

8 August 2025

Our Ref: INS/TEC/6/20/6 Sub-file 12
By Email Only

To: Chief Executives of All Authorized Insurers

Dear Sir/Madam,

Public Disclosure Requirements for the First Financial Year Adopting Risk-based Capital Regime

Section 21A of the Insurance Ordinance (Cap. 41) (“IO”) empowers the Insurance Authority (“IA”) to make rules to prescribe detailed requirements in relation to the disclosure by an authorized insurer to the general public of information relating to the insurer’s state of affairs. On this, the IA has conducted the public consultation on the draft Insurance (Public Disclosure) Rules (“Disclosure Rules”) on 14 March 2025 and issued the consultation conclusion on 8 August 2025, both of which are available at https://www.ia.org.hk/en/infocenter/consultation_documents.html.

While the Disclosure Rules is planned to be introduced into the Legislative Council and take effect in 2026 after enactment¹, the IA considers it necessary for insurers, for the purpose of market transparency, to disclose the quantitative part of the disclosure statements for the first financial year adopting risk-based capital (“RBC”) regime (i.e. for the first financial year commencing on or after 1 January 2024).

Details of the disclosure requirements for the first financial year commencing on or after 1 January 2024 are as follows:

Audited financial statements

All authorized insurers, except for those insurers for which approval of a transitional arrangement under rule 88 of the Insurance (Valuation and Capital) Rules remains in effect, marine insurers, captive insurers or special purpose insurers (collectively “exempted insurers”), are required to publish their audited financial statements, which are required to be submitted to the IA under rule 3 of the Insurance (Submission of Statements, Reports and Information) Rules², for the first financial year commencing on or after 1 January 2024.

Disclosure statement

All authorized insurers other than exempted insurers and Lloyd’s are required to publish a disclosure statement, using the standard disclosure templates set out in **Annex 1** (English) and **Annex 2** (Chinese). The disclosure statement should either be in English accompanied by a Chinese translation, or in Chinese accompanied by an English translation.

¹ The complete set of requirements in relation to the public disclosure for the financial years commencing on or after 1 January 2025 is outlined in the Disclosure Rules, which is expected to commence operation on the day on which the Disclosure Rules is published in the Gazette, after these Disclosure Rules is to be passed by the Legislative Council in 2026.

² To avoid doubt, the audited financial statements are to be disclosed in their original language, i.e. translation into another language is not required.

As abovementioned, only quantitative information are required to be disclosed for the first financial year commencing on or after 1 January 2024, while the insurers may include qualitative information as indicated in the disclosure statement templates if they consider it necessary.

Insurers must disclose the information in conformity with the valuation and capital requirements that apply to the insurers under the Insurance (Valuation and Capital) Rules, or if any such requirements are varied or relaxed pursuant to section 10(3) or 130(1) of the IO, under the requirements so varied or relaxed as the case should be.

The disclosure statement is also required to include a statement³ to be made by a controller⁴ or a director of the insurer. The controller or director can make such statement on either the English or the Chinese version of the disclosure statement.

Timing and manner of disclosure

An authorized insurer must ensure that when its disclosure statement is published, the disclosures are not false or misleading in any material respect.

The audited financial statements and disclosure statement are required to be published on the insurer's website or, after obtaining IA's consent, the website of the insurer's group company. The insurer is required to provide the IA with such links to its audited financial statements and disclosure statement within **9 months** after the end of the first financial year commencing on or after 1 January 2024. At the written request of the insurer, the IA may exercise its discretion to extend such period by a period not exceeding 3 months where circumstances warranting an extension of such period are shown by the insurer.

Should you have any queries in relation to the above matters, please contact your case officer or email us at rbc@ia.org.hk.

Yours faithfully,

Tony Chan
Associate Director
Policy and Legislation Division
Insurance Authority

Encls.

c.c. Chairman, The Hong Kong Federation of Insurers
President, The Actuarial Society of Hong Kong

³ It refers to section 5 of the disclosure statement.

⁴ Within the meaning of section 13A(12) of the IO.