亞洲金融集團(控股)有限公司 *
Asia Financial Holdings Ltd.
Incorporated in Bermuda with limited liability

(Stock Code: 662)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2010

RESULTS

The board of directors (the "Board") of Asia Financial Holdings Limited (the "Company") announces the audited results of the Company and its subsidiaries (collectively known as the "Group") for the year ended 31st December, 2010 as follows:

CONSOLIDATED INCOME STATEMENT

Year ended 31st December, 2010

	Notes	**2010**	2009
		HK$'000	HK$'000
REVENUE	3	**964,312**	799,342
Gross premiums		**871,308**	781,546
Reinsurers' share of gross premiums		**(266,654)**	(229,395)
Net insurance contracts premiums revenue		**604,654**	552,151
Gross claims paid		**(343,278)**	(393,411)
Reinsurers' share of gross claims paid		**100,384**	113,493
Gross change in outstanding claims		**(103,946)**	32,437
Reinsurers' share of gross change in outstanding claims		**30,196**	(47,051)
Net claims incurred		**(316,644)**	(294,532)
Commission income		**58,326**	50,024
Commission expense		**(203,827)**	(181,653)
Net commission expense		**(145,501)**	(131,629)
Management expenses for underwriting business		**(49,638)**	(45,132)
Underwriting profit		**92,871**	80,858

CONSOLIDATED INCOME STATEMENT (continued)

Year ended 31st December, 2010

	Notes	**2010** HK$'000	2009 HK$'000
Dividend income		**47,327**	30,541
Realised gain on investments		**71,130**	128,670
Unrealised gain on investments		**80,432**	94,153
Interest income		**59,347**	62,599
Other income and gains, net		**11,779**	6,709
		362,886	403,530
Operating expenses		**(95,997)**	(93,280)
		266,889	310,250
Share of profits and losses of jointly-controlled entities		**17,578**	34,407
Share of profits and losses of associates		**29,474**	26,389
PROFIT BEFORE TAX	4	**313,941**	371,046
Income tax expense	5	**(42,378)**	(39,517)
PROFIT FOR THE YEAR		**271,563**	331,529
Attributable to:			
Equity holders of the Company		**268,819**	330,320
Non-controlling interests		**2,744**	1,209
		271,563	331,529
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	7		
Basic			
- For profit for the year		**HK26.4 cents**	HK32.4 cents
Diluted			
- For profit for the year		**N/A**	N/A

Details of the dividends are disclosed in note 6 to the announcement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31st December, 2010

	2010 HK$'000	2009 HK$'000
PROFIT FOR THE YEAR	**271,563**	331,529
OTHER COMPREHENSIVE INCOME		
Available-for-sale securities:		
Changes in fair value	**251,998**	257,430
Transfer of impairment loss to the consolidated income statement	**-**	13,799
	251,998	271,229
Share of other comprehensive income of jointly-controlled entities:		
Changes in available-for-sale investment reserves	**144**	4,123
Changes in exchange reserve	**16,960**	5,061
	17,104	9,184
Share of other comprehensive income of associates:		
Changes in available-for-sale investment reserves	**(2,103)**	4,199
Changes in exchange reserve	**6,789**	207
	4,686	4,406
Exchange differences on translation of foreign operations	**(579)**	(297)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**273,209**	284,522
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**544,772**	616,051
ATTRIBUTABLE TO:		
Equity holders of the Company	**542,685**	613,598
Non-controlling interests	**2,087**	2,453
	544,772	616,051

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31st December, 2010

	2010 HK$'000	2009 HK$'000
ASSETS		
Property, plant and equipment	**166,671**	178,053
Investment property	**3,380**	3,020
Interests in jointly-controlled entities	**343,075**	310,073
Loans to jointly-controlled entities	**43,553**	53,790
Interests in associates	**136,472**	111,837
Due from an associate	**164,763**	145,542
Deferred tax assets	**19,529**	22,320
Held-to-maturity securities	**908,566**	775,330
Available-for-sale securities	**1,491,416**	1,242,431
Pledged deposits	**80,941**	71,232
Loans and advances and other assets	**244,400**	231,039
Securities measured at fair value through profit or loss	**1,556,724**	1,135,435
Insurance receivables	**171,522**	117,020
Reinsurance assets	**393,687**	333,381
Cash and cash equivalents	**1,600,561**	1,876,031
Total assets	**7,325,260**	6,606,534
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Issued capital	**1,019,200**	1,019,200
Reserves	**4,460,835**	3,996,628
Proposed final dividend	**66,248**	66,248
	5,546,283	5,082,076
Non-controlling interests	**16,363**	17,936
Total equity	**5,562,646**	5,100,012
Liabilities		
Insurance contract liabilities	**1,400,793**	1,203,843
Insurance payables	**159,400**	147,972
Due to associates	**4,643**	5,898
Other liabilities	**131,245**	108,094
Tax payable	**56,687**	40,653
Deferred tax liabilities	**9,846**	62
Total liabilities	**1,762,614**	1,506,522
Total equity and liabilities	**7,325,260**	6,606,534

NOTES

1. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 (Revised)	*First-time Adoption of Hong Kong Financial Reporting Standards*
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Additional Exemptions for First-time Adopters*
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Group Cash-settled Share-based Payment Transactions*
HKFRS 3 (Revised)	*Business Combinations*
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*
HK(IFRIC)-Int 17	*Distributions of Non-cash Assets to Owners*
HKFRS 5 Amendments included in *Improvements to HKFRSs* issued in October 2008	Amendments to HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary*
Improvements to HKFRSs 2009	Amendments to a number of HKFRSs issued in May 2009
HK Interpretation 4 Amendment	Amendment to HK Interpretation 4 *Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases*
HK Interpretation 5	*Presentation of Financial Statements – Classification by the Borrower of Term Loan that Contains a Repayment on Demand Clause*

Other than as further explained below regarding the impact of HKFRS 3 (Revised) and HKAS 27 (Revised), the adoption of these new and revised HKFRSs has had no significant financial effect on these financial statements.

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) HKFRS 3 (Revised) *Business Combinations* and HKAS 27 (Revised) *Consolidated and Separate Financial Statements*

HKFRS 3 (Revised) introduces a number of changes in the accounting for business combinations that affect the initial measurement of non-controlling interests, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

1. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

(a) HKFRS 3 (Revised) *Business Combinations* and HKAS 27 (Revised) *Consolidated and Separate Financial Statements* (continued)

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised HKAS 27 changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to HKAS 7 *Statement of Cash Flows*, HKAS 12 *Income Taxes*, HKAS 21 *The Effects of Changes in Foreign Exchange Rates*, HKAS 28 *Investments in Associates* and HKAS 31 *Interests in Joint Ventures*.

The changes introduced by these revised standards must be applied prospectively and will affect the accounting of future acquisitions, loss of control and transactions with non-controlling interests after 1st January, 2010.

2. OPERATING SEGMENT INFORMATION

(a) Operating segments

The following tables present revenue and profit for the Group's operating segments.

Group	**Insurance 2010 HK$'000**	**Corporate 2010 HK$'000**	**Eliminations 2010 HK$'000**	**Consolidated 2010 HK$'000**
Segment revenue:				
External customers	**964,312**	**-**	**-**	**964,312**
Other revenue, income, gains, net	**165,722**	**104,293**	**-**	**270,015**
Intersegment	**777**	**-**	**(777)**	**-**
Total	**1,130,811**	**104,293**	**(777)**	**1,234,327**
Segment results	**216,887**	**50,002**	**-**	**266,889**
Share of profits and losses of:				
Jointly-controlled entities	**11,017**	**6,561**	**-**	**17,578**
Associates	**11,455**	**18,019**	**-**	**29,474**
Profit before tax				**313,941**
Income tax expense	**(34,453)**	**(7,925)**	**-**	**(42,378)**
Profit for the year				**271,563**

Group	Insurance 2009 HK$'000	Corporate 2009 HK$'000	Eliminations 2009 HK$'000	Consolidated 2009 HK$'000
Segment revenue:				
External customers	799,342	-	-	799,342
Other revenue, income, gains, net	201,257	121,415	-	322,672
Intersegment	686	-	(686)	-
Total	1,001,285	121,415	(686)	1,122,014
Segment results	241,114	69,136	-	310,250
Share of profits and losses of:				
Jointly-controlled entities	27,383	7,024	-	34,407
Associates	13,619	12,770	-	26,389
Profit before tax				371,046
Income tax expense	(27,394)	(12,123)	-	(39,517)
Profit for the year				331,529

2. OPERATING SEGMENT INFORMATION (continued)

(b) Geographical information

Over 90% of the Group's revenue and results are derived from operations carried out in Hong Kong and Macau.

3. REVENUE

Revenue, which is also the Group's turnover, represents gross premiums net of discounts, from the direct and reinsurance businesses underwritten during the year.

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after crediting/(charging):

	2010 **HK$'000**	2009 HK$'000
Depreciation	**(13,391)**	(14,958)
Employee benefit expense (including directors' remuneration):		
Wages and salaries	**(83,434)**	(80,262)
Pension scheme contributions	**(3,536)**	(3,401)
Less: Forfeited contributions	**143**	12
Net pension scheme contributions	**(3,393)**	(3,389)
Total employee benefit expense	**(86,827)**	(83,651)
Minimum lease payments under operating leases in respect of land and buildings	**(203)**	(1,179)
Realised gain/(loss) on:		
- disposal of securities measured at fair value through profit or loss, net	**72,704**	117,067
- disposal of available-for-sale securities	**78**	12,166
- redemption/call-back of held-to-maturity securities	**(1,652)**	(563)
	71,130	128,670
Unrealised gain on securities measured at fair value through profit or loss, net #	**80,432**	116,459
Impairment loss of available-for-sale securities #	**-**	(22,306)
Excess over the cost of additional acquisition of an associate *	**-**	16,700
Gain/(loss) on disposal/write-off of items of property, plant and equipment	**13**	(246)
Changes in fair value of investment property	**360**	(130)
Write-back of impairment allowances/(impairment allowances) on insurance receivables	**(458)**	840
Dividend income from:		
Listed investments	**40,727**	27,272
Unlisted investments	**6,600**	3,269
	47,327	30,541
Interest income	**59,347**	62,599

4. PROFIT BEFORE TAX (continued)

* Excess over the cost of additional acquisition of an associate is included in "Share of profits and losses of associates" on the face of the consolidated income statement.

\# Unrealised gain on securities measured at fair value through profit or loss, net and impairment loss of available-for-sale securities are included in "Unrealised gain on investments" on the face of the consolidated income statement.

5. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the locations in which the Group operates.

	2010	2009
	HK$'000	HK$'000
Group:		
Current - Hong Kong		
Charge for the year	**11,029**	601
Underprovision/(overprovision) in prior years	**17,293**	(384)
Current - Elsewhere	**1,481**	1,218
Deferred	**12,575**	38,082
Total tax charge for the year	**42,378**	39,517

6. DIVIDENDS

	2010	2009
	HK$'000	HK$'000
Interim - HK1.2 cents (2009: HK3.5 cents) per ordinary share	**12,230**	35,672
Proposed final - HK6.5 cents (2009: HK6.5 cents) per ordinary share	**66,248**	66,248
	78,478	101,920

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. Accordingly, the proposed final dividend has been included in the proposed final dividend reserve account within the equity attributable to the equity holders of the Company of the statement of financial position.

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK$268,819,000 (2009: HK$330,320,000) and the 1,019,200,000 (2009: weighted average number of ordinary shares of 1,021,079,193) ordinary shares in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31st December, 2010 and 2009 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

MANAGEMENT DISCUSSION AND ANALYSIS

(All changes in % refer to the same period last year unless otherwise specified)

Profit attributable to equity holders of the Company:	HK$268.8m	-18.6%
Earnings per share:	HK26.4 cents	-18.5%
Final dividend per share:	HK6.5 cents	-
Total dividend per share:	HK7.7 cents	-23.0%

Asia Financial Holdings Limited ("Asia Financial") achieved net profit attributable to shareholders of HK$268.8 million in 2010, an 18.6% decrease on the HK$330.3 million for the year 2009. This is largely due to the fall in gains from the Group's portfolio investments, reflecting the far slower market environment in 2010 following the sharp rebounds in 2009. At 9.1%, trading returns nonetheless remained in line with main benchmarks. For the fourth consecutive year, underwriting profits reached a record level, while returns from joint ventures and associated companies were satisfactory. Despite some growth in operations, costs remained under control.

Economic Background

Although the world economy as a whole continued to recover from the 2008-09 crisis in 2010, the picture was mixed. The United States and many other developed markets relied on loose monetary policy to counter high unemployment and continuing consumer debt. Developing economies on the other hand, including China and Asia, largely enjoyed strong growth, at least partly due to emerging domestic markets. China’s GDP expanded by over 10% and Hong Kong's by over 6%. This strength contributed to the continuing development of our operating activities in Hong Kong and our direct investments in the Mainland.

Asset prices, which affect much of our year-on-year profitability, slowed considerably in 2010 compared with the sharp recovery the year before. The Hang Seng index rose 5.3% and the Dow Jones 11% for the year. The impact of this was especially pronounced for more conservatively managed portfolios like ours, with a relatively low weighting in asset classes such as minor emerging markets and commodities which were boosted by very loose monetary conditions.

Overview by Investment Segments

Insurance

For the fourth consecutive year, wholly owned Asia Insurance Company, Limited ("Asia Insurance") reported a record underwriting profit, achieving a 14.8% increase over that of 2009. Turnover rose 20.6%. This satisfactory result reflects management's ongoing efforts to expand our base of quality business and take advantage of changes in supply and demand in the market to focus on more profitable market segments. In particular, Asia Insurance benefited from a firmer pricing environment in the motor sector and rising demand for employees' compensation coverage arising from new infrastructure and other construction projects in Hong Kong and Macau. Our growing reinsurance-related business also grew satisfactorily, helped by expansion overseas. We were also helped by the fact that the impact of earlier major events, such as the 2008 earthquakes, had run its course.

As with Asia Financial as a whole, the relative performances in equities markets in 2009 and 2010 produced declines in the year-on-year unrealized gain on market values of Asia Insurance's trading portfolio investments; this reflects the far slower market environment in 2010 following the sharp rebounds in 2009. In general, investment performance was acceptable. Dividend income benefited from improved corporate earnings. With bank interest levels very low, we maintained a strategy of balancing the portfolio away from deposits into fixed income instruments held to maturity and blue-chip holdings. Asia Insurance has no significant direct exposure to vulnerable European sovereign debt and related investments. Other income largely comprised foreign exchange gains.

Asia Insurance continued to keep costs under control, despite growth in turnover and the recruitment of extra staff in response to new opportunities.

The continuing strength of Asia Insurance's operations is a reflection of the company's status as a leader in Hong Kong's general insurance market with a sound reputation among clients. The outlook in 2011 for core underwriting is generally good. Hong Kong is seeing renewed growth driven by such factors as consumption and infrastructure projects. Strong economic expansion on the Mainland looks set to continue, if at a slightly slower pace due to official efforts to rein in inflation. The main potential dangers are deterioration of major economies overseas, sudden major rises in interest rates or an unexpected slowdown in the Mainland. Prospects for portfolio investments reflect this uncertainty, and as with Asia Financial as a whole, management will maintain a particularly prudent approach to management of traded investments.

Asia Insurance is open to potential new opportunities, but these seem fairly limited in the foreseeable future. Significant health care reform in Hong Kong, which could expand the market by encouraging a bigger role for personal health insurance coverage in the community, is proceeding slowly. Nonetheless, with this new potential market in mind, the company has launched a new 'Care Forever' product aimed essentially at middle- and upper-class individuals and families.

Overview by Investment Segments (continued)

Insurance (continued)

Associated and joint venture companies in the insurance segment generally performed in line with expectations under the overall investment climate. BC Reinsurance Ltd. and Hong Kong Life Insurance Ltd. both saw profits fall owing to declines in investment income; both companies enjoyed solid underwriting results. The People's Insurance Company of China (Hong Kong) Ltd. experienced a similar trend but also benefited from good premium growth. Professional Liability Underwriting Services Ltd. remained profitable in an increasingly competitive market.

PICC Life Insurance Co. Ltd in Mainland China, in which Asia Financial has a 5% stake, continues to take advantage of its opportunities as a company with a nationwide licence in a country where life insurance premiums are growing at double-digit rates. It now ranks sixth in the Chinese life insurance market and operates a network of some 1,900 offices. The company reported RMB72.1 billion in gross premiums for 2010, up 54.9% on the same period in the year before. All other business performance and risk control indicators were positive and healthy. The insurance liability reserves and solvency ratio were maintained at comfortable levels in line with the fast-growing business volume.

Other Portfolio Investment

Asia Financial's other portfolio investment income fell on a year-on-year basis by 14.2%. Net interest income's 5.2% decline in the period reflects low interest rates and a lower level of idle funds. Lower returns from trading investments (along with the corresponding decline in Asia Insurance's investment income) account for much of the reduction in Asia Financial's group net profit in 2010. As mentioned above, these declines reflect the strong recovery in equity market valuations in 2009 in Hong Kong and New York as much as the relative weakness during 2010. The results also reflect a greater weighting towards bonds during much of the year.

Asia Financial has no direct exposure to vulnerable European sovereign debt. Secondary exposure via equity and fund investments is limited by our policy of diversification and focus on quality, while our fixed income investments and derivative instruments are of investment grade or above.

Although world markets seem to have stabilized and corporate earnings in major markets recovered, this does not tell the whole story. This is by no means a benign environment, and we will stick to our traditional careful investment principles and maintain exposure to high-quality holdings to defend shareholders' wealth.

Health Care

Asia Financial's share of profits from its 19.5% stake in Bumrungrad International Limited ("BIL") showed a decline in 2010. This is partly a result of foreign exchange loss incurred when BIL sold Asia Renal Care, the chain of outpatient dialysis facilities in Asia. We hope to see more positive returns in future. We continue to foresee very healthy prospects for the business in Asia and the Middle East, owing to long-term demographic and policy trends, and the company will continue to consider suitable opportunities for expansion. BIL have expressed an interest to the Hong Kong government in bidding for a hospital site at Wong Chuk Hang on the south of Hong Kong Island.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Overview by Investment Segments (continued)

Pension and Asset Management

The Group's holding in jointly-controlled company, Bank Consortium Holding Limited ("BCH") enjoyed acceptable profit growth in 2010. This is largely due to the rising fee income from increased assets under management and provision of services to third parties. Bank Consortium Trust Co. Ltd. ("BCT"), a wholly owned subsidiary of BCH, remains one of the top five providers of Mandatory Provident Fund services in Hong Kong. The market may become more competitive at some stage when employees are given the right to transfer their personal contributions to other service providers; however, we are confident that BCT's commitment to quality client service will give it an edge in retaining and indeed attracting funds. Future expansion of this market will to some extent be influenced by government policy, but we expect BCT at least to remain a solid and steady contributor.

Property Development

The Group's interests in real estate are focused on Shanghai and Suzhou and represent 4.7% of our total assets. The main project is a residential and commercial complex in Jiading, in which we have a 27.5% stake. Phase 1 of the project has now been sold, and Phase 2 is now attracting pre-sales. Under Hong Kong accounting practice, Asia Financial booked part of the Phase 1 profits in 2010, and the remainder to be booked in the first half of 2011. Another piece of new land in an adjacent area in Jiading was acquired during early 2010 for a planned residential complex with a saleable area of 40,000 square meters. It is planned that the construction will start in 2011.

Measures to cool the mainland property market may have some limited impact on continuing sales, but we are confident that this overall project will continue to deliver good returns. It is a good quality development in a convenient location with a growing range of local facilities, and is intended to satisfy strong demand among middle-class end-users.

Management Approach and Future Prospects

The global outlook is far from certain. Many developed economies are pursuing uncoordinated and even contradictory monetary and fiscal policies in their attempts to recover from the financial crisis; at the same time, they are suffering unemployment and unsustainable budget deficits. Many emerging markets meanwhile face such challenges as food and commodity price pressures and unpredictable capital flows. China continues to enjoy strong growth but is also being affected by inflation. The best we can hope for is gradual worldwide recovery, but we cannot rule out setbacks and volatility.

Under these circumstances, caution will remain our guiding principle in the management of our cash and direct and indirect investments in the coming year. This is our longstanding philosophy, and it is one that has served our shareholders well over the years. Our number-one priority will continue to be preservation of value and an avoidance of unnecessary risk.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Management Approach and Future Prospects (continued)

Most of all, we will continue to focus on the long term. The recent financial crisis has by many standards been the biggest economic shock the world has seen for over half a century. Yet, even though some developed economies may need several more years of hardship to recover from the credit bubble, our own region is proving to be resilient. It would be over-optimistic to assume that Asia has no problems: China and other economies face long-term demographic and other structural challenges. But the continuing, historic rebalancing of global growth away from more mature economies is a real phenomenon. As an investment-based company, Asia Financial is in the right place at the right time.

We will continue to base our growth largely upon our existing range of investments in livelihood service industries, including insurance, retirement products, health care and property development, focused on Greater China and elsewhere in Asia. A good example would be the prospects for our interests in the life insurance sector in the Mainland. This range of investment segments is not a coincidence: this region is witnessing the growth of a large middle class; societies are at the same time beginning to age; and governments are seeking more market-based solutions to demographic policy challenges. This is the long-term environment on which Asia Financial's management focuses.

Our existing base of investments fits well with our traditional expertise and networks of clients and partners, and is well-positioned to benefit from long-term economic and social trends. In considering ways to build upon this base, we will adhere to this fundamental approach and exercise patience and caution.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees of the Group for the year ended 31st December, 2010 was 252 (2009: 247). Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration of the employees includes salary and discretionary bonus which is based on the Group's results and individual performance. Medical and retirement benefit schemes are made available to all levels of personnel. There was no share option scheme in operation during the year. The Group also offers various training and induction programmes to its employees.

FINAL DIVIDEND

The Board has resolved to recommend to the shareholders the payment of a final dividend of HK6.5 cents (2009: HK6.5 cents) per share which, together with the interim dividend of HK1.2 cents (2009: HK3.5cents) per share, will make a total dividend of HK7.7 cents (2009: HK10.0 cents) per share for the year ended 31st December, 2010. The proposed final dividend will be paid in cash to those shareholders whose names are on the Register of Members of the Company on Thursday, 5th May, 2011 and the dividend warrants will be despatched to shareholders on or about Friday, 20th May, 2011.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Friday, 29th April, 2011 to Thursday, 5th May, 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 28th April, 2011.

ANNUAL GENERAL MEETING

It is proposed that the Annual General Meeting of the Company will be held on Thursday, 5th May, 2011. Notice of the Annual General Meeting will be published and despatched to the shareholders on or about Tuesday, 29th March, 2011.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SHARES

During the year ended 31st December, 2010, neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

CORPORATE GOVERNANCE

Throughout the year ended 31st December, 2010, the Company has complied with all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31st December, 2010.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website at www.afh.hk and the HKExnews website at www.hkexnews.hk. The 2010 annual report will be despatched to the shareholders and available at the same websites on or about Tuesday, 29th March, 2011.

By Order of the Board
Asia Financial Holdings Limited
Robin Yau Hing Chan
Chairman

Hong Kong, 2nd March, 2011

As at the date of this announcement, the executive directors of the Company are Dr. Robin Yau Hing Chan (Chairman), Mr. Bernard Charnwut Chan (President), Mr. Stephen Tan, Mr. Wong Kok Ho; the non-executive directors are Mr. Lau Ki Chit, Mr. Choedchu Sophonpanich, Mr. Ng Song Hin, Dr. The Hon. Philip Yu Hong Wong, Mr. Kenneth Chi Lam Siao, Mr. Mamoru Miyazaki, Ms. Chan Yeow Toh; and the independent non-executive directors are Ms. Anna Suk Han Chow, Mr. Andrew Chiu Cheung Ma and Dr. Ko Wing Man.

*   *For identification purpose only*