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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, 2012

RESULTS

The board of directors (the "Board") of Asia Financial Holdings Limited (the "Company") announces the results of the Company and its subsidiaries (collectively known as the "Group") for the year ended 31st December, 2012 as follows:

Consolidated Income Statement

Year ended 31st December, 2012

	Notes	**2012 HK$'000**	2011 HK$'000
REVENUE	3	**1,321,365**	1,079,847
Gross premiums		**1,182,994**	1,010,985
Reinsurers' share of gross premiums		**(340,973)**	(298,770)
Net insurance contracts premiums revenue		**842,021**	712,215
Gross claims paid		**(535,632)**	(416,726)
Reinsurers' share of gross claims paid		**124,704**	121,648
Gross change in outstanding claims		**(161,541)**	(163,557)
Reinsurers' share of gross change in outstanding claims		**48,249**	17,220
Net claims incurred		**(524,220)**	(441,415)
Commission income		**71,034**	61,763
Commission expense		**(249,152)**	(223,776)
Net commission expense		**(178,118)**	(162,013)
Management expenses for underwriting business		**(57,869)**	(46,479)
Underwriting profit		**81,814**	62,308

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Consolidated Income Statement (continued)
Year ended 31st December, 2012

	Notes	**2012** **HK$'000**	2011 HK$'000
Dividend income		**68,017**	60,940
Realised gain/(loss) on investments		**80,544**	(133,899)
Unrealised gain/(loss) on investments		**153,662**	(172,867)
Interest income		**67,856**	61,283
Other income and gains, net		**1,797**	11,362
		453,690	(110,873)
Operating expenses		**(90,305)**	(79,075)
		363,385	(189,948)
Share of profits and losses of jointly-controlled entities		**31,194**	6,188
Share of profits and losses of associates		**50,446**	38,548
PROFIT/(LOSS) BEFORE TAX	4	**445,025**	(145,212)
Income tax credit/(expense)	5	**(38,990)**	11,112
PROFIT/(LOSS) FOR THE YEAR		**406,035**	(134,100)
Attributable to:			
Equity holders of the Company		**403,796**	(137,516)
Non-controlling interests		**2,239**	3,416
		406,035	(134,100)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	7		
Basic			
- For profit/(loss) for the year		**HK39.6 cents**	(HK13.5 cents)
Diluted			
- For profit/(loss) 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, 2012

	2012	2011
	HK$'000	HK$'000
PROFIT/(LOSS) FOR THE YEAR	**406,035**	(134,100)
OTHER COMPREHENSIVE INCOME/(EXPENSE)		
Available-for-sale securities:		
Changes in fair value	**443,809**	76,478
Share of other comprehensive income/(expense) of jointly-controlled entities:		
Changes in available-for-sale investment reserve	**434**	(52)
Changes in exchange reserve	**2,175**	7,279
Reclassification of exchange difference included in the consolidated income statement for capital reduction of a jointly-controlled entity	**(5,476)**	(12,318)
	(2,867)	(5,091)
Share of other comprehensive income/(expense) of associates:		
Changes in available-for-sale investment reserve	**16,767**	(17,539)
Changes in exchange reserve	**2,983**	11,048
	19,750	(6,491)
Exchange differences on translation of foreign operations	**471**	136
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**461,163**	65,032
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR	**867,198**	(69,068)
ATTRIBUTABLE TO:		
Equity holders of the Company	**859,871**	(67,154)
Non-controlling interests	**7,327**	(1,914)
	867,198	(69,068)

Consolidated Statement of Financial Position

31st December, 2012

	2012 **HK$'000**	2011 HK$'000
ASSETS		
Property, plant and equipment	**150,174**	154,971
Investment property	**4,770**	4,150
Interests in jointly-controlled entities	**209,863**	245,020
Loans to jointly-controlled entities	**14,337**	37,600
Interests in associates	**230,270**	162,099
Due from an associate	**168,390**	164,763
Deferred tax assets	**11,571**	35,029
Held-to-maturity securities	**681,904**	776,816
Available-for-sale securities	**2,853,817**	2,262,256
Pledged deposits	**102,605**	92,605
Loans and advances and other assets	**209,881**	208,225
Securities measured at fair value through profit or loss	**1,759,393**	1,848,154
Insurance receivables	**198,499**	151,751
Reinsurance assets	**541,140**	426,625
Cash and cash equivalents	**1,484,550**	841,581
Total assets	**8,621,164**	7,411,645
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Issued capital	**1,019,200**	1,019,200
Reserves	**5,138,382**	4,358,009
Proposed final dividend	**43,826**	20,384
	6,201,408	5,397,593
Non-controlling interests	**21,776**	14,449
Total equity	**6,223,184**	5,412,042
Liabilities		
Insurance contract liabilities	**1,933,124**	1,633,212
Insurance payables	**174,095**	135,341
Due to associates	**4,222**	4,222
Other liabilities	**222,562**	168,451
Tax payable	**54,131**	48,531
Deferred tax liabilities	**9,846**	9,846
Total liabilities	**2,397,980**	1,999,603
Total equity and liabilities	**8,621,164**	7,411,645

Notes

1. Changes in Accounting Policy and Disclosures

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

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments*: *Disclosures – Transfers of Financial Assets*
HKAS 12 Amendments	Amendments to HKAS 12 *Income Taxes – Deferred Tax*: *Recovery of Underlying Assets*

The adoption of the revised HKFRSs has had no significant financial effect on these financial statements.

Notes (continued)

2. Operating Segment Information

(a) Operating segments

The following tables present revenue and profit/(loss) for the Group's operating segments.

Group	**Insurance 2012 HK$'000**	**Corporate 2012 HK$'000**	**Eliminations 2012 HK$'000**	**Consolidated 2012 HK$'000**
Segment revenue:				
External customers	**1,321,365**	**-**	**-**	**1,321,365**
Other revenue, income, gains, net	**241,194**	**130,682**	**-**	**371,876**
Intersegment	**1,951**	**-**	**(1,951)**	**-**
Total	**1,564,510**	**130,682**	**(1,951)**	**1,693,241**
Segment results	**276,666**	**86,719**	**-**	**363,385**
Share of profits and losses of:				
Jointly-controlled entities	**15,233**	**15,961**	**-**	**31,194**
Associates	**13,026**	**37,420**	**-**	**50,446**
Profit before tax				**445,025**
Income tax expense	**(30,538)**	**(8,452)**	**-**	**(38,990)**
Profit for the year				**406,035**

Group	Insurance 2011 HK$'000	Corporate 2011 HK$'000	Eliminations 2011 HK$'000	Consolidated 2011 HK$'000
Segment revenue:				
External customers	1,079,847	-	-	1,079,847
Other revenue, income, losses, net	(80,707)	(92,474)	-	(173,181)
Intersegment	1,313	-	(1,313)	-
Total	1,000,453	(92,474)	(1,313)	906,666
Segment results	(57,575)	(132,373)	-	(189,948)
Share of profits and losses of:				
Jointly-controlled entities	5,318	870	-	6,188
Associates	13,500	25,048	-	38,548
Loss before tax				(145,212)
Income tax credit/(expense)	12,201	(1,089)	-	11,112
Loss for the year				(134,100)

Notes (continued)

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, Macau and Mainland China.

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/(Loss) before Tax

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

	2012 **HK$'000**	2011 HK$'000
Depreciation	**(8,020)**	(12,316)
Employee benefit expense (including directors' remuneration):		
Wages and salaries	**(88,210)**	(73,792)
Pension scheme contributions	**(3,795)**	(3,669)
Less: Forfeited contributions	**140**	-
Net pension scheme contributions	**(3,655)**	(3,669)
Total employee benefit expense	**(91,865)**	(77,461)
Minimum lease payments under operating leases in respect of land and buildings	**(1,014)**	(222)
Realised gain/(loss) on:		
- disposal of securities measured at fair value through profit or loss (held for trading), net	**67,537**	(133,129)
- exercise of prepaid derivative	**11,508**	-
- disposal of available-for-sale securities	**70**	83
- redemption/call-back of held-to-maturity securities	**1,429**	(853)
Realised gain/(loss) on investments as stated in the face of the consolidated income statement	**80,544**	(133,899)
Unrealised gain/(loss) on securities measured at fair value through profit or loss (held for trading), net	**157,381**	(135,233)
Unrealised loss on prepaid derivative (designated as at fair value through profit or loss upon initial recognition)	**-**	(37,634)
Impairment of available-for-sale securities	**(3,760)**	-
Write-back of impairment of available-for-sale-securities	**41**	-
Unrealised gain/(loss) on investments as stated in the face of the consolidated income statement	**153,662**	(172,867)

Notes (continued)

4. Profit/(Loss) before Tax (continued)

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

	2012 HK$'000	2011 HK$'000
Interest income	**67,856**	61,283
Gain/(loss) on disposal/write-off of items of property, plant and equipment	**117**	(5)
Change in fair value of an investment property	**620**	770
Impairment allowance on insurance receivables	**(300)**	(488)
Impairment of an interest in a jointly-controlled entity#	**-**	(16,655)
Reclassification of exchange difference included in the consolidated income statement for capital reduction of a jointly-controlled entity#	**5,476**	12,318
Dividend income from:		
Listed investments	**62,650**	55,035
Unlisted investments	**5,367**	5,905
	68,017	60,940

Impairment of an interest in a jointly-controlled entity and reclassification of exchange difference included in the consolidated income statement for capital reduction of a jointly-controlled entity are included in "Share of profit and loss of jointly-controlled entities" on the face of the consolidated income statement.

5. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 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.

	2012 HK$'000	2011 HK$'000
Group:		
Current - Hong Kong		
Charge for the year	**12,083**	1,178
Overprovision in prior years	**(2)**	-
Current - Elsewhere		
Charge for the year	**3,392**	3,090
Underprovision in prior years	**59**	120
Deferred	**23,458**	(15,500)
Total tax charge/(credit) for the year	**38,990**	(11,112)

Notes (continued)

6. Dividends

	2012 **HK$'000**	2011 HK$'000
Interim – HK3.5 cents (2011: HK1.5 cents) per ordinary share	**35,672**	15,288
Proposed final – HK4.3 cents (2011: HK2.0 cents) per ordinary share	**43,826**	20,384
	79,498	35,672

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/(Loss) Per Share Attributable to Ordinary Equity Holders of the Company

The calculation of the basic earnings/(loss) per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK$403,796,000 (2011: loss of HK$137,516,000) and 1,019,200,000 (2011: 1,019,200,000) ordinary shares in issue during the year.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the years ended 31st December, 2012 and 2011 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

8. Events after the Reporting Period

On 28th January, 2013, the Company entered into a Capital Increase Agreement with PICC Life Insurance Company Limited ("PICC Life") and all its existing equity holders to increase the registered capital of PICC Life. Upon completion of the capital injection, the Company's investment in PICC Life will be increased by RMB281 million (approximately HK$351 million) to RMB1,298 million and the equity interest in PICC Life of the Company will maintain at 5%. The Capital Increase Agreement shall become effective subject to the approvals of China Insurance Regulatory Commission and the relevant authorities.

MANAGEMENT DISCUSSION AND ANALYSIS

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

Profit attributable to equity holders of the Company:	HK$403.8 million	
Earnings per share:	HK39.6 cents	
Final dividend per share:	HK4.3 cents	+115.0%
Total dividend per share:	HK7.8 cents	+122.9%

Asia Financial Holdings Limited ("Asia Financial") achieved net profit attributable to shareholders of HK$403.8 million in 2012, comparing a loss of HK$137.5 million in 2011. This very positive result is due to the continued growth in underwriting profit and insurance operations, and very satisfactory growth from our jointly-controlled entities and associates. Realised and unrealised gains in the value of our portfolio investments were also recorded.

Economic Background

After the sharp downturn of 2011, the global economy was at least relatively stable last year. Western economies generally achieved low if any growth, while China showed welcome signs of a soft landing following a period of heavy stimulus; Hong Kong showed modest GDP expansion of just around 1%, but maintained continued low unemployment.

Loose monetary policy around the world – and possibly some hopes of future recovery in leading economies – led to buoyant asset prices, with the Hang Seng and Dow Jones Industrial Average Indexes rising 23% and 7% respectively. This market strength provided a sound basis for the positive performance of Asia Financial's trading and non-trading investment returns. Although Hong Kong's overseas trade faced weak global demand, parts of the domestic economy proved resilient and offered decent opportunities for growth in insurance operations.

Overview by Investment Segments

Insurance

Wholly owned Asia Insurance's profit attributable to shareholders for 2012 was HK$274.2 million, comparing a loss of HK$27.5 million in 2011. Underwriting profit increased by 30.1%, which is acceptable given remaining exposure to the flooding in Thailand in the second half of 2011 and to Hurricane Sandy in 2012.

Turnover rose by a healthy 22.3% and this reflects management's continuing efforts to focus on more high-value business. We have also focused on maintaining prudent balances between levels of reinsurance and direct insurance business and among geographical regions. The success of these measures underlines Asia Insurance’s status as one of Hong Kong’s leading local insurers.

The employees' compensation sector saw particularly good performance. This is partly helped by the large number of construction projects taking place in Hong Kong and Macau, but it also reflects our efforts to enlarge specialized risk management capacities in this sector. Most other lines of business produced stable profits. There were no significant changes to the size and reach of our agent network. Asia Insurance successfully kept costs under control, despite growth in turnover.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Overview by Investment Segments (continued)

Insurance (continued)
As with Asia Financial's other portfolio investments, Asia Insurance's securities holdings enjoyed significant gains in valuations following year-on-year rise in the equities markets during 2012. This was helped by a greater exposure to equities during the year, higher dividend income and improved positioning in order to capture capital gains. Interest income benefited from a bigger weighting in higher yield RMB bonds, which also offered exchange rate gains. Asia Insurance has no significant direct exposure to vulnerable European sovereign debt and related investments.

Asia Insurance continued in 2012 to build on its sound reputation among a steadily expanding base of clients in the Hong Kong and regional general insurance market. The outlook for core underwriting in 2013 looks reasonable, not least because of continuing high levels of infrastructure construction and resilient consumption levels. We will take steps to further optimize the balance between direct and reinsurance business in the portfolio.

One potential problem for Asia Insurance's core business (and indeed Hong Kong as a whole) would be a major setback to the Mainland economy, such as a hard landing after recent years' stimulus measures. Prospects for portfolio investments reflect the wider global picture, and management will maintain its prudent approach to management of traded investments and the maintenance of a well-balanced investment portfolio.

Asia Insurance remains open to possible new growth areas, but these seem fairly limited in the foreseeable future. Health care finance reform in Hong Kong has been proceeding slowly in the face of weak public support. However, the new administration may seek to give fresh impetus to the expansion of personal health care coverage.

Jointly-controlled entities and associates in the insurance segment generally performed satisfactorily. BC Reinsurance Limited enjoyed a good rebound in profit in line with investment valuations. Hong Kong Life Insurance Limited reported growth in turnover, reflecting the continued expansion of the business. People's Insurance Company of China (HK) Limited reported healthy and stable performance, as did Professional Liability Underwriting Services Limited.

PICC Life Insurance Company Limited 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. It now ranks fifth in the Chinese market and operates a network of some 2,050 offices. The company reported RMB64.0 billion in gross premiums for 2012, down 9.0% on the same period for the year before. All other business performance and risk control indicators showed positive and healthy figures.

Other Portfolio Investment
Year-on-year realised and unrealised valuation gains on trading investments rose significantly compared with 2011. This reflected largely above-benchmark performance of traded holdings and healthy dividend income from the non-traded segments of the portfolio during a rebound in the markets. A proportion of the gains from trading were realized in order to lock in profit. Net interest income rose in line with the level of idle funds during the period. The company's expenses remained steady.

Overview by Investment Segments (continued)

Other Portfolio Investment (continued)
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 most of our fixed income investments and derivative instruments are of investment grade or above.

The upturn in equities markets has continued into 2013, and our portfolio holdings may benefit during the coming year given the likelihood of global monetary easing continuing to stimulate asset prices. That said, our investment strategy will be flexible enough to cope with the market changes. Regardless of year-on-year fluctuations in market valuations, we will continue to place the highest priority on preservation of core shareholder wealth. At the same time, we will remain alert to strategic and long-term opportunities arising from structural changes in the international environment.

Health Care
Our 3.7% holding in Bumrungrad Hospital Public Company Limited ("Bumrungrad") in Bangkok remains one of our best-performing investments, with its valuation rising 77.0% in 2012. This is largely due to market recognition of Bumrungrad's success in attracting patients internationally through the delivery of high-quality medical services. This success looks likely to continue.

Bumrungrad International Limited ("BIL"), in which Asia Financial holds a 19.5% stake, is undergoing liquidation following the consolidation of its activities and the lack of suitable new investment opportunities. This has resulted in a return of capital to Asia Financial, including some exchange rate gain, which accounts for a minor increase in our share of profits from this source in 2012. We also refrained from submitting a bid to the Hong Kong government to start a new hospital at Wong Chuk Hang on the south of Hong Kong Island, as in our view the conditions attached to the project seriously hindered its viability. Despite these developments, we continue to foresee very good prospects for the health care business in the region, owing to long-term demographic and policy trends, and we will remain alert to potential new opportunities in the sector.

Pension and Asset Management
The Group's holding in jointly-controlled company Bank Consortium Holding Limited ("BCH") enjoyed healthy profit growth in 2012, because of rising fee income in line with equity market growth, and the company for the first time declared a dividend. Bank Consortium Trust Company Limited ("BCT"), a wholly owned subsidiary of BCH, remains one of the top five providers of Mandatory Provident Fund services in Hong Kong and is now marketing back-office services to other market players. Starting 1st November, 2012, employees will have the right to transfer their personal contributions up to one time a year to other service providers; so far, this has not had much effect on the market. At some stage, employees will have control over all their funds, and this may lead to greater competition in the market. 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 to remain a solid and steady contributor to Asia Financial.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Overview by Investment Segments (continued)

Property Development

The Group's interests in real estate are focused on Shanghai and Suzhou and represent 4.9% of our total assets. The main project is a residential and commercial complex in Jiading, in which we have a 27.5% stake. Sales of Phase 2 of the project proceeded well during 2012, yielding share of profits of HK$51.4 million booked for the year. The remaining units at Phase 2 are expected to be sold equally successfully during 2013. The timescale of the development of Phase 3 and a smaller plot of land is being kept flexible, in view of possible changes in measures to cool speculative activity in the mainland property market.

The outlook for the China residential property market depends to some extent on regulatory issues. However, we are confident that where financing is concerned, existing capital and cash flow will be sufficient for future projects. We are also confident that our projects contribute to a socially positive housing market, being aimed at middle-class end-users in a competitive local market, and are therefore not the prime targets of anti-speculative policies. Given the overall success of this project, we will consider new possible opportunities in this sector.

Management Approach and Future Prospects

The global economic outlook for 2013 is mixed. Developed economy government deficits remain a concern; the Eurozone is undergoing contraction; and competitive currency devaluations or trade restrictions are possible, On the other hand, China seems to have achieved a 'soft landing' after the investment-led growth of the last few years, and the United States economy is showing some early signs of a recovery. Therefore, we expect the stock market will remain volatile.

One danger is possible asset price volatility in the wake of continued monetary easing in many economies; given our aim above all to preserve shareholder's wealth in uncertain times, we will remain alert to this possibility. We must also remain mindful of consumer price inflation, which was around 4% last year in Hong Kong and could affect our costs and competitiveness.

Given the degree of uncertainty, we will continue to exercise caution in the management of our cash and direct and indirect investments in the coming year. This is our longstanding approach, and it has served our shareholders well over the years. We will also remain alert to the possibility that short-term instability in markets can create worthwhile investment opportunities within acceptable levels of risk.

The outlook for our insurance operations is generally positive, helped by continued infrastructure construction and resilient consumption in our main markets, and further efforts to optimize the balance between Asia Insurance's direct and reinsurance underwriting business. The company will remain alert to possible new opportunities arising from health care coverage reforms in Hong Kong.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Management Approach and Future Prospects (continued)

Our focus will remain very much on the long term, which we believe continues to offer attractive new opportunities arising from the overall relative economic vibrancy of much of the East Asian region. We will continue to build our interests in livelihood-related service industries such as insurance, retirement, health 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. These are described in more detail below. This choice of investment segments is based upon the transformation of the Greater China/East Asia region as a large middle class comes into being, societies begin to age and governments seek 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.

Charge on Assets

As at 31st December, 2012, Asia Insurance charged assets with a carrying value of HK$102,912,000 (2011: HK$102,658,000) in favour of the Hong Kong Mortgage Corporation Limited (the "HKMC") to secure the payments under the HKMC Mortgage Insurance Programme.

Contingent Liabilities

As at 31st December, 2012, there was an outstanding counter guarantee issued by the Company in favour of People's Insurance Company (Group) of China Limited (the "PICC Group") amounting to 5% of all the liabilities and expenses of RMB112.5 million (approximately HK$140.0 million) (2011: RMB112.5 million) under a master guarantee provided by the PICC Group. The master guarantee is to secure the repayment of 10-year subordinated term debt of RMB2.25 billion issued by PICC Life Insurance Company Limited. The counter guarantee will expire on 25th April, 2019.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees of the Group for the year ended 31st December, 2012 was 255 (2011: 263). 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.

ANNUAL GENERAL MEETING

The Annual General Meeting (the "AGM") of the Company will be held on Thursday, 9th May, 2013. Notice of the AGM will be published and despatched to the shareholders on or about Wednesday, 27th March, 2013.

FINAL DIVIDEND

The Board has resolved to recommend to the shareholders the payment of a final dividend of HK4.3 cents (2011: HK2.0 cents) per share which, together with the interim dividend of HK3.5 cents (2011: HK1.5 cents) per share, will make a total dividend of HK7.8 cents (2011: HK3.5 cents) per share for the year ended 31st December, 2012. The proposed final dividend will be paid in cash to those shareholders whose names are on the Register of Members of the Company on Monday, 20th May, 2013 and the dividend warrants will be despatched to shareholders on or about Monday, 27th May, 2013.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed for the following periods:

(a) <u>For the purpose of ascertaining shareholders' right to attend and vote at the AGM</u>:

Latest time to lodge transfers	4:30 p.m. on 7th May, 2013
Book close dates (both days inclusive)	8th to 9th May, 2013
Record date	9th May, 2013
AGM	9th May, 2013

(b) <u>For the purpose of ascertaining shareholders' entitlement to the proposed final dividend</u>:

Ex-dividend date for final dividend	14th May, 2013
Latest time to lodge transfers	4:30 p.m. on 15th May, 2013
Book close dates (both days inclusive)	16th to 20th May, 2013
Record date for final dividend	20th May, 2013
Despatch of dividend warrants	on or about 27th May, 2013

All transfers accompanied by the relevant share certificates must be lodged for registration 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 not later than the above specified time.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31st December, 2012, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

CORPORATE GOVERNANCE CODE

Throughout the year ended 31st December, 2012, the Company has complied with all the applicable code provisions set out in the Code on Corporate Governance Practices (effective until 31st March, 2012) and the Corporate Governance Code (effective from 1st April, 2012) 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, 2012.

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 2012 annual report will be despatched to the shareholders and available at the same websites on or about Wednesday, 27th March, 2013.

By Order of the Board
Asia Financial Holdings Limited
Robin Y.H. Chan
Chairman

Hong Kong, 1st March, 2013

As at the date of this announcement, the executive directors of the Company are Dr. CHAN Yau Hing Robin (Chairman), Mr. CHAN Bernard Charnwut (President), Mr. TAN Stephen, Mr. WONG Kok Ho; the non-executive directors are Mr. LAU Ki Chit, Mr. SOPHONPANICH Choedchu, Mr. NG Song Hin, Mr. MIYAZAKI Mamoru, Ms. CHAN Yeow Toh; and the independent non-executive directors are Ms. CHOW Suk Han Anna, Mr. MA Andrew Chiu Cheung, Mr. SIAO Chi Lam Kenneth, Dr. The Hon. WONG Yu Hong Philip and Mrs. LAI KO Wing Yee Rebecca.

* *For identification purpose only*