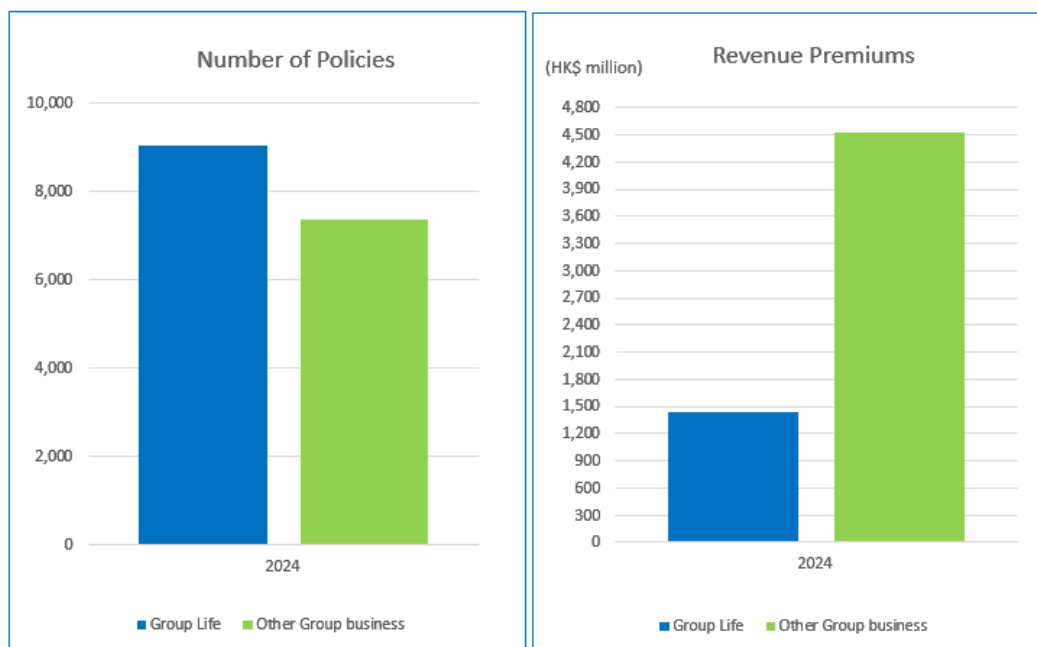
Non-Retirement Scheme Group Business

Non-Retirement Scheme Group business comprises Group Life business and Other Group business.

For Group Life business, revenue premiums in 2024 stood at HK\$1,435 million, representing 24.1% of all Non-Retirement Scheme Group business. At the end of 2024, there were 9,030 Group Life in-force policies covering 1,020,208 lives. The total sums assured and total onshore direct current estimate (gross of reinsurance ceded) were HK\$1,124,282 million and HK\$243 million respectively. During the year, a total of 693 new Group Life policies were effected, with office premiums of HK\$93 million.

For Other Group business, revenue premiums stood at HK\$4,519 million, representing 75.9% of all Non-Retirement Scheme Group business. At the end of 2024, there were 7,347 Other Group in-force policies covering 469,663 lives. The total sums assured and total onshore direct current estimate (gross of reinsurance ceded) were HK\$38,653 million and HK\$593 million respectively. During the year, a total of 1,278 new Other Group policies were effected, with office premiums of HK\$362 million.

Figure 9 In-Force Non-Retirement Scheme Group Business



Number of Policies	2024
Group Life	9,030
Other Group business	7,347

Revenue Premiums (HK\$ million)	2024
Group Life	1,434.6
Other Group business	4,518.8

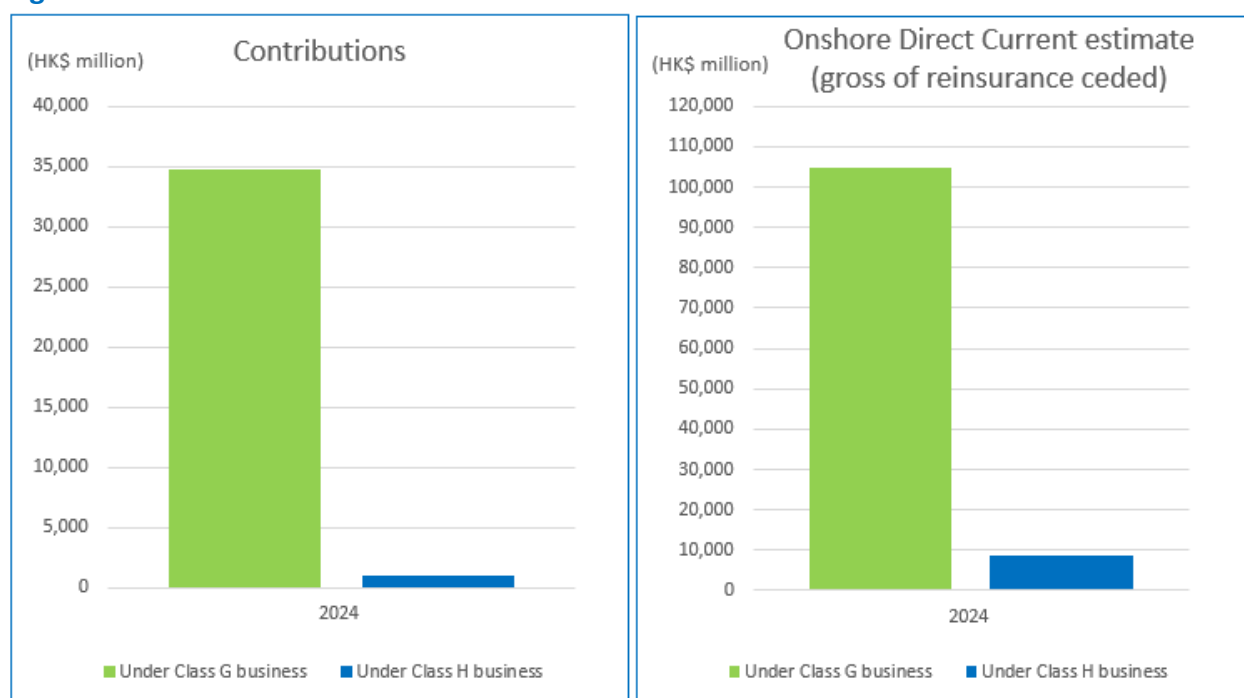
Retirement Scheme Business

Retirement Scheme business consists of Class G business, which provides guaranteed capital or return, and Class H business, which does not provide such a guarantee.

Class G contributions amounted to HK\$34,745 million in 2024, representing 97.3% of overall contributions for Retirement Scheme business. As at 31 December 2024, the related onshore direct current estimate (gross of reinsurance ceded) amounted to HK\$104,963 million.

Class H contributions amounted to HK\$955 million in 2024, and represented 2.7% of overall contributions for Retirement Scheme business. As at 31 December 2024, related onshore direct current estimate (gross of reinsurance ceded) stood at HK\$8,824 million.

Figure 10 In-Force Retirement Scheme Business



Contributions (HK\$ million)	2024
Under Class G business	34,744.5
Under Class H business	955.0
Current estimate (gross of reinsurance ceded) -	
Onshore - Direct (HK\$ million)	2024
Under Class G business	104,962.5
Under Class H business	8,823.5

Annuity Business

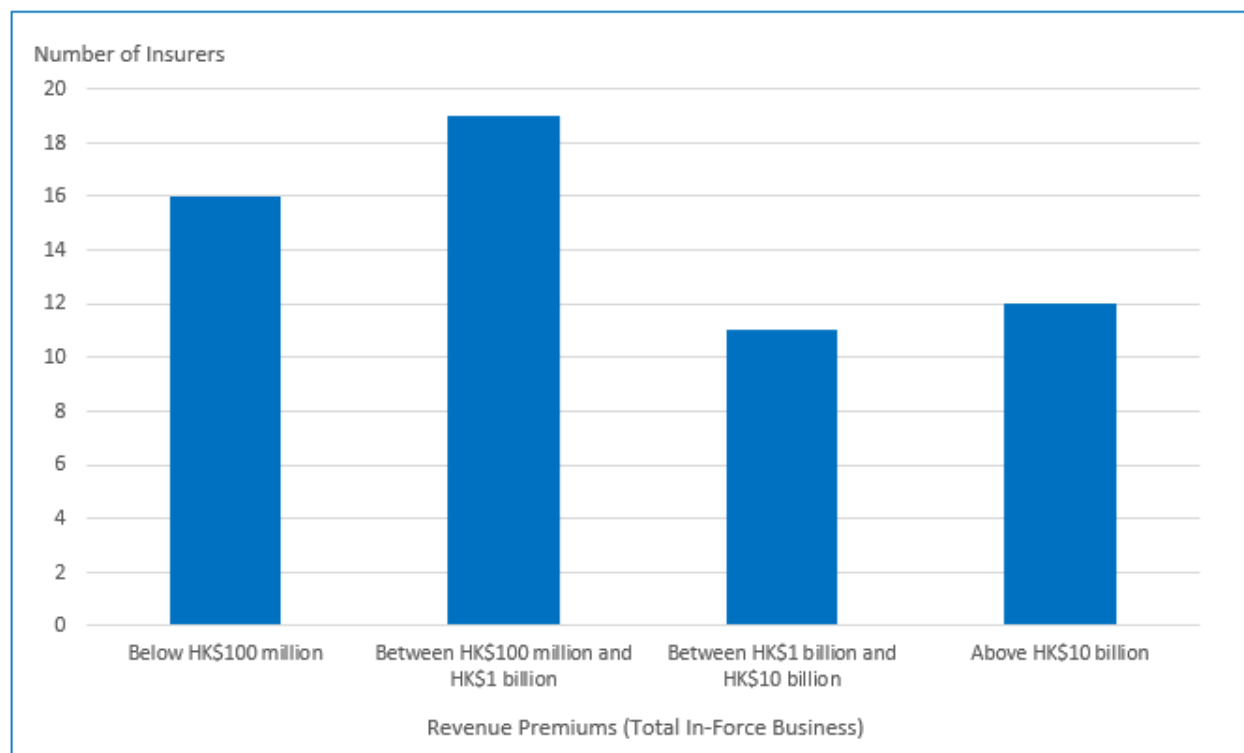
Under Annuity business, there were 1,188,744 in-force policies at the end of 2024. Revenue premiums amounted to HK\$36,627 million in 2024, and onshore direct current estimate (gross of reinsurance ceded) amounted to HK\$367,235 million. During the year, a total of 91,658 new Annuity policies were effected, with office premiums of HK\$12,398 million. In 2024, 70,132 QDAPs were sold, contributing total annualised premiums amounting to HK\$4,538 million.

In terms of revenue premiums, Annuity business accounted for 6.8% of the market total for all long term business premiums in 2024.

Market Analysis

At as 31 December 2024, there were 69 authorized long term business insurers in the market. Putting aside Lloyd's and 10 pure reinsurers, 12 insurers reported in-force revenue premiums of more than HK\$10 billion, taking up 91.7% of the long term market. Another 46 insurers, with revenue premiums of less than HK\$10 billion, comprised the remaining 8.3% of the market.

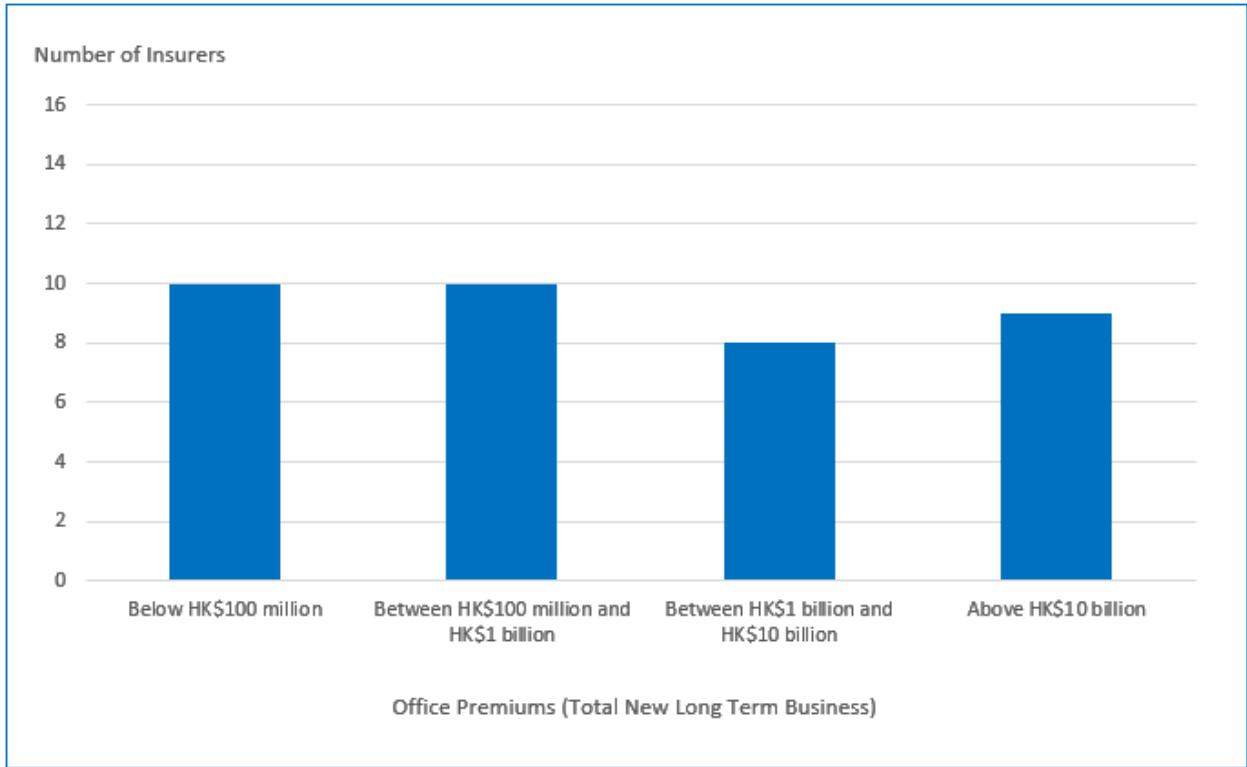
Figure 11 Distribution of Long Term Business Insurers in terms of In-Force Revenue Premiums



Revenue Premiums (Total In-Force Business)	Number of Insurers	% of Market Total
Below HK\$100 million	16	0.1%
Between HK\$100 million and HK\$1 billion	19	1.7%
Between HK\$1 billion and HK\$10 billion	11	6.5%
Above HK\$10 billion	12	91.7%
Total	58	100.0%

In terms of new long term business, 37 insurers wrote new business in 2024. Of these insurers, 9 insurers reported new office premiums of more than HK\$10 billion and between them shared 85.3% of total business. The other 28 insurers, with new office premiums of less than HK\$10 billion, shared the remaining 14.7% of the market.

Figure 12 Distribution of Long Term Business Insurers in terms of New Office Premiums



Office Premiums (Total New Long Term Business)	No. of Insurers	% of Market Total
Below HK\$100 million	10	0.0%
Between HK\$100 million and HK\$1 billion	10	2.3%
Between HK\$1 billion and HK\$10 billion	8	12.4%
Above HK\$10 billion	9	85.3%
Total	37	100.0%